

Final Terms dated 29 July 2008



HSBC FRANCE

Issue of €30,000,000 5.50 Per Cent. Notes due July 2018
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 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 Agents 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.	Series Number:	1242
3.	Specified Currency:	Euro ("€")
4.	Aggregate Nominal Amount of Notes admitted to trading:	€30,000,000
5.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	€50,000
7.	Issue Date and Interest Commencement Date:	30 July 2008

8.	Maturity Date:	30 July 2018
9.	Interest Basis:	5.50 per cent. Fixed Rate
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 29 July 2008
14.	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	5.50 per cent. per annum payable annually in arrear
	(ii) Interest Payment Dates:	30 July in each year commencing on 30 July 2009
	(iii) Fixed Coupon Amount:	Not Applicable
	(iv) Broken Amount:	Not Applicable
	(v) Day Count Fraction:	Actual/Actual ICMA
	(vi) Determination Dates:	30 July in each year
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	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

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|-----|---|------------------------|
| 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: | 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)): | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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|-----|--|-----------------------------------|
| 25. | Form of Notes: | Dematerialised Notes |
| | (i) Form of Dematerialised Notes: | 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): | Not Applicable |
| 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:

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:** Not Applicable

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:** Not Applicable
43. (i) **If syndicated, names of Managers:** Not Applicable
- (ii) **Stabilising Manager(s) (if any):** Not Applicable

44. **If non-syndicated, name of Dealer:** **HSBC Bank plc**
8 Canada Square
London E14 5HQ

United Kingdom
45. **U.S. Selling Restrictions:** Reg. S Compliance Category; TEFRA not applicable
46. **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 Regulated Market of the Luxembourg Stock Exchange (*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

Not Applicable.

2. LISTING AND ADMISSION TO TRADING

- (i) Listing(s): Official List of the Luxembourg Stock Exchange (*Bourse de Luxembourg*)
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*) with effect from 30 July 2008.
- (iii) Estimate of total expenses related to admission to trading: EUR 3,900

3. RATINGS

Ratings: The Notes to be issued have not been rated.

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

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.

5. YIELD

Indication of yield: 5.50 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. OPERATIONAL INFORMATION

ISIN Code: FR0010650838

Common Code: 038025783

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 Agents:

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
Luxembourg

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