

HSBC SFH (France) Investor Report

Collection Period End:

31/12/2013

Date of Report:

16/01/2014

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	5 896 221 243 €
Number of Loans	44 803
Number of Borrowers	40 618
Average Loan Balance	131 603
Weighted Average Seasoning of Loan parts (months)	46.11
Weighted Average Remaining Term of Loan Parts (months)	168.17
Percentage of floating interest rate loans	1.94%
Weighted Average Current LTV	66.7%
Weighted Average Current Indexed LTV	63.0%
Loan Originator	Total Loan Balance
HBFR	5 896 221 243 €
Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	4 174 970 271 €
Weight Average Maturity	6.06
ACT Results	
Asset Cover Ratio	1.23
Asset Cover Test Result	PASS

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1.a Unindexed LTV Ranges Distribution		
Unindexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	815 043 566 €	9 401
>40% - ≤50%	647 780 850 €	5 424
>50% - ≤60%	736 359 953 €	5 731
>60% - ≤70%	832 845 081 €	5 974
>70% - ≤80%	952 162 509 €	6 311
>80% - ≤85%	453 037 638 €	3 015
>85% - ≤90%	494 316 627 €	3 213
>90% - ≤95%	495 769 522 €	3 116
>95% - ≤100%	402 529 731 €	2 284
>100% - ≤105%	58 874 134 €	282
>105%	7 501 631 €	52
Total	5 896 221 243 €	44 803

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	1 140 019 564 €	12 358
>40% - ≤50%	697 971 042 €	5 371
>50% - ≤60%	740 452 989 €	5 443
>60% - ≤70%	787 875 521 €	5 504
>70% - ≤80%	838 480 272 €	5 485
>80% - ≤85%	410 300 385 €	2 681
>85% - ≤90%	425 712 370 €	2 777
>90% - ≤95%	464 086 485 €	2 929
>95% - ≤100%	391 322 614 €	2 255
>100% - ≤105%	0 €	-
>105%	0 €	-
Total	5 896 221 243 €	44 803

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	5 896 221 243 €	44 803
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	5 896 221 243 €	44 803

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3. Seasoning

Seasoning in months	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
< 12	1 232 719 908 €	103 863 283 €	103 059 197 €	132 175 490 €	167 358 362 €	204 276 155 €	96 658 339 €	114 379 53 €	137 401 106 €	173 548 440 €	0 €	0 €
≥12 - <24	1 160 805 554 €	140 374 055 €	110 825 154 €	138 400 575 €	154 289 510 €	177 582 920 €	96 156 123 €	114 123 040 €	138 916 674 €	90 137 499 €	0 €	0 €
≥24 - <36	583 193 860 €	69 541 611 €	51 292 139 €	51 993 881 €	63 668 965 €	92 759 439 €	54 936 980 €	67 151 146 €	81 340 561 €	37 820 091 €	10 290 422 €	189 625 €
≥36 - <60	825 817 511 €	100 322 358 €	67 705 305 €	80 038 286 €	102 977 615 €	125 911 788 €	74 667 783 €	91 771 086 €	72 235 377 €	65 374 397 €	40 683 475 €	4 130 043 €
≥60	2 093 684 410 €	400 942 259 €	314 899 055 €	333 751 718 €	342 350 628 €	351 632 209 €	130 618 414 €	106 891 819 €	65 866 804 €	35 649 304 €	7 900 237 €	3 181 963 €
Total	5 896 221 243 €	815 043 566 €	647 780 850 €	736 359 953 €	832 845 081 €	952 162 509 €	453 037 638 €	494 316 627 €	495 769 522 €	402 529 731 €	58 874 134 €	7 501 631 €

4. Loan Purpose

Loan Purpose	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Purchase	5 278 408 887 €	758 433 849 €	601 717 142 €	683 857 549 €	766 435 216 €	858 698 127 €	402 834 075 €	434 686 807 €	412 257 208 €	301 743 446 €	51 525 119 €	6 220 349 €
RE-MORTGAGE	370 782 675 €	21 670 845 €	18 252 341 €	24 329 393 €	35 913 810 €	46 858 662 €	23 893 320 €	37 198 647 €	65 167 778 €	90 284 598 €	6 072 417 €	1 139 864 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	139 487 099 €	18 128 300 €	14 752 601 €	16 599 384 €	19 046 756 €	25 728 397 €	14 498 102 €	13 057 633 €	10 087 940 €	7 198 542 €	269 368 €	120 075 €
Construction (New Building)	107 542 582 €	16 810 571 €	13 058 766 €	11 573 628 €	11 449 299 €	20 877 324 €	11 812 141 €	9 373 540 €	8 255 596 €	3 303 150 €	1 007 231 €	21 342 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	5 896 221 243 €	815 043 566 €	647 780 850 €	736 359 953 €	832 845 081 €	952 162 509 €	453 037 638 €	494 316 627 €	495 769 522 €	402 529 731 €	58 874 134 €	7 501 631 €

5. Occupancy type

Occupancy type	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Owner-occupied	4 458 570 708 €	661 862 543 €	507 641 860 €	570 261 839 €	642 756 081 €	703 170 440 €	329 914 846 €	356 462 447 €	350 641 231 €	292 449 079 €	39 042 439 €	4 367 902 €
Buy-to let	859 489 269 €	74 511 966 €	78 425 841 €	89 707 737 €	10 896 040 €	152 576 273 €	83 498 305 €	95 980 943 €	90 509 590 €	62 096 906 €	18 627 505 €	2 658 162 €
Vacation / second home	578 161 267 €	78 669 057 €	61 713 149 €	76 390 377 €	79 192 960 €	96 415 796 €	39 624 488 €	41 873 237 €	54 687 701 €	47 983 746 €	1 204 190 €	475 566 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	5 896 221 243 €	815 043 566 €	647 780 850 €	736 359 953 €	832 845 081 €	952 162 509 €	453 037 638 €	494 316 627 €	495 769 522 €	402 529 731 €	58 874 134 €	7 501 631 €

6. Borrower Employment type

Employment type	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Employed	4 279 816 587 €	566 105 328 €	482 088 487 €	534 685 484 €	612 403 495 €	698 601 031 €	325 741 170 €	363 382 340 €	360 932 248 €	286 718 813 €	44 382 179 €	4 776 013 €
Protected life-time employment	469 523 535 €	61 491 426 €	42 425 118 €	58 329 009 €	66 777 179 €	73 784 132 €	41 625 538 €	40 517 191 €	39 825 652 €	40 452 941 €	3 870 141 €	425 206 €
SELF-EMPLOYED	838 799 120 €	114 307 063 €	84 143 374 €	102 786 047 €	113 664 832 €	138 667 874 €	65 438 612 €	72 158 516 €	78 366 443 €	58 887 929 €	8 887 418 €	1 991 011 €
Unemployed	201 501 795 €	40 746 191 €	25 122 513 €	25 660 004 €	26 305 912 €	28 399 634 €	13 562 072 €	13 057 085 €	12 810 808 €	14 390 891 €	1 106 686 €	0 €
Other/No data	106 580 206 €	32 393 558 €	14 001 358 €	14 899 408 €	13 693 663 €	12 369 838 €	6 670 246 €	5 201 495 €	3 834 371 €	2 579 158 €	627 711 €	309 400 €
Total	5 896 221 243 €	815 043 566 €	647 780 850 €	736 359 953 €	832 845 081 €	952 162 509 €	453 037 638 €	494 316 627 €	495 769 522 €	402 529 731 €	58 874 134 €	7 501 631 €

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7. Geographical distribution												
Region	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Alsace	47 970 418 €	6 593 487 €	5 421 629 €	5 941 931 €	8 577 164 €	7 192 85 €	4 766 205 €	3 818 585 €	3 856 540 €	1 801 992 €	0 €	0 €
Aquitaine	270 952 990 €	37 086 465 €	26 338 531 €	30 054 875 €	41 279 592 €	44 736 595 €	16 906 980 €	22 902 585 €	24 460 818 €	22 102 426 €	4 409 881 €	674 243 €
Auvergne	27 304 544 €	3 275 009 €	2 507 085 €	2 122 927 €	3 678 681 €	5 985 07 €	2 390 747 €	2 258 219 €	3 064 941 €	1 704 763 €	31 7067 €	0 €
Basse-Normandie	53 486 561 €	6 266 123 €	5 666 005 €	7 394 852 €	8 460 375 €	10 238 048 €	4 219 415 €	4 506 761 €	4 433 681 €	2 301 303 €	0 €	0 €
Bourgogne	37 186 932 €	3 931 674 €	2 833 886 €	5 688 402 €	4 524 753 €	7 251 92 €	3 970 358 €	2 985 272 €	3 844 131 €	2 156 862 €	0 €	0 €
Bretagne	93 859 568 €	14 148 966 €	8 882 009 €	14 343 874 €	11 638 784 €	16 38 057 €	6 938 412 €	6 406 390 €	8 809 026 €	5 547 040 €	887 010 €	0 €
Centre	117 017 054 €	12 920 841 €	11 150 538 €	12 491 947 €	16 477 040 €	20 261 504 €	9 860 571 €	10 878 435 €	13 085 255 €	8 897 45 €	982 758 €	10 671 €
Champagne-Ardenne	17 710 790 €	1 704 471 €	1 329 361 €	1 031 203 €	3 346 697 €	3 207 67 €	1 588 072 €	3 042 505 €	1 290 229 €	1 170 564 €	0 €	0 €
Corse	16 009 176 €	1 773 227 €	1 460 129 €	3 284 630 €	1 398 153 €	2 513 34 €	1 831 942 €	1 445 860 €	1 116 119 €	1 185 742 €	0 €	0 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	21 928 768 €	2 199 497 €	1 463 153 €	3 556 076 €	2 941 470 €	2 790 30 €	2 517 366 €	2 792 336 €	1 996 931 €	1 671 369 €	0 €	0 €
Haute-Normandie	122 648 475 €	14 443 310 €	10 036 435 €	18 252 364 €	16 459 563 €	21 773 503 €	10 565 515 €	11 869 442 €	10 536 474 €	8 537 407 €	174 461 €	0 €
Île-de-France	3 110 832 294 €	448 313 463 €	375 847 999 €	396 893 75 €	438 742 142 €	482 040 801 €	223 224 757 €	242 972 68 €	246 920 845 €	213 236 264 €	36 921 069 €	5 719 089 €
Languedoc-Roussillon	68 508 353 €	10 290 377 €	6 592 006 €	8 092 206 €	10 86 152 €	11 188 664 €	6 931 715 €	5 157 769 €	5 134 102 €	3 951 586 €	0 €	309 776 €
Limousin	15 209 631 €	2 047 970 €	1 902 964 €	2 368 617 €	2 206 665 €	2 072 180 €	920 524 €	2 180 909 €	775 302 €	734 29 €	0 €	0 €
Lorraine	65 873 330 €	5 298 123 €	5 407 637 €	8 352 143 €	9 211 606 €	12 378 635 €	6 666 556 €	5 899 432 €	6 481 625 €	6 054 554 €	0 €	123 018 €
Midi-Pyrénées	109 103 130 €	11 985 907 €	8 864 924 €	10 903 710 €	15 378 897 €	18 635 463 €	10 463 244 €	10 515 406 €	10 893 698 €	9 272 813 €	2 189 067 €	0 €
Nord-Pas-de-Calais	296 525 664 €	38 565 870 €	28 697 404 €	33 645 673 €	37 295 183 €	45 389 620 €	24 446 229 €	31 262 961 €	27 08 961 €	25 977 073 €	4 196 896 €	29 793 €
Pays-de-la-Loire	119 389 344 €	17 708 884 €	12 994 113 €	14 688 083 €	16 114 039 €	18 328 947 €	7 546 657 €	9 213 811 €	12 426 885 €	10 205 786 €	162 141 €	0 €
Picardie	131 342 453 €	11 254 472 €	7 566 947 €	12 888 676 €	17 416 616 €	26 939 617 €	13 973 808 €	12 962 317 €	13 791 482 €	13 345 946 €	1 072 572 €	130 000 €
Poitou-Charentes	102 603 606 €	14 433 729 €	9 954 028 €	11 183 986 €	13 551 074 €	17 728 318 €	9 644 159 €	9 298 916 €	9 857 08 €	6 261 729 €	690 643 €	0 €
Provence-Alpes-Côte d'Azur	616 759 137 €	95 321 410 €	60 362 317 €	77 981 266 €	91 358 382 €	106 282 389 €	52 723 213 €	54 384 196 €	49 63 691 €	28 029 850 €	538 025 €	14 400 €
Rhône-Alpes	433 999 027 €	55 480 290 €	52 501 752 €	55 198 716 €	61 927 853 €	68 968 953 €	30 941 193 €	37 562 454 €	36 21 764 €	28 382 868 €	6 332 543 €	490 641 €
Territoires d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	5 896 221 243 €	815 043 566 €	647 780 850 €	736 359 953 €	832 845 081 €	952 162 509 €	453 037 638 €	494 316 627 €	495 769 522 €	402 529 731 €	58 874 134 €	7 501 631 €

8. Guaranty Type			
Guaranty	Total Loan Balance	Total Loan Balance in %	Number of Loans
Mortgage	964 997 202 €	16.37%	7 251
Guaranteed by Crédit Logement	4 931 224 041 €	83.63%	37 552
Total	5 896 221 243 €	100.00%	44 803

ASSET COVER TEST

Date of Asset Cover test:

16/01/2014

$$R = \frac{\text{Adjusted Aggregate Asset Amount (AAAA)}}{\text{Aggregate Covered Bond Outstanding Principal Amount}} \geq 1$$

Adjusted Aggregate Asset Amount (AAAA) = A + B + C + D - (Y + Z)

R	Asset Cover test Ratio	1.23
	Adjusted Aggregate Asset Amount (AAAA)	5 126 836 740.59 €
	Aggregate Covered Bond Outstanding Principal Amount	4 174 970 271.46 €
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	5 129 712 481.66 €
A1	Adjusted Home Loan Outstanding Principal Amount	5 712 709 267.39 €
A2	= a * b	5 129 712 481.66 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	5 896 221 243.29 €
	Asset Percentage (b)	87.0%

B	Cash Collateral Account	-
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C	Aggregate Substitution Asset Amount (ASAA)	-
	ASAA level limit	20%
	ASAA level is acceptable	TRUE

D	Permitted Investments	123 725 161.93
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Y	Payments under Issuer Hedging Agreement	-
	Equal to:	

i) Zero before Issuer hedging Agreement is entered into by Issuer subject to, and in accordance with, the Hedging Strategy

ii) Otherwise, an amount equal to payments due under the Issuer hedging Agreements (plus interest thereon) within the period of α plus 2 months, where alpha means the period between 2 interest payment dates (1st day of such period included and last day of

Z	WAM * Covered Bond Outstanding Principal Amount * 0.50%	126 600 903
	WAM (Weighted Average Maturity)	6.06
	Negative Carry Adjustment	0.50%

Name of Series	Outstanding Principal Amount	Scheduled Maturity Date	Remaining Maturity
Serie n°1 ISINFR0010849174 Devise : EUR	1 500 000 000.00	20/01/2017	3.0554
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	1.6838
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	4.6845
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	5.3087
Serie n°5 ISINFR0011470764 Devise : EUR	1 250 000 000.00	16/10/2023	9.7906
Serie n°6 ISINFR0011600923 Devise : EUR	1 000 000 000.00	28/10/2020	6.8255

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