

INDICATIVE TERMSHEET AS AT 15 JANUARY 2002

NOTE TERMS

Description:	40 year non-call 5 annual bermudan callable variable accretion zero-coupon Note	
Issuer:	Abbey National Treasury Services Plc	
Guarantor:	Abbey National Plc	
Ratings:	Aa2/AA	
Nominal Amount:	EUR 35-37,000,000	
Trade Date:	[16] January 2002	
Issue Date:	1 February 2002	
Maturity Date:	1 February 2042	
Issue Price:	100.00%	
Net Proceeds:	EUR 35-37,000,000	
Coupon:	Zero	
Business Day Convention:	Modified Following adjustment	
Denominations:	EUR 100,000	
Redemption Amount:	100% * Compounded Annual Yield	
Annual Yield:	<u>Years 1-5</u> 7.50% per annum (30/360) <u>Years 6 +</u> 10.50% - 1 year EUR Swap Rate (30/360) subject to a minimum yield of 6.00% per annum (30/360) and subject to a maximum yield of 9.00% per annum (30/360)	
1 year EUR Swap Rate:	1 year Euro swap rate vs 6 month EURIBOR as quoted on Reuters page ISDAFIX2 at 11am Brussels time 2 London & TARGET business days prior to the start of each Accrual Period	
Call Option:	The Issuer will have the right to call the Notes at the Redemption Amount on 1 February each year, commencing on and including 1 February 2007 (5yrs), (all subject to Modified Following Business Day adjustment), upon not less than 5 Business Days prior notification. Notice to be provided in the method prescribed in the Terms and Conditions of the Notes.	
Listing:	Luxembourg	
Business Days:	TARGET & London	
Documentation:	EMTN Programme	
Settlement:	Euroclear/Clearstream	Against Payment

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Registered Address: 1 Finsbury Avenue London EC2M 2PP

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Purchase of the Notes is subject to and should be read in conjunction with the terms and conditions of the Notes, the Offering Circular for the MTN Programme and the Pricing Supplement relating to this issue.

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