

## HSBC SFH (France) Investor Report

Collection Period End:

**31/08/2012**

Date of Report:

**12/09/2012**

### Summary

<b>Cover Pool Overview Data</b>	
Total Outstanding Current Balance:	3 996 945 350 €
Number of Loans	29 729
Number of Borrowers	28 097
Average Loan Balance	134 446
Weighted Average Seasoning of Loan parts (months)	52.01
Weighted Average Remaining Term of Loan Parts (months)	168.73
Percentage of floating interest rate loans	3.18%
Weighted Average Current LTV	68.9%
Weighted Average Current Indexed LTV	60.6%
Loan Originator	Total Loan Balance
HBFH	3 996 945 350 €
<b>Covered Bonds Overview Data</b>	
Total Covered Bonds Outstanding Balance:	1 924 970 271 €
Weight Average Maturity	4.58
<b>ACT Results</b>	
Asset Cover Ratio	1.82
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%	329 574 839 €	3 359
>40% - ≤50%	450 509 422 €	3 907
>50% - ≤60%	557 497 379 €	4 477
>60% - ≤70%	628 090 947 €	4 616
>70% - ≤80%	696 223 248 €	4 836
>80% - ≤85%	370 069 711 €	2 480
>85% - ≤90%	382 921 900 €	2 520
>90% - ≤95%	316 939 149 €	1 978
>95% - ≤100%	156 837 513 €	972
>100% - ≤105%	77 189 642 €	422
>105%	31 091 600 €	162
<b>Total</b>	<b>3 996 945 350 €</b>	<b>29 729</b>

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	712 760 028 €	6 844
>40% - ≤50%	569 672 732 €	4 500
>50% - ≤60%	630 824 230 €	4 512
>60% - ≤70%	654 831 163 €	4 452
>70% - ≤80%	675 963 677 €	4 511
>80% - ≤85%	304 819 345 €	2 009
>85% - ≤90%	298 002 290 €	1 935
>90% - ≤95%	150 071 885 €	966
>95% - ≤100%	0 €	-
>100% - ≤105%	0 €	-
>105%	0 €	-
<b>Total</b>	<b>3 996 945 350 €</b>	<b>29 729</b>

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 996 945 350 €	29 729
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
<b>Total</b>	<b>3 996 945 350 €</b>	<b>29 729</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	600 345 059 €	73 709 802 €	67 782 954 €	80 672 078 €	16 034 916 €	119 150 008 €	55 692 692 €	59 746 578 €	37556 031 €	0 €	0 €	0 €
≥12 - <24	409 407 736 €	41 264 979 €	39 528 291 €	56 785 484 €	59070 379 €	70 909 505 €	41 436 995 €	40 870 567 €	35 21 172 €	13 782 449 €	6 886 510 €	3 661 405 €
≥24 - <36	468 535 597 €	34 649 521 €	40 021 402 €	48 016 732 €	52608 805 €	69 901 334 €	36 654 424 €	45 697 810 €	43 68 350 €	44 899 712 €	35 867 415 €	16 582 091 €
≥36 - <60	560 056 390 €	58 170 813 €	57 900 312 €	63 911 916 €	79017 146 €	88 797 194 €	48 271 716 €	57 178 517 €	41 28 434 €	37 786 645 €	22 761 689 €	4 972 008 €
≥60	1 958 600 568 €	121 779 724 €	245 276 463 €	308 111 170 €	331 359 700€	347 465 206 €	188 013 884 €	179 428 428 €	159 247 161€	60 368 706 €	11 674 028 €	5 876 096 €
<b>Total</b>	<b>3 996 945 350 €</b>	<b>329 574 839 €</b>	<b>450 509 422 €</b>	<b>557 497 379 €</b>	<b>628 090 947 €</b>	<b>696 223 248 €</b>	<b>370 069 711 €</b>	<b>382 921 900 €</b>	<b>316 939 149 €</b>	<b>156 837 513 €</b>	<b>77 189 642 €</b>	<b>31 091 600 €</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	3 647 514 625 €	311 305 060 €	419 675 750 €	515 110 484 €	580 389 115€	634 597 657 €	330 327 870 €	338 520 693 €	283 896 658€	137 521 140 €	68 867 595 €	27 302 605 €
RE-MORTGAGE	184 698 676 €	6 135 305 €	12 984 456 €	19 206 207 €	23066 122 €	35 644 492 €	21 258 473 €	26 240 809 €	16 705703 €	13 127 489 €	6 868 191 €	3 461 430 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	105 568 340 €	7 220 411 €	8 440 470 €	14 416 497 €	15 90 200 €	17 347 271 €	12 922 998 €	12 978 392 €	9 595 80 €	5 198 119 €	1 221 286 €	327 566 €
Construction (New Building)	59 163 708 €	4 914 063 €	9 408 746 €	8 764 192 €	8 735 510 €	8 633 28 €	5 560 371 €	5 182 006 €	6 741 658 €	990 765 €	232 30 €	0 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>3 996 945 350 €</b>	<b>329 574 839 €</b>	<b>450 509 422 €</b>	<b>557 497 379 €</b>	<b>628 090 947€</b>	<b>696 223 248 €</b>	<b>370 069 711 €</b>	<b>382 921 900 €</b>	<b>316 939 149€</b>	<b>156 837 513 €</b>	<b>77 189 642 €</b>	<b>31 091 600 €</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	2 971 402 280 €	263 299 133 €	350 872 751 €	422 720 544 €	470 923 162€	513 566 716 €	276 740 532 €	270 312 950 €	223 812 322€	108 877 851 €	49 119 446 €	21 156 874 €
Buy-to let	719 658 215 €	33 890 439 €	58 537 845 €	86 873 872 €	10 018 704 €	126 818 391 €	67 204 769 €	87 502 059 €	76741 262 €	42 196 720 €	27 079 610 €	9 794 546 €
Vacation / second home	305 884 855 €	32 385 267 €	41 098 826 €	47 902 963 €	54149 081 €	55 838 141 €	26 124 411 €	25 106 891 €	16 35 565 €	5 762 942 €	990 587 €	140 180 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>3 996 945 350 €</b>	<b>329 574 839 €</b>	<b>450 509 422 €</b>	<b>557 497 379 €</b>	<b>628 090 947€</b>	<b>696 223 248 €</b>	<b>370 069 711 €</b>	<b>382 921 900 €</b>	<b>316 939 149€</b>	<b>156 837 513 €</b>	<b>77 189 642 €</b>	<b>31 091 600 €</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	2 870 047 869 €	231 018 756 €	320 189 968 €	400 411 720 €	449 472 810€	499 009 968 €	268 218 871 €	278 321 310 €	230 971 357€	109 820 952 €	59 516 841 €	23 095 317 €
Protected life-time employment	292 016 556 €	23 460 055 €	29 542 167 €	41 384 708 €	47 393 439 €	50847 328 €	27 001 418 €	32 200 663 €	23 210 492 €	11 831968 €	3 288 580 €	1 855 736 €
SELF-EMPLOYED	612 593 194 €	47 497 359 €	67 048 612 €	79 378 062 €	98 990 240 €	113373 126 €	56 698 731 €	56 509 077 €	49 741 317 €	26 96 765 €	11 707 163 €	4 732 741 €
Unemployed	146 094 564 €	14 498 431 €	19 238 821 €	24 500 433 €	22 161 417 €	22571 073 €	13 054 454 €	11 648 316 €	9 139 089 €	5 950 86 €	2 270 859 €	1 061 535 €
Other/No data	76 193 167 €	13 100 237 €	14 489 854 €	11 822 455 €	10 073 040 €	10421 753 €	5 096 238 €	4 242 533 €	3 876 894 €	2 317 692€	406 200 €	346 271 €
<b>Total</b>	<b>3 996 945 350 €</b>	<b>329 574 839 €</b>	<b>450 509 422 €</b>	<b>557 497 379 €</b>	<b>628 090 947€</b>	<b>696 223 248 €</b>	<b>370 069 711 €</b>	<b>382 921 900 €</b>	<b>316 939 149€</b>	<b>156 837 513 €</b>	<b>77 189 642 €</b>	<b>31 091 600 €</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	40 200 184 €	2 437 287 €	4 484 917 €	5 731 419 €	7 441 764 €	8 495 85 €	4 352 229 €	4 382 587 €	2 261 896 €	612 541 €	0 €	0 €
Aquitaine	185 091 805 €	16 716 379 €	20 390 058 €	23 666 017 €	27 314 311 €	37 940 009 €	19 278 951 €	16 983 982 €	13 476 995 €	6 418 097 €	2 139 372 €	767 633 €
Auvergne	18 299 889 €	1 713 293 €	1 816 123 €	1 806 666 €	2 756 603 €	3 503 58 €	1 753 775 €	1 953 709 €	2 116 673 €	879 540 €	0 €	0 €
Basse-Normandie	43 583 073 €	2 505 282 €	4 129 577 €	7 695 517 €	6 768 000 €	7 778 31 €	5 317 046 €	3 618 848 €	4 250 700 €	1 519 801 €	0 €	0 €
Bourgogne	29 544 021 €	1 883 345 €	2 597 194 €	2 641 145 €	6 191 176 €	5 757 29 €	3 334 628 €	4 061 048 €	2 902 721 €	175 514 €	0 €	0 €
Bretagne	68 193 040 €	7 147 003 €	8 137 906 €	9 410 616 €	10 966 031 €	13 916 630 €	5 206 885 €	7 320 015 €	4 436 635 €	1 588 378 €	8 939 €	0 €
Centre	84 709 761 €	6 794 278 €	8 570 630 €	11 253 372 €	12 155 526 €	15 26 558 €	10 563 914 €	9 776 419 €	7 079 002 €	2 151 092 €	1 099 970 €	0 €
Champagne-Ardenne	11 903 681 €	987 475 €	727 160 €	1 127 753 €	1 377 880 €	3 436 910 €	1 387 149 €	1 262 581 €	1 409 888 €	186 885 €	0 €	0 €
Corse	11 411 023 €	648 718 €	596 591 €	1 549 833 €	2 644 404 €	1 911 082 €	669 526 €	1 460 544 €	1 025 502 €	700 592 €	204 230 €	0 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	14 097 378 €	1 369 557 €	1 141 798 €	2 365 560 €	1 618 669 €	3 692 57 €	595 451 €	1 418 589 €	1 365 776 €	529 411 €	0 €	0 €
Haute-Normandie	98 984 391 €	5 204 192 €	8 707 668 €	10 988 560 €	15 851 598 €	19 86 346 €	10 097 228 €	9 644 763 €	13 907 897 €	4 776 140 €	0 €	0 €
Île-de-France	1 987 965 761 €	161 564 531 €	234 252 742 €	285 536 07 €	314 991 774 €	320 042 650 €	170 979 397 €	175 390 36 €	149 241 371 €	89 367 502 €	58 518 107 €	28 081 093 €
Languedoc-Roussillon	50 489 291 €	4 324 782 €	6 244 735 €	7 076 454 €	7 896 228 €	10 878 953 €	4 412 578 €	5 751 280 €	2 995 823 €	97 859 €	0 €	0 €
Limousin	11 805 366 €	1 324 513 €	785 170 €	2 151 264 €	1 518 06 €	2 294 989 €	2 023 290 €	831 658 €	759 027 €	117 396 €	0 €	0 €
Lorraine	50 986 733 €	2 942 978 €	3 260 068 €	6 313 331 €	8 817 005 €	11 404 950 €	6 522 472 €	5 452 287 €	5 634 181 €	89 462 €	0 €	0 €
Midi-Pyrénées	72 099 375 €	5 998 954 €	5 936 607 €	9 945 313 €	11 107 757 €	12 475 155 €	8 546 482 €	7 201 575 €	6 367 940 €	3 324 230 €	838 707 €	356 655 €
Nord-Pas-de-Calais	210 718 468 €	18 168 462 €	21 096 386 €	27 380 087 €	33 272 146 €	34 310 003 €	20 339 510 €	22 764 150 €	19 45 316 €	10 559 751 €	3 316 131 €	60 525 €
Pays-de-la-Loire	88 666 058 €	8 178 879 €	11 107 516 €	13 137 252 €	14 24 641 €	16 184 861 €	8 825 814 €	6 458 620 €	4 947 478 €	3 341 949 €	1 371 093 €	387 955 €
Picardie	82 765 272 €	5 055 057 €	5 828 339 €	8 398 718 €	9 17 1031 €	16 752 939 €	10 773 787 €	13 095 272 €	10 236 139 €	3 167 817 €	156 173 €	130 000 €
Poitou-Charentes	77 593 365 €	6 272 488 €	7 842 030 €	11 207 597 €	11 85 559 €	12 432 579 €	8 134 006 €	9 101 584 €	6 381 836 €	3 470 129 €	900 557 €	0 €
Provence-Alpes-Côte d'Azur	455 800 518 €	44 135 065 €	51 356 650 €	61 750 970 €	70 228 809 €	85 612 752 €	41 487 201 €	51 443 299 €	35 12 844 €	12 178 652 €	2 365 810 €	138 467 €
Rhône-Alpes	302 036 896 €	24 202 321 €	41 499 559 €	46 363 918 €	49 426 373 €	52 329 712 €	25 468 390 €	23 548 514 €	21 57 509 €	10 224 775 €	6 216 552 €	1 169 273 €
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>3 996 945 350 €</b>	<b>329 574 839 €</b>	<b>450 509 422 €</b>	<b>557 497 379 €</b>	<b>628 090 947 €</b>	<b>696 223 248 €</b>	<b>370 069 711 €</b>	<b>382 921 900 €</b>	<b>316 939 149 €</b>	<b>156 837 513 €</b>	<b>77 189 642 €</b>	<b>31 091 600 €</b>

**ASSET COVER TEST**

Date of Asset Cover test:

12/09/2012

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

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

<b>R</b>	<b>Asset Cover test Ratio</b>	<b>1.82</b>
	Adjusted Aggregate Asset Amount (AAAA)	3 512 946 691.36 €
	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>3 477 342 454.35 €</b>
<b>A1</b>	Adjusted Home Loan Outstanding Principal Amount	3 934 870 431.59 €
<b>A2</b>	= a * b	3 477 342 454.35 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 996 945 349.83 €
	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>79 720 000.00 €</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>44 115 763</b>
	WAM (Weighted Average Maturity)	4.58
	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	4.3888
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	3.0171
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	6.0178
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	6.6420

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