

## HSBC SFH (France) Investor Report

Collection Period End:

30/06/2012

Date of Report:

20/07/2012

### Summary

<b>Cover Pool Overview Data</b>	
Total Outstanding Current Balance:	3 809 868 796 €
Number of Loans	26 476
Number of Borrowers	25 089
Average Loan Balance	143 899
Weighted Average Seasoning of Loan parts (months)	47,58
Weighted Average Remaining Term of Loan Parts (months)	179,08
Percentage of floating interest rate loans	2,74%
Weighted Average Current LTV	77,1%
Weighted Average Current Indexed LTV	69,4%
Loan Originator	Total Loan Balance
HBFR	3 809 868 796 €
<b>Covered Bonds Overview Data</b>	
Total Covered Bonds Outstanding Balance:	1 924 970 271 €
Weight Average Maturity	4,75
<b>ACT Results</b>	
Asset Cover Ratio	1,73
Asset Cover Test Result	PASS

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<b>1.a Unindexed LTV Ranges Distribution</b>		
<b>Unindexed LTV Range</b>	<b>Total Loan Balance</b>	<b>Number of Loans</b>
0 - ≤40%	29 775 059 €	258
>40% - ≤50%	259 206 675 €	2 212
>50% - ≤60%	460 130 477 €	3 510
>60% - ≤70%	582 960 744 €	4 315
>70% - ≤80%	685 323 556 €	4 790
>80% - ≤85%	353 424 716 €	2 380
>85% - ≤90%	387 683 330 €	2 547
>90% - ≤95%	389 259 495 €	2 463
>95% - ≤100%	347 084 195 €	2 191
>100% - ≤105%	207 690 931 €	1 264
>105%	107 329 618 €	546
<b>Total</b>	<b>3 809 868 796 €</b>	<b>26 476</b>

<b>1.b Indexed LTV Ranges Distribution</b>		
<b>Indexed LTV Range</b>	<b>Total Loan Balance</b>	<b>Number of Loans</b>
0 - ≤40%	123 472 359 €	1 035
>40% - ≤50%	549 723 455 €	4 415
>50% - ≤60%	620 438 531 €	4 435
>60% - ≤70%	634 924 617 €	4 352
>70% - ≤80%	666 090 244 €	4 443
>80% - ≤85%	310 375 390 €	2 028
>85% - ≤90%	292 291 647 €	1 891
>90% - ≤95%	296 475 855 €	1 915
>95% - ≤100%	316 076 698 €	1 962
>100% - ≤105%	0 €	-
>105%	0 €	-
<b>Total</b>	<b>3 809 868 796 €</b>	<b>26 476</b>

<b>2. Current Arrears Ranges Distribution</b>		
<b>Number of months in arrears</b>	<b>Total Loan Balance</b>	<b>Number of Loans</b>
0	3 809 868 796 €	26 476
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
<b>Total</b>	<b>3 809 868 796 €</b>	<b>26 476</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	575 446 472 €	13 155 535 €	57 913 871 €	71 323 030 €	89 162 633 €	107 034 820 €	52 362 477 €	54 348 853 €	67 703 640 €	62 441 614 €	0 €	0 €
≥12 - <24	484 038 738 €	3 719 761 €	40 094 127 €	59 782 580 €	58 693 659 €	70 209 060 €	39 406 391 €	41 189 758 €	40 569 453 €	56 979 173 €	47 458 952 €	25 935 823 €
≥24 - <36	497 930 312 €	680 915 €	22 573 991 €	46 177 661 €	50 717 969 €	63 133 563 €	33 444 988 €	43 173 658 €	45 641 544 €	56 891 653 €	78 950 801 €	56 543 570 €
≥36 - <60	616 994 457 €	8 115 608 €	46 817 391 €	64 052 126 €	80 946 262 €	92 312 754 €	51 223 092 €	61 544 796 €	64 702 294 €	76 956 305 €	56 944 469 €	13 379 360 €
≥60	1 635 458 818 €	4 103 240 €	91 807 296 €	218 795 080 €	303 440 221 €	352 633 359 €	176 987 769 €	187 426 267 €	170 642 563 €	93 815 449 €	24 336 709 €	11 470 865 €
<b>Total</b>	<b>3 809 868 796 €</b>	<b>29 775 059 €</b>	<b>259 206 675 €</b>	<b>460 130 477 €</b>	<b>582 960 744 €</b>	<b>685 323 556 €</b>	<b>353 424 716 €</b>	<b>387 683 330 €</b>	<b>389 259 495 €</b>	<b>347 084 195 €</b>	<b>207 690 931 €</b>	<b>107 329 618 €</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	3 422 171 013 €	28 565 423 €	238 396 743 €	425 439 412 €	538 288 685 €	621 768 751 €	316 264 883 €	340 013 579 €	349 155 249 €	301 290 121 €	174 692 307 €	88 295 861 €
RE-MORTGAGE	215 888 383 €	79 717 €	7 880 543 €	15 067 999 €	21 826 398 €	36 363 333 €	20 481 517 €	28 141 501 €	19 413 418 €	25 330 312 €	24 437 047 €	16 866 599 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	111 214 768 €	526 779 €	6 056 195 €	12 389 110 €	15 350 271 €	17 903 286 €	12 512 638 €	12 599 155 €	13 018 192 €	13 010 747 €	6 455 085 €	1 393 309 €
Construction (New Building)	60 594 632 €	603 140 €	6 873 194 €	7 233 956 €	7 495 391 €	9 288 186 €	4 165 678 €	6 929 096 €	7 672 636 €	7 453 015 €	2 106 492 €	773 849 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>3 809 868 796 €</b>	<b>29 775 059 €</b>	<b>259 206 675 €</b>	<b>460 130 477 €</b>	<b>582 960 744 €</b>	<b>685 323 556 €</b>	<b>353 424 716 €</b>	<b>387 683 330 €</b>	<b>389 259 495 €</b>	<b>347 084 195 €</b>	<b>207 690 931 €</b>	<b>107 329 618 €</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	2 743 699 812 €	19 656 441 €	196 280 729 €	345 050 045 €	433 727 373 €	501 830 052 €	263 268 956 €	274 561 124 €	275 515 198 €	236 578 504 €	129 578 943 €	67 652 447 €
Buy-to let	769 040 280 €	6 205 308 €	34 279 773 €	69 794 968 €	98 033 454 €	124 407 018 €	64 210 947 €	87 859 626 €	87 828 121 €	89 344 030 €	69 660 343 €	37 416 693 €
Vacation / second home	297 128 704 €	3 913 310 €	28 646 173 €	45 285 464 €	51 199 917 €	59 086 486 €	25 944 813 €	25 262 581 €	25 916 176 €	21 161 660 €	8 451 646 €	2 260 477 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>3 809 868 796 €</b>	<b>29 775 059 €</b>	<b>259 206 675 €</b>	<b>460 130 477 €</b>	<b>582 960 744 €</b>	<b>685 323 556 €</b>	<b>353 424 716 €</b>	<b>387 683 330 €</b>	<b>389 259 495 €</b>	<b>347 084 195 €</b>	<b>207 690 931 €</b>	<b>107 329 618 €</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	2 720 899 534 €	21 233 531 €	184 737 169 €	331 733 242 €	415 666 315 €	487 901 179 €	254 271 162 €	282 705 001 €	285 148 667 €	233 091 561 €	148 196 701 €	76 215 006 €
Protected life-time employment	285 271 030 €	1 732 670 €	17 740 429 €	33 288 577 €	42 878 912 €	50 340 730 €	27 178 125 €	30 385 858 €	28 186 689 €	31 149 389 €	14 758 995 €	7 630 657 €
SELF-EMPLOYED	603 250 916 €	4 926 823 €	36 837 178 €	65 145 705 €	92 075 296 €	113 167 944 €	56 054 254 €	56 613 649 €	59 173 058 €	66 890 977 €	34 301 170 €	18 064 861 €
Unemployed	139 932 272 €	1 379 841 €	11 451 914 €	19 786 583 €	22 575 547 €	21 885 136 €	10 810 736 €	14 007 088 €	12 194 878 €	12 283 852 €	8 486 114 €	5 070 583 €
Other/No data	60 515 043 €	502 194 €	8 439 985 €	10 176 371 €	9 764 675 €	12 028 566 €	5 110 439 €	3 971 733 €	4 556 203 €	3 668 417 €	1 947 951 €	348 510 €
<b>Total</b>	<b>3 809 868 796 €</b>	<b>29 775 059 €</b>	<b>259 206 675 €</b>	<b>460 130 477 €</b>	<b>582 960 744 €</b>	<b>685 323 556 €</b>	<b>353 424 716 €</b>	<b>387 683 330 €</b>	<b>389 259 495 €</b>	<b>347 084 195 €</b>	<b>207 690 931 €</b>	<b>107 329 618 €</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	43 940 838 €	525 228 €	3 127 994 €	6 032 884 €	6 575 464 €	9 087 756 €	4 320 569 €	4 839 571 €	3 993 907 €	4 628 545 €	510 116 €	298 803 €
Aquitaine	182 457 286 €	1 745 865 €	15 809 139 €	18 876 078 €	25 946 374 €	36 380 383 €	20 104 070 €	16 571 909 €	17 612 694 €	17 702 884 €	8 875 592 €	2 832 299 €
Auvergne	19 826 450 €	262 621 €	1 315 726 €	1 699 293 €	2 450 649 €	3 521 809 €	1 333 842 €	2 255 497 €	2 851 220 €	2 404 269 €	1 310 250 €	421 274 €
Basse-Normandie	42 053 826 €	62 276 €	2 617 664 €	6 384 229 €	6 414 047 €	7 920 738 €	5 185 153 €	3 889 771 €	4 973 755 €	2 933 574 €	813 367 €	859 252 €
Bourgogne	34 753 442 €	408 605 €	2 228 861 €	2 563 454 €	6 321 017 €	5 892 521 €	3 041 416 €	3 538 371 €	4 993 822 €	3 916 549 €	1 848 826 €	0 €
Bretagne	70 903 616 €	1 399 021 €	6 072 986 €	8 962 107 €	11 652 197 €	13 559 400 €	5 122 467 €	7 285 518 €	7 793 656 €	6 202 593 €	1 959 792 €	893 881 €
Centre	88 221 904 €	949 778 €	5 699 802 €	9 916 010 €	10 902 522 €	15 066 147 €	8 664 319 €	10 062 848 €	9 378 999 €	9 627 298 €	6 467 043 €	1 487 139 €
Champagne-Ardenne	13 007 857 €	122 181 €	380 618 €	948 550 €	1 341 851 €	3 491 592 €	1 262 645 €	1 297 659 €	2 044 911 €	1 291 728 €	826 123 €	0 €
Corse	11 929 516 €	33 429 €	144 144 €	951 170 €	2 679 349 €	1 922 707 €	447 592 €	1 658 208 €	901 544 €	1 045 398 €	1 088 533 €	1 057 442 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	14 863 393 €	230 164 €	1 109 102 €	2 150 669 €	1 470 387 €	3 623 991 €	672 706 €	1 247 058 €	2 231 420 €	1 532 688 €	595 207 €	0 €
Haute-Normandie	101 702 654 €	528 976 €	5 696 244 €	9 533 087 €	15 026 703 €	19 699 567 €	9 699 640 €	8 492 871 €	15 732 723 €	12 485 722 €	4 398 570 €	408 551 €
Île-de-France	1 742 640 915 €	9 510 397 €	108 891 083 €	216 204 646 €	286 211 083 €	308 764 256 €	161 664 014 €	177 528 891 €	172 218 182 €	136 213 200 €	94 266 097 €	71 169 065 €
Languedoc-Roussillon	52 693 875 €	750 621 €	5 046 767 €	6 795 909 €	7 037 529 €	12 298 942 €	4 414 948 €	5 914 535 €	3 675 463 €	3 617 937 €	2 871 993 €	269 231 €
Limousin	11 683 626 €	106 450 €	413 683 €	1 921 989 €	1 709 010 €	2 292 287 €	1 939 058 €	811 013 €	1 337 178 €	744 354 €	408 603 €	0 €
Lorraine	53 940 608 €	41 887 €	2 443 436 €	5 433 667 €	7 896 364 €	11 038 330 €	5 836 272 €	6 061 374 €	7 147 361 €	5 797 517 €	1 953 958 €	290 443 €
Midi-Pyrénées	75 842 464 €	1 217 352 €	4 721 258 €	8 037 782 €	11 615 483 €	10 260 948 €	9 115 277 €	6 981 618 €	8 114 685 €	7 434 747 €	5 535 552 €	2 807 763 €
Nord-Pas-de-Calais	219 921 878 €	2 060 026 €	12 795 741 €	24 658 047 €	31 752 254 €	35 807 911 €	18 878 192 €	22 121 710 €	23 496 994 €	26 676 902 €	16 160 757 €	5 513 345 €
Pays-de-la-Loire	91 199 579 €	977 033 €	5 895 465 €	14 119 597 €	14 375 068 €	16 682 869 €	8 373 039 €	6 471 697 €	6 818 091 €	8 520 511 €	6 882 907 €	2 083 302 €
Picardie	93 467 796 €	668 919 €	5 088 105 €	8 415 621 €	8 119 088 €	14 682 077 €	10 976 383 €	13 400 079 €	15 459 988 €	12 071 935 €	3 597 346 €	988 254 €
Poitou-Charentes	86 144 729 €	1 072 817 €	6 053 673 €	9 179 788 €	11 500 666 €	12 578 045 €	7 981 879 €	9 528 067 €	8 720 667 €	11 499 756 €	6 663 384 €	1 365 987 €
Provence-Alpes-Côte d'Azur	464 037 173 €	3 630 456 €	39 144 963 €	55 668 788 €	66 599 424 €	86 799 781 €	39 652 563 €	53 732 184 €	43 957 546 €	43 701 689 €	24 354 761 €	6 795 017 €
Rhône-Alpes	294 635 371 €	3 470 959 €	24 510 219 €	41 677 111 €	45 364 215 €	53 951 499 €	24 738 672 €	23 992 882 €	25 804 688 €	27 034 399 €	16 302 157 €	7 788 570 €
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>3 809 868 796 €</b>	<b>29 775 059 €</b>	<b>259 206 675 €</b>	<b>460 130 477 €</b>	<b>582 960 744 €</b>	<b>685 323 556 €</b>	<b>353 424 716 €</b>	<b>387 683 330 €</b>	<b>389 259 495 €</b>	<b>347 084 195 €</b>	<b>207 690 931 €</b>	<b>107 329 618 €</b>

**ASSET COVER TEST**

Date of Asset Cover test:

20/07/2012

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

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

<b>R</b>	<b>Asset Cover test Ratio</b>	<b>1,73</b>
	Adjusted Aggregate Asset Amount (AAAA)	3 338 704 268,95 €
	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>3 314 585 852,77 €</b>
<b>A1</b>	Adjusted Home Loan Outstanding Principal Amount	3 666 674 795,40 €
<b>A2</b>	= a * b	3 314 585 852,77 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 809 868 796,29 €
	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>69 867 966,40 €</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>45 749 550</b>
	WAM (Weighted Average Maturity)	4,75
	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	4,5585
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000,00	07/09/2015	3,1869
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000,00	07/09/2018	6,1875
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000,00	23/04/2019	6,8118

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