

## HSBC SFH (France) Investor Report

Collection Period End:

**29/02/2012**

Date of Report:

**19/03/2012**

### Summary

<b>Cover Pool Overview Data</b>	
Total Outstanding Current Balance:	3 817 427 792 €
Number of Loans	32 147
Number of Borrowers	30 210
Average Loan Balance	118 749
Weighted Average Seasoning of Loan parts (months)	50.38
Weighted Average Remaining Term of Loan Parts (months)	167.95
Percentage of floating interest rate loans	3.08%
Weighted Average Current LTV	68.7%
Weighted Average Current Indexed LTV	60.7%
Loan Originator	Total Loan Balance
HBFRR	3 817 427 792 €
<b>Covered Bonds Overview Data</b>	
Total Covered Bonds Outstanding Balance:	1 924 970 271 €
Weight Average Maturity	5.09
<b>ACT Results</b>	
Asset Cover Ratio	1.74
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%	536 596 553 €	8 469
>40% - ≤50%	361 798 561 €	3 240
>50% - ≤60%	436 996 532 €	3 628
>60% - ≤70%	485 701 869 €	3 661
>70% - ≤80%	544 610 687 €	3 838
>80% - ≤85%	277 324 809 €	1 898
>85% - ≤90%	317 746 793 €	2 062
>90% - ≤95%	316 224 969 €	2 038
>95% - ≤100%	283 326 731 €	1 770
>100% - ≤105%	161 092 602 €	1 027
>105%	96 007 687 €	516
<b>Total</b>	<b>3 817 427 792 €</b>	<b>32 147</b>

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	866 884 626 €	11 662
>40% - ≤50%	432 983 643 €	3 499
>50% - ≤60%	495 812 674 €	3 605
>60% - ≤70%	504 407 795 €	3 457
>70% - ≤80%	529 973 840 €	3 519
>80% - ≤85%	266 588 184 €	1 717
>85% - ≤90%	239 946 599 €	1 590
>90% - ≤95%	229 599 840 €	1 486
>95% - ≤100%	251 230 592 €	1 612
>100% - ≤105%	0 €	-
>105%	0 €	-
<b>Total</b>	<b>3 817 427 792 €</b>	<b>32 147</b>

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 817 427 792 €	32 147
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
<b>Total</b>	<b>3 817 427 792 €</b>	<b>32 147</b>

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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	480 407 865 €	69 010 039 €	47 690 438 €	52 506 583 €	62 785 688 €	79 375 086 €	37 601 675 €	37 996 481 €	48 39 252 €	44 238 385 €	894 238 €	0 €
≥12 - <24	497 240 991 €	59 170 106 €	34 105 023 €	52 600 024 €	50 538 743 €	70 091 205 €	37 208 521 €	37 878 049 €	40 32 250 €	47 556 703 €	42 933 670 €	24 835 697 €
≥24 - <36	400 572 146 €	35 881 604 €	28 103 128 €	31 027 973 €	37 212 881 €	42 331 715 €	21 686 325 €	26 179 670 €	33 87 376 €	40 594 401 €	53 876 409 €	49 800 664 €
≥36 - <60	643 369 897 €	89 084 787 €	51 541 516 €	62 067 234 €	72 800 438 €	79 310 380 €	43 530 107 €	58 080 596 €	59 83 730 €	65 137 199 €	48 948 423 €	13 033 485 €
≥60	1 795 836 893 €	283 450 019 €	200 358 455 €	238 794 718 €	262 364 119 €	273 502 301 €	137 298 181 €	157 611 996 €	133 879 362 €	85 800 042 €	14 439 861 €	8 337 840 €
<b>Total</b>	<b>3 817 427 792 €</b>	<b>536 596 553 €</b>	<b>361 798 561 €</b>	<b>436 996 532 €</b>	<b>485 701 869 €</b>	<b>544 610 687 €</b>	<b>277 324 809 €</b>	<b>317 746 793 €</b>	<b>316 224 969 €</b>	<b>283 326 731 €</b>	<b>161 092 602 €</b>	<b>96 007 687 €</b>

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	3 442 526 539 €	502 758 266 €	336 398 933 €	400 507 405 €	446 014 495 €	490 088 443 €	244 288 567 €	277 661 828 €	279 270 021 €	245 367 629 €	137 841 157 €	82 329 795 €
RE-MORTGAGE	203 922 435 €	11 510 983 €	10 528 387 €	16 934 630 €	20 435 685 €	35 178 027 €	18 863 179 €	24 538 806 €	19 07 824 €	21 203 905 €	14 041 314 €	11 629 693 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	110 548 914 €	13 109 121 €	7 820 167 €	11 353 258 €	13 274 500 €	13 483 777 €	9 110 350 €	10 810 090 €	12 305 025 €	11 218 623 €	7 354 172 €	709 830 €
Construction (New Building)	60 429 905 €	9 218 182 €	7 051 074 €	8 201 238 €	5 977 188 €	5 860 400 €	5 062 712 €	4 736 068 €	5 592 100 €	5 536 574 €	1 85 959 €	1 338 369 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>3 817 427 792 €</b>	<b>536 596 553 €</b>	<b>361 798 561 €</b>	<b>436 996 532 €</b>	<b>485 701 869 €</b>	<b>544 610 687 €</b>	<b>277 324 809 €</b>	<b>317 746 793 €</b>	<b>316 224 969 €</b>	<b>283 326 731 €</b>	<b>161 092 602 €</b>	<b>96 007 687 €</b>

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	2 783 938 647 €	430 774 001 €	284 875 966 €	335 005 771 €	357 594 275 €	398 381 357 €	197 342 325 €	220 632 273 €	211 240 811 €	191 742 304 €	98 467 630 €	57 881 933 €
Buy-to let	718 839 849 €	54 657 060 €	42 196 121 €	62 715 324 €	81 540 809 €	97 563 950 €	58 541 788 €	73 200 530 €	81 18 353 €	75 579 308 €	54 997 906 €	36 668 701 €
Vacation / second home	314 649 296 €	51 165 493 €	34 726 474 €	39 275 437 €	46 666 785 €	48 665 380 €	21 440 696 €	23 913 989 €	23 86 805 €	16 005 119 €	7 627 066 €	1 457 053 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>3 817 427 792 €</b>	<b>536 596 553 €</b>	<b>361 798 561 €</b>	<b>436 996 532 €</b>	<b>485 701 869 €</b>	<b>544 610 687 €</b>	<b>277 324 809 €</b>	<b>317 746 793 €</b>	<b>316 224 969 €</b>	<b>283 326 731 €</b>	<b>161 092 602 €</b>	<b>96 007 687 €</b>

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	2 683 032 492 €	356 483 533 €	254 747 617 €	309 857 572 €	345 168 404 €	385 804 206 €	200 251 438 €	228 168 061 €	228 400 159 €	196 134 392 €	110 534 924 €	67 482 187 €
Protected life-time employment	276 059 272 €	38 013 402 €	23 880 429 €	28 337 765 €	34 541 323 €	41 529 062 €	20 669 967 €	24 934 709 €	22 439 080 €	22 614 18 €	11 475 045 €	7 622 072 €
SELF-EMPLOYED	621 329 769 €	83 514 520 €	55 924 006 €	70 691 136 €	75 925 771 €	89 993 113 €	43 584 351 €	52 073 143 €	51 956 471 €	51 608 994 €	30 711 005 €	15 447 259 €
Unemployed	151 654 835 €	30 868 722 €	16 822 070 €	17 972 728 €	20 901 272 €	18 309 091 €	8 444 106 €	8 514 193 €	9 891 254 €	8 149 218 €	6 383 963 €	5 398 218 €
Other/No data	85 351 425 €	27 716 377 €	10 424 439 €	10 137 330 €	9 165 100 €	9 075 216 €	4 374 947 €	4 056 686 €	3 538 007 €	4 817 708 €	1 987 665 €	57 951 €
<b>Total</b>	<b>3 817 427 792 €</b>	<b>536 596 553 €</b>	<b>361 798 561 €</b>	<b>436 996 532 €</b>	<b>485 701 869 €</b>	<b>544 610 687 €</b>	<b>277 324 809 €</b>	<b>317 746 793 €</b>	<b>316 224 969 €</b>	<b>283 326 731 €</b>	<b>161 092 602 €</b>	<b>96 007 687 €</b>

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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	29 851 822 €	3 315 945 €	2 624 817 €	2 580 540 €	3 499 105 €	5 717 81 €	2 681 651 €	2 357 298 €	3 644 808 €	2 262 933 €	866 669 €	300 434 €
Aquitaine	194 611 692 €	26 679 486 €	18 919 006 €	20 835 668 €	23 590 991 €	30 240 512 €	16 811 127 €	15 353 764 €	14 794 514 €	16 970 328 €	6 501 676 €	3 914 619 €
Auvergne	18 667 179 €	2 199 398 €	1 325 187 €	1 682 108 €	1 975 823 €	2 690 37 €	1 898 337 €	1 836 762 €	2 206 814 €	1 746 326 €	654 04 €	451 583 €
Basse-Normandie	43 503 605 €	4 503 565 €	3 633 346 €	6 048 235 €	6 576 421 €	6 104 86 €	4 045 756 €	3 318 250 €	4 391 222 €	3 646 845 €	718 53 €	516 295 €
Bourgogne	29 818 544 €	2 559 072 €	2 154 929 €	2 704 097 €	4 501 144 €	4 888 62 €	2 428 510 €	3 134 384 €	3 806 520 €	2 036 143 €	1 05 582 €	0 €
Bretagne	67 651 340 €	8 204 776 €	7 008 155 €	8 687 194 €	8 446 230 €	11 380 24 €	5 185 425 €	5 861 159 €	7 170 444 €	4 676 410 €	1030 623 €	0 €
Centre	46 912 502 €	4 780 769 €	4 894 089 €	4 139 794 €	5 133 114 €	5 959 24 €	4 495 036 €	5 423 028 €	4 556 557 €	3 460 767 €	2 81 422 €	1 258 802 €
Champagne-Ardenne	13 778 195 €	1 490 603 €	608 645 €	1 069 010 €	1 171 611 €	2 826 611 €	1 581 291 €	1 623 530 €	1 127 301 €	1 011 154 €	1 268 440 €	0 €
Corse	11 955 122 €	1 569 986 €	791 738 €	766 069 €	1 810 662 €	1 743 681 €	472 772 €	1 102 829 €	1 247 568 €	571 246 €	863 029 €	1015 542 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	15 059 991 €	1 708 430 €	1 367 248 €	1 878 213 €	1 744 567 €	2 674 54 €	674 494 €	837 906 €	1 931 374 €	1 833 450 €	130 098 €	279 755 €
Haute-Normandie	111 687 098 €	9 427 250 €	7 790 969 €	11 778 870 €	13 277 343 €	18 670 606 €	8 924 577 €	8 325 376 €	14 977 354 €	12 369 664 €	5 771 454 €	364 635 €
Île-de-France	1 854 496 418 €	294 431 426 €	189 167 078 €	223 570 30 €	240 615 067 €	254 152 173 €	123 249 196 €	140 670 77 €	138 919 908 €	117 305 931 €	72 434 909 €	59 979 68 €
Languedoc-Roussillon	54 440 694 €	6 984 232 €	5 778 785 €	6 610 578 €	5 642 951 €	10 206 696 €	4 509 853 €	4 428 713 €	4 631 408 €	2 998 368 €	1 861 504 €	787 608 €
Limousin	12 031 093 €	1 218 468 €	682 191 €	1 669 068 €	1 953 53 €	1 867 461 €	1 696 256 €	1 272 662 €	834 814 €	281 92 €	554 693 €	0 €
Lorraine	54 452 992 €	4 089 963 €	2 446 520 €	4 972 461 €	7 202 113 €	9 729 715 €	5 840 328 €	6 702 141 €	5 364 794 €	5 083 996 €	2 745 179 €	275 781 €
Midi-Pyrénées	78 613 626 €	9 578 902 €	5 751 814 €	7 455 864 €	11 117 245 €	8 319 908 €	7 391 421 €	7 608 674 €	7 684 387 €	7 39 633 €	4 063 153 €	2 502 625 €
Nord-Pas-de-Calais	245 084 301 €	29 950 937 €	20 361 703 €	24 392 655 €	29 609 249 €	32 204 845 €	18 731 977 €	21 515 618 €	22 75 313 €	23 040 148 €	16 582 229 €	5 938 625 €
Pays-de-la-Loire	95 037 389 €	13 123 754 €	8 691 673 €	12 898 897 €	14 11 674 €	14 555 441 €	8 088 672 €	5 842 057 €	4 878 776 €	6 443 104 €	4 336 749 €	2 036 592 €
Picardie	41 434 358 €	4 336 910 €	1 494 229 €	4 746 499 €	2 349 661 €	4 579 075 €	3 192 247 €	5 474 893 €	4 877 010 €	6 75 960 €	2 959 496 €	1 048 679 €
Poitou-Charentes	74 285 124 €	8 914 793 €	5 247 616 €	7 275 254 €	8 345 29 €	9 852 070 €	5 200 479 €	8 490 923 €	7 191 766 €	6 41 659 €	5 537 984 €	1 686 852 €
Provence-Alpes-Côte d'Azur	462 351 034 €	67 740 076 €	45 514 695 €	50 465 110 €	57 632 272 €	65 987 619 €	31 802 059 €	46 345 614 €	38 52 337 €	38 290 639 €	14 977 620 €	5 082 992 €
Rhône-Alpes	261 703 674 €	29 787 813 €	25 544 126 €	30 770 047 €	35 365 657 €	40 249 436 €	18 423 345 €	20 220 436 €	20 78 980 €	19 240 083 €	12 817 136 €	8 566 616 €
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 €
<b>Total</b>	<b>3 817 427 792 €</b>	<b>536 596 553 €</b>	<b>361 798 561 €</b>	<b>436 996 532 €</b>	<b>485 701 869 €</b>	<b>544 610 687 €</b>	<b>277 324 809 €</b>	<b>317 746 793 €</b>	<b>316 224 969 €</b>	<b>283 326 731 €</b>	<b>161 092 602 €</b>	<b>96 007 687 €</b>

**ASSET COVER TEST**

Date of Asset Cover test:

19/03/2012

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

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

<b>R</b>	<b>Asset Cover test Ratio</b>	<b>1.74</b>
	Adjusted Aggregate Asset Amount (AAAA)	3 342 350 193.55 €
	Aggregate Covered Bond Outstanding Principal Amount	1 924 970 271.46 €
	<b>Asset Cover Test Result</b>	<b>PASS</b>

<b>A</b>	<b>=min(A1 ; A2)</b>	<b>3 321 162 179.41 €</b>
<b>A1</b>	Adjusted Home Loan Outstanding Principal Amount	3 702 688 818.31 €
<b>A2</b>	= a * b	3 321 162 179.41 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 817 427 792.42 €
	Asset Percentage (b)	87.0%

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

<b>D</b>	Permitted Investments	<b>70 152 436.00 €</b>
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<b>Y</b>	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  $\alpha$  plus 2 months, where alpha means the period between 2 interest payment dates (1st day of such period included and last day of

<b>Z</b>	WAM * Covered Bond Outstanding Principal Amount * 0.50%	<b>48 964 422</b>
	WAM (Weighted Average Maturity)	5.09
	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	4.8925
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	3.5209
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	6.5216
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	7.1458

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