

**SECOND SUPPLEMENT DATED 5 SEPTEMBER 2017 TO THE OFFERING MEMORANDUM
DATED 17 JANUARY 2017**



HSBC France

**Programme for the issue of Structured Notes and Certificates
for an aggregate maximum issue amount of €20,000,000,000
(the "Programme")**

This second supplement (the **Second Supplement**) to the Offering Memorandum (the **Offering Memorandum**) dated 17 January 2017 as supplemented by the first supplement to the Offering Memorandum dated 27 March 2017 (the **First Supplement**), which comprises a supplementary listing particulars for the purposes of the Listing Rules of the Global Exchange Market (**GEM**) and has been approved by the Irish Stock Exchange, is prepared in connection with the €20,000,000,000 Structured Notes and Certificates Programme (the **Programme**) established by HSBC France (the **Issuer**). Terms defined in the Offering Memorandum have the same meaning when used in this Second Supplement.

This Second Supplement is supplemental to, and should be read in conjunction with, the Offering Memorandum.

The Issuer accepts responsibility for the information contained in this Second Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Second Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Second Supplement is:

- (a) to amend the "Risk Factors Relating to the Issuer" section;
- (b) to incorporate by reference the English translation of HSBC France's 2016 Update to the Registration Document;
- (c) to amend the "Description of the Issuer" section; and
- (d) to amend the "General Information" section of the Offering Memorandum.

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AMENDMENTS TO THE RISK FACTORS RELATING TO THE ISSUER

The section entitled "Risk Factors Relating to the Issuer" on page 6 of the Offering Memorandum is amended by the deletion of the last paragraph and the substitution of the following:

“The main risk factors relating to the Issuer are as follows:

- (a) financial risks (credit risk, counterparty risk, market risk, structural interest-rate risk, structural foreign exchange risk and liquidity and funding risk);
- (b) operational risks (legal risk, tax risk, IT Systems Risk, non-compliance risk and accounting risk);
and
- (c) environmental risks,

they are detailed on pages 18 to 22 and 111 to 179 of the 2016 Registration Document and on pages 12 to 19 of the Update to the 2016 Registration Document (both as defined in the Section “Documents incorporated by Reference”), which are incorporated by reference in this Offering Memorandum.”.

AMENDMENTS TO THE DOCUMENTS INCORPORATED BY REFERENCE

The English translation of the Issuer's update to the 2016 Registration Document has been filed with the AMF for the purposes of the Prospectus Directive and, by virtue of this Second Supplement, is incorporated in, and forms part of, the Offering Memorandum.

The section "Documents incorporated by reference" on page 42 of the Offering Memorandum is updated accordingly as follows:

1. a new paragraph (c) is created:

“(c) the English version of the update to the 2016 Registration Document filed with the AMF on 4 August 2017 under number D.17-0118-A01 and which includes, *inter alia*, the unaudited condensed consolidated financial statements of the Issuer at 30 June 2017 and the related statutory auditors’ review report (the **Update to the 2016 Registration Document**);”;

2. the second sentence of the fourth paragraph is deleted in its entirety and replaced by the following:

“Any documents incorporated by reference in the 2015 Registration Document, the 2016 Registration Document or in the Update to the 2016 Registration Document do not form part of the Offering Memorandum.”.

AMENDMENTS TO THE DESCRIPTION OF THE ISSUER

The section entitled "Description of the Issuer" on page 178 of the Offering Memorandum is amended by the deletion of the first paragraph and the substitution of the following:

“The Issuer’s description is included in the 2016 Registration Document and in the Update to the 2016 Registration Document which are incorporated by reference into this Offering Memorandum.”.

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
Annex XI of the European Regulation 809/2004/EC	
3. RISK FACTORS	Update to the 2016 Registration Document pages 12 to 19 2016 Registration Document pages 18 to 22 and 111 to 179
4. INFORMATION ABOUT THE ISSUER	
<u>4.1. History and development of the Issuer</u>	2016 Registration Document page 346
<u>4.1.2. Place of registration of the Issuer and its registration number</u>	2016 Registration Document page 344
<u>4.1.3 Date of incorporation and the length of life of the issuer, except where indefinite</u>	2016 Registration Document page 344
<u>4.1.4 Domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business of different from its registered office)</u>	2016 Registration Document page 344
<u>4.1.5. Recent Developments</u>	2016 Registration Document page 22
5. BUSINESS OVERVIEW	
<u>5.1. Principal activities:</u>	Update to the 2016 Registration Document pages 4 to 12 2016 Registration Document pages 3 to 18 and 293
<u>5.1.2. New product and/or activities:</u>	2016 Registration Document pages 3 to 18 and 293
<u>5.1.3. Principal markets:</u>	Update to the 2016 Registration Document pages 4 to 12 2016 Registration Document pages 3 to 18 and 293
<u>5.1.4 Basis for any statement in the registration document made by the issuer regarding its competitive position.</u>	2016 Registration Document pages 3 to 18 and 293
6. ORGANISATIONAL STRUCTURE	

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
Annex XI of the European Regulation 809/2004/EC	
<u>6.1 Brief description of the group and of the issuer's position within it</u>	2016 Registration Document pages 2 to 22 and 328 to 331 and 335 to 337
7. TREND INFORMATION	Update to the 2016 Registration Document page 10 2016 Registration Document page 22
9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	
Name, business addresses and functions in the Issuer of the members of the administrative, management or supervisory bodies and indication of the principal activities performed by them outside the Issuer	2016 Registration Document pages 24 to 38 and page 352
Conflict of Interest	2016 Registration Document page 42
10. MAJOR SHAREHOLDERS	
<u>10.1 To the extent know to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused</u>	2016 Registration Document pages 40 and 347
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
<u>Interim and other financial information for the period ended 30 June 2017</u>	
<u>- Balance sheet</u>	Update to the 2016 Registration Document page 28
<u>- Income statement</u>	Update to the 2016 Registration Document page 26
<u>- Cash flow statement</u>	Update to the 2016 Registration Document page 29
<u>- Notes</u>	Update to the 2016 Registration Document pages 31 to 42
<u>- Auditor's report relating to the above</u>	Update to the 2016 Registration Document page 43
<u>- Consolidated statement of comprehensive income</u>	Update to the 2016 Registration Document page 27
<u>- Consolidated statement of changes in equity</u>	Update to the 2016 Registration Document page 30

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
Annex XI of the European Regulation 809/2004/EC	
<u>Issuer's audited consolidated annual financial statements for the year ended 31 December 2016</u>	
- Balance sheet	2016 Registration Document page 192
- Income statement	2016 Registration Document page 190
- Cash flow statement	2016 Registration Document page 193
- Notes	2016 Registration Document pages 196 to 287
- Auditors' report relating to the above	2016 Registration Document pages 288 and 289
- Consolidated statement of comprehensive income	2016 Registration Document page 191
- Consolidated statement of changes in equity	2016 Registration Document pages 194 and 195
<u>Issuer's audited consolidated annual financial statements for the year ended 31 December 2015</u>	
- Balance sheet	2015 Registration Document page 160
- Income statement	2015 Registration Document page 158
- Cash flow statement	2015 Registration Document page 161
- Notes	2015 Registration Document pages 164 to 263
- Auditors' report relating to the above	2015 Registration Document pages 264 and 265
- Consolidated statement of comprehensive income	2015 Registration Document pages 159
- Consolidated statement of changes in equity	2015 Registration Document pages 162 and 163
11.6 Legal and arbitration proceedings	Update to the 2016 Registration Document pages 41 to 42 2016 Registration Document pages 166 to 167
12. MATERIAL CONTRACTS	2016 Registration Document page 346

AMENDMENTS TO THE GENERAL INFORMATION

The section “General Information” on page 250 of the Offering Memorandum is amended as follows:

1. the text of paragraph (1) is deleted and replaced by the following:

The issues of Notes were authorised in a resolution of the Issuer’s Board of Directors on 21 July 2017. This authorisation is scheduled to expire at the latest on 21 July 2018.

2. the text of paragraph (3) is deleted and replaced by the following:

“Except as disclosed on pages 166 to 167 of the 2016 Registration Document and on pages 41 to 42 of the Update to the 2016 Registration Document, neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceeding which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.”; and

3. the text of paragraph (4) is deleted in its entirety and replaced by the following:

“There has been no significant change in the financial or trading position of HSBC France since 30 June 2017.”.