

Final Terms dated 3 June 2008

HSBC France
Issue of EUR 100,000,000 Index-Linked Interest Notes due June 2018
linked to the Non-revised Index of Consumer Prices excluding Tobacco
under the €20,000,000,000
Euro Medium Term Note Programme

HSBC Bank Plc

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 13 November 2007 and the supplement to the Base Prospectus dated 29 April 2008 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:	1235
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Euro (" EUR ")
4.	Aggregate Nominal Amount of Notes:	
	(i) Series:	EUR 100,000,000
	(ii) Tranche:	EUR 100,000,000
5.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	EUR 50,000
7.	(i) Issue Date and Interest Commencement Date:	5 June 2008
	(ii) Interest Commencement Date (if different from the Issue Date):	Not Applicable
8.	Maturity Date:	5 June 2018
9.	Interest Basis:	Index-Linked Interest Note (further particulars specified below)

10.	Redemption/Payment Basis: (<i>Condition 7</i>)	Redemption at par
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:	Authorisation of the <i>Conseil d'Administration</i> of the Issuer dated 25 July 2007
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:	Applicable
	(i) Index/Formula/other variable:	As defined in (iii) below
	(ii) Party responsible for calculating the interest due (if not the Calculation Agent):	Not Applicable
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	

The amount of interest payable on each Specified Interest Payment Date shall be an amount determined by the Calculation Agent as follows:

Specified Denomination x

$$\text{Max} \left[\left[\left(\frac{\text{Final Index}}{\text{Initial Index}} - 1 \right) + 2.91 \right]; 0 \right]$$

Where:

“**Final Index**” means, in respect of a relevant Specified Interest Payment Date, the level of the Index first published or announced for the month of March of the current year, as determined by the Calculation Agent (such level being final and

conclusive notwithstanding any later revisions thereto).

“**Initial Index**” means, in respect of a relevant Specified Interest Payment Date, the level of the Index first published or announced for the month of March of the preceding year, as determined by the Calculation Agent (such level being final and conclusive notwithstanding any later revisions thereto).

“**Index**” means, the "Non-revised Index of Consumer Prices excluding Tobacco", or relevant Successor Index (as defined in Annex), measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by the relevant Index Sponsor (Bloomberg: page CPTFEMU Index).

(iv)	Determination Date(s):	Not Applicable
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	See Annex
(vi)	Interest or Calculation Period(s):	As defined in Conditions
(vii)	Specified Interest Payment Dates:	5 June in each year, from and including 5 June 2009, to and including the Maturity Date, all subject to adjustment in accordance with the Business Day Convention specified below (there shall not be any resulting adjustment to the accrual)
(viii)	Business Day Convention:	Modified Following Business Day Convention
(ix)	Business Centre(s):	TARGET
(x)	Minimum Rate of Interest:	Not Applicable
(xi)	Maximum Rate of Interest:	Not Applicable
(xii)	Day Count Fraction:	30/360 unadjusted
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): (Condition 7(c))	Not Applicable
-----	--	----------------

22.	Noteholder's optional redemption (Put): (Condition 7(d))	Not Applicable
23.	Final Redemption Amount of each Note:	EUR 50,000 per Note of EUR 50,000 Specified Denomination
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 (<i>au porteur</i>)
	(ii) Registration Agent:	Not Applicable
	(iii) Temporary Global Certificate:	Not Applicable
26.	Financial Centre(s) or other special provisions relating to Payment Dates for the purposes of Condition 8(g):	Condition 8(g) applies
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, renominatisation and reconventioning provisions:	Not Applicable
31.	Consolidation provisions:	Not Applicable
32.	<i>Masse</i> (Condition 13):	Applicable
		The initial Representative will be:
		Claire Lhenry

77, rue de la République
92190 Meudon
France

The alternative Representative will be:

Maryline Batiard
29, rue Tronchet
75008 Paris
France

The Representative will not receive any remuneration.

33. Other final terms: See Annex

DISTRIBUTION

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): Transfer Notice: 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: See Annex
43. If syndicated, names of Managers: Not Applicable
44. If non-syndicated, name and address of Dealer: **HSBC Bank plc**
8 Canada Square
London E14 5HQ

United Kingdom
45. Total commission and concession: Not Applicable

46. Additional selling restrictions: Not Applicable
47. U.S. Selling Restrictions: TEFRA not applicable
48. Non-exempt Offer: Not Applicable
49. GENERAL
- The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●] per cent. producing a sum of: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Luxembourg Stock Exchange Regulated Market (Bourse de Luxembourg) of the 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



PART B – OTHER INFORMATION

1. RISK FACTORS

2. LISTING AND ADMISSION TO TRADING

(i) Listing(s): Official List of the Luxembourg Stock Exchange (Bourse de Luxembourg)

(ii) (a) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange Regulated Market (Bourse de Luxembourg) with effect from 5 June 2008

(b) Regulated Markets or equivalent markets on which, to the knowledge of the Issuer, securities of the same class of the Notes to be offered or admitted to trading are already admitted to trading: Not Applicable

(iii) Estimate of total expenses related to admission to trading: EUR 5,350

(iv) Additional publication of Base Prospectus and Final Terms: Not Applicable

4. RATINGS

Ratings: The Notes to be issued have not been rated

5. NOTIFICATION

Not Applicable

6. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Not Applicable

7. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

8. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable

9. Fixed Rate Notes only – YIELD

Indication of yield: Not Applicable

10. Floating Rate Notes only - HISTORIC INTEREST RATES

Not Applicable

11. Index-Linked or other variable-linked Notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

12. Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Not Applicable

13. Derivatives only – EXPLANATION OF EFFECT ON VALUE OF INVESTMENT, RETURN ON DERIVATIVES SECURITIES AND INFORMATION CONCERNING THE UNDERLYING

Not Applicable

14. SETTLEMENT PROCEDURES FOR DERIVATIVE SECURITIES

Not Applicable

15. RETURN ON DERIVATIVES SECURITIES

Not Applicable

16. INFORMATION CONCERNING THE UNDERLYING

Not Applicable

17. Derivatives only – POST ISSUANCE INFORMATION CONCERNING THE UNDERLYING

Not Applicable

18. OPERATIONAL INFORMATION

ISIN Code: FR0010623454

Common Code: 036794518

Depositories:

(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 initial Paying Agent(s):

Principal Paying Agent:

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

Paris Paying Agent:

HSBC France
103, avenue des Champs Elysées
75008 Paris
France

Luxembourg Paying Agent

KBL European Private Bankers S.A.
43, Boulevard Royal
L-2955 Luxembourg

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

ANNEX

(This Annex forms part of the Final Terms to which it is attached)

Fallback provisions in respect of the Index

(A) Definitions

"Affected Payment Date" means each Specified Interest Payment Date in respect of which the Index has not been published or announced.

"Index Sponsor" means the entity that publishes or announces (directly or through an agent) the level of the relevant Index.

"Related Bond" means a bond selected by the Calculation Agent and issued by one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union, with a maturity date which falls on the same day as the Maturity Date or such other date as the Calculation Agent may select if there is no such bond maturing on the Maturity Date. If any bond so selected redeems the Calculation Agent will select a new Related Bond on the same basis, but selected from all eligible bonds in issue at the time the original Related Bond redeems (including any bond for which the redeemed bond is exchanged).

"Substitute Index Level" means an Index level, determined by the Calculation Agent pursuant to the provisions of (B) below, in respect of an Affected Payment Date.

"Successor Index" has the meaning specified in (C) below.

(B) Delay of Publication

(a) If any level of the Index relevant to the calculation of interest has not been published or announced by the day that is five Business Days prior to the relevant Specified Interest Payment Date the Calculation Agent shall determine a Substitute Index Level by using the following methodology:

(i) If applicable, the Calculation Agent will take the same action to determine the Substitute Index Level for the Affected Payment Date as that taken by the calculation agent pursuant to the terms and conditions of the Related Bond;

(ii) If (i) does not result in a Substitute Index Level for the Affected Payment Date for any reason, then the Calculation Agent shall determine the Substitute Index Level as follows:

$$\text{Substitute Index Level} = \text{Base Level} \times (\text{Latest Level} / \text{Reference Level})$$

Where:

"Base Level" means the level of the Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

"Latest Level" means the latest level of the Index (excluding any "flash" estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Index Level is being calculated.

"*Reference Level*" means the level of the Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month referred to in "Latest Level" above.

(b) If a level of the Index is published or announced at any time after the day that is five Business Days prior to the next Specified Interest Payment Date, such level will not be used in any calculations. The Substitute Index Level so determined pursuant to this sub-paragraph (B), will be the definitive level.

(C) Cessation of Publication.

If a level for the Index has not been published or announced for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index then the Calculation Agent shall determine a Successor Index (in lieu of any previously applicable Index) for the purposes of the Notes by using the following methodology:

(a) If at any time a successor index has been designated by the calculation agent pursuant to the terms and conditions of the Related Bond, such successor index shall be designated a "Successor Index" for the purposes of all subsequent Specified Interest Payment Dates in relation to the Notes, notwithstanding that any other Successor Index may previously have been determined under (b), (c) or (d) below; or

(b) If a Successor Index has not been determined under (a) above and a notice has been given or an announcement has been made by an Index Sponsor, specifying that the Index will be superseded by a replacement Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Index for purposes of the Notes from the date that such replacement Index comes into effect; or

(c) If a Successor Index has not been determined under (a) or (b) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "Successor Index". If three responses are received, and two or more leading independent dealers state the same index, this index will be deemed the "Successor Index"; or

(d) If no Successor Index has been deemed under (a), (b) or (c) above by the fifth Business Day prior to the next Affected Payment Date the Calculation Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "Successor Index".

(e) If the Calculation Agent determines that there is no appropriate alternative index, then the Notes shall be terminated as of the date selected by the Calculation Agent in its sole and absolute discretion and the entitlement of the relevant Noteholders to receive any remaining payments in respect of interest and the Final Redemption Amount shall cease and the Issuer's obligations under the relevant Notes shall be satisfied in full upon payment of such amount as in the opinion of the Calculation Agent (such opinion to be made in its sole and absolute discretion) is fair in the circumstances by way of compensation for the termination of the Notes.

(D) Rebasing of the Index

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the "Rebased Index") will be used for purposes of determining the level of the Index from the date of such rebasing; provided, however, that the Calculation Agent shall make such adjustments as are made by the calculation agent pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. If there is no Related Bond, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Notes.

(E) Material Modification

If, on or prior to the day that is five Business Days before a Specified Interest Payment Date, an Index Sponsor announces that it will make a material change to an Index then the Calculation Agent shall make any such adjustments to the Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Index to continue as the Index.

(F) Manifest Error in Publication

If, within thirty days of publication, the Calculation Agent determines that the Index Sponsor has corrected the level of the Index to remedy a manifest error in its original publication, the Calculation Agent will take such action as it may deem necessary to give effect to such correction.