

Final Terms dated 26 October 2006

HSBC France

Issue of EUR 10,000,000 "Rate of Exchange and CMS Spread-Booster" Notes due 26 October 2011
under the € 20,000,000,000
Euro Medium Term Note Programme

HSBC

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15 September 2006 and the supplement to the Base Prospectus dated 2 November 2006 which together constitute a prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and the supplement to the Base Prospectus are available for viewing at, and copies may be obtained from, the registered office of the Issuer and at the specified office of the Paying Agent(s) or on the websites of (a) the Luxembourg Stock Exchange (www.bourse.lu) and (b) the Issuer (www.hsbc.fr).

1.	Issuer:	HSBC France
2.	(i) Series Number:	1153
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Euro ("EUR")
4.	Aggregate Nominal Amount of Notes admitted to trading:	
	(i) Series:	EUR 10,000,000
	(ii) Tranche:	EUR 10,000,000
5.	Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	EUR 50,000
7.	(i) Issue Date:	26 October 2006
	(ii) Interest Commencement Date:	Not Applicable
8.	Maturity Date:	26 October 2011, subject to adjustment in accordance with the Following Business Day Convention

9.	Interest Basis:	Not Applicable
10.	Redemption/Payment Basis: <i>(Condition 7)</i>	Index Linked Redemption (further particulars specified below)
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Date of Board approval for issuance of Notes obtained:	Decision of the <i>Conseil d'Administration</i> of the Issuer dated 25 July 2006
14.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions:	Not Applicable
16.	Floating Rate Note Provisions:	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	Index-Linked Interest Note/other variable-linked interest Note Provisions:	Not Applicable
19.	Dual Currency Note Provisions:	Not Applicable
20.	Provisions relating to Physical Delivery Notes:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21.	Issuer's optional redemption (Call): <i>(Condition 7(c))</i>	Not Applicable
22.	Noteholder's optional redemption (Put): <i>(Condition 7(d))</i>	Not Applicable
23.	Final Redemption Amount of each Note: In cases where the Final Redemption Amount is Index-Linked or variable-linked:	
	(i) Formula:	See Annex 1
	(ii) Calculation Agent responsible for calculating the Final	

Redemption Amount: **HSBC Bank plc**
8 Canada Square
London E14 5HQ
United Kingdom

- (iii) **Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:** See Annex 1
- (iv) **Determination Date(s):** See Annex 1
- (v) **Provisions for determining Final Redemption Amount where calculation by reference to Formula is impossible or impracticable or otherwise disrupted:** See Annex 1
- (vi) **Payment Date:** The Maturity Date, subject to adjustment in accordance with the Following Business Day Convention (there shall not be any resulting adjustment to the accrual)
- (vii) **Minimum Final Redemption Amount:** 0.00 per cent. per annum
- (vii) **Maximum Final Redemption Amount:** Not Applicable
24. **Early Redemption Amount:**
- Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in Condition 7(e)):** Condition 7(e) applies

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **Form of Notes:** Dematerialised Notes
- (i) **Form of Dematerialised Notes:** Applicable - bearer form (*au porteur*)
- (ii) **Registration Agent:** Not Applicable
- (iii) **Temporary Global Certificate:** Not Applicable
- (iv) **Applicable TEFRA exemption:** Not Applicable
26. **Financial Centre(s) or other special**

- provisions relating to Payment Dates for the purposes of Condition 8(g):** TARGET and New York City
27. **Talons for future Coupons or Receipts to be attached to Definitive Materialised Notes (and dates on which such Talons mature):** Not Applicable
28. **Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:** Not Applicable
29. **Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:** Not Applicable
30. **Redenomination, renominalisation and reconventioning provisions:** Not Applicable
31. **Consolidation provisions:** Not Applicable
32. **Masse (Condition 13):** Applicable
- The initial Representative will be:
- Marie-Hélène BAUDENET D'ANNOUX
286, boulevard Saint-Germain
75007 Paris
France
- The Alternative Representative will be:
- Catherine BAK-HANSEN
59, rue Eugène Carrière
75018 Paris
France
- The Representative will not receive any remuneration
33. **Other final terms:** Not Applicable

PROVISIONS APPLICABLE TO INDEX LINKED NOTES, CASH EQUITY NOTES, AMERICAN DEPOSITARY RECEIPT LINKED NOTES AND EQUITY LINKED NOTES

34. **Security Delivery (Equity Linked Notes only):** Not Applicable

35. **Provisions for Cash Equity Notes and Equity Linked Notes (excluding American Depositary Receipt Linked Notes):** Not Applicable
36. **Additional provisions for Equity Linked Notes:** Not Applicable
37. **Provisions for American Depositary Receipt Linked Notes:** Not Applicable
38. **Provisions for Index Linked Notes:** Not Applicable
39. **Valuation Date(s):** Not Applicable
40. **Valuation Time:** Not Applicable
41. **Averaging Dates:** Not Applicable
42. **Other terms or special conditions relating to Index Linked Notes, Cash Equity Notes or Equity Linked Notes:** Not Applicable
- DISTRIBUTION**
43. **If syndicated, names and addresses of Managers:** Not Applicable
44. **If non-syndicated, name and address of Dealer:** **HSBC Bank plc**
Level 3
8 Canada Square
London E14 5HQ
United Kingdom
45. **Total commission and concession:** Not Applicable
46. **Additional selling restrictions:** Not Applicable
47. **GENERAL**
- The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●] per cent. producing a sum of:** [●]

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Euro 20,000,000,000 Euro Medium Term Note Programme of HSBC France

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:
Duly authorised

J.-P. Meyer



D. Descamps

PART B – OTHER INFORMATION

1. RISK FACTORS

Not Applicable

2. LISTING AND ADMISSION TO TRADING

(i) Listing(s): Luxembourg Stock Exchange Regulated Market (*Bourse de Luxembourg*)

(ii) Admission to trading: Application has been made for the Notes to be admitted to trading on Luxembourg Stock Exchange Regulated Market (Bourse de Luxembourg) with effect from 9 November 2006

(iii) Estimate of total expenses related to admission to trading: Euro 3,300

(iv) Additional publication of Base Prospectus and Final Terms: The Base Prospectus, the supplement to the Base Pros and these Final Terms will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu)

3. RATINGS

Ratings: The Notes have not been rated

4. OPERATIONAL INFORMATION

ISIN Code: FR0010386102

Common Code: 027241662

Depositaries:

(i) Euroclear France to act as Central Depository: Yes

(ii) Common Depository for Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme: No

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

**Names and addresses of additional
Paying Agent(s) (if any):** Not Applicable

ANNEX 1

(this annex forms part to the Final Terms to which it is attached)

A. Formula:

Unless previously redeemed, or purchased and cancelled in accordance with the Conditions, the Final Redemption Amount payable by the Issuer on the Payment Date, in respect of each Note, shall be, as determined by the Calculation Agent, equal to the sum of:

(i) the Denomination; and

$$(ii) \frac{1}{10} \times \sum_{i=1}^{10} \left[\left(\frac{\text{Rate of Exchange}_0}{\text{Rate of Exchange}_i} \right) \times \left[\begin{array}{l} [120 \times \text{Max}\{0.00\%; \text{USD10CMS Rate}_i - \text{USD2CMS Rate}_i - 0.01\}] \\ + \\ [215 \times \text{Max}\{0.00\%; \text{USD10CMS Rate}_i - \text{USD2CMS Rate}_i - 0.0125\}] \end{array} \right] \right]$$

B.1 General Definitions:

"USD2CMS Rate_i" means, in respect of each Determination Date_i, (a) the rate for U.S. Dollar swaps, expressed as a percentage, with a Designated Maturity of 2 years, which appears on the Reuters Screen ISDAFIX1 Page as of 11:00 a.m., New York City time, on such day or if no such rate appears on Reuters Screen ISDAFIX1 Page (b) the rate determined in accordance with "USD-CMS-Reference Banks" (as defined in the ISDA Definitions), without any reference to Reset Date and U.S. Government Securities Business Day. "i" will equal 1 for the first USD2CMS Rate, 2 for the second USD2CMS Rate... and 10 for the 10th USD2CMS Rate

"USD10CMS Rate_i" means, in respect of each Determination Date_i, (a) the rate for U.S. Dollar swaps, expressed as a percentage, with a Designated Maturity of 10 years, which appears on the Reuters Screen ISDAFIX1 Page as of 11:00 a.m., New York City time, on such day or if no such rate appears on Reuters Screen ISDAFIX1 Page (b) the rate determined in accordance with "USD-CMS-Reference Banks" (as defined in the ISDA Definitions), without any reference to Reset Date and U.S. Government Securities Business Day. "i" will equal 1 for the first USD10CMS Rate, 2 for the second USD10CMS Rate... and 10 for the 10th USD10CMS Rate

"Rate of Exchange₀" means 1.2525

"Rate of Exchange_i" means, in respect of each Determination Date_i, (a) the EUR/USD exchange rate, quoted as an amount of USD per one EUR, as observed on Reuters page ECB37; or, if no such rate appears on such page, the Calculation Agent shall select another Reuters page or determine in good faith such exchange rate by reference to such sources as it may select in its absolute discretion

B.2 Additional Definitions:

"Determination Date_i" means, for the purpose of the determination of USD2CMS Rate_i, USD10CMS Rate_i and the Rate of Exchange_i, each of the 17th, 16th, 15th, 14th, 13th, 12th, 11th, 10th, 9th and 8th Relevant Business Day prior to the Payment Date. "i" refers to each of the ten (10) Determination Dates

"Relevant Business Day" means, in respect of the USD2CMS Rate_i, the USD10CMS Rate_i and the Rate of Exchange_i, (i) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in New York City and (ii) a TARGET Business Day