

HSBC SFH (France) Investor Report

Collection Period End:

31/08/2014

Date of Report:

16/09/2014

Summary

| Cover Pool Overview Data | |
|--|--------------------|
| Total Outstanding Current Balance: | 6 097 235 312 € |
| Number of Loans | 43 229 |
| Number of Borrowers | 38 274 |
| Average Loan Balance | 141 045 |
| Weighted Average Seasoning of Loan parts (months) | 44.23 |
| Weighted Average Remaining Term of Loan Parts (months) | 169.30 |
| Percentage of floating interest rate loans | 1.45% |
| Weighted Average Current LTV | 66.2% |
| Weighted Average Current Indexed LTV | 64.0% |
| Loan Originator | Total Loan Balance |
| HBFH | 6 097 235 312 € |
| Covered Bonds Overview Data | |
| Total Covered Bonds Outstanding Balance: | 4 174 970 271 € |
| Weight Average Maturity | 5.40 |
| ACT Results | |
| Asset Cover Ratio | 1.27 |
| Asset Cover Test Result | PASS |

HSBC SFH (France) Investor Report

| 1.a Unindexed LTV Ranges Distribution | | |
|---------------------------------------|------------------------|-----------------|
| Unindexed LTV Range | Total Loan Balance | Number of Loans |
| 0 - ≤40% | 628 588 742 € | 6 016 |
| >40% - ≤50% | 724 305 650 € | 5 852 |
| >50% - ≤60% | 880 477 367 € | 6 471 |
| >60% - ≤70% | 1 032 369 429 € | 7 030 |
| >70% - ≤80% | 1 120 188 779 € | 7 278 |
| >80% - ≤85% | 569 631 040 € | 3 642 |
| >85% - ≤90% | 583 620 967 € | 3 614 |
| >90% - ≤95% | 497 479 683 € | 3 018 |
| >95% - ≤100% | 50 971 501 € | 257 |
| >100% - ≤105% | 7 452 387 € | 36 |
| >105% | 2 149 767 € | 15 |
| Total | 6 097 235 312 € | 43 229 |

| 1.b Indexed LTV Ranges Distribution | | |
|-------------------------------------|------------------------|-----------------|
| Indexed LTV Range | Total Loan Balance | Number of Loans |
| 0 - ≤40% | 897 099 945 € | 8 262 |
| >40% - ≤50% | 766 977 730 € | 5 876 |
| >50% - ≤60% | 873 474 969 € | 6 157 |
| >60% - ≤70% | 942 512 157 € | 6 314 |
| >70% - ≤80% | 1 015 540 087 € | 6 583 |
| >80% - ≤85% | 508 726 268 € | 3 222 |
| >85% - ≤90% | 541 131 005 € | 3 398 |
| >90% - ≤95% | 544 163 109 € | 3 371 |
| >95% - ≤100% | 7 610 042 € | 46 |
| >100% - ≤105% | 0 € | - |
| >105% | 0 € | - |
| Total | 6 097 235 312 € | 43 229 |

| 2. Current Arrears Ranges Distribution | | |
|--|------------------------|-----------------|
| Number of months in arrears | Total Loan Balance | Number of Loans |
| 0 | 6 097 235 312 € | 43 229 |
| >1 - ≤2 | | |
| >2 - ≤3 | | |
| >3 - ≤4 | | |
| >4 - ≤5 | | |
| >5 - ≤6 | | |
| >6 | | |
| Total | 6 097 235 312 € | 43 229 |

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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 | 1 227 677 526 € | 92 778 272 € | 100 418 763 € | 168 428 505 € | 202 990 418 € | 252 477 791 € | 117 432 166 € | 132 443 40 € | 156 506 963 € | 4 201 237 € | 0 € | 0 € |
| ≥12 - <24 | 1 269 924 077 € | 103 567 831 € | 122 611 344 € | 160 598 498 € | 195 732 025 € | 225 320 425 € | 133 406 249 € | 151 132 27 € | 175 251 610 € | 2 303 273 € | 0 € | 0 € |
| ≥24 - <36 | 826 380 074 € | 106 979 301 € | 93 924 714 € | 116 423 000 € | 128 500 053 € | 149 241 893 € | 87 767 495 € | 98 521 247 € | 796 508 € | 1 225 865 € | 0 € | 0 € |
| ≥36 - <60 | 969 901 921 € | 94 796 575 € | 95 549 093 € | 104 037 378 € | 12 693 540 € | 179 315 845 € | 112 937 081 € | 121 207 878 € | 85 807 575 € | 30 309 294 € | 2 716 991 € | 530 671 € |
| ≥60 | 1 803 351 715 € | 230 466 762 € | 311 801 738 € | 330 989 992 € | 362 453 393 € | 313 832 825 € | 118 088 049 € | 80 315 606 € | 36 117 026 € | 12 931 832 € | 4 735 396 € | 1 619 095 € |
| Total | 6 097 235 312 € | 628 588 742 € | 724 305 650 € | 880 477 367 € | 1 032 369 429 € | 1 120 188 779 € | 569 631 040 € | 583 620 967 € | 497 479 683 € | 50 971 501 € | 7 452 387 € | 2 149 677 € |

| 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 | 5 473 366 329 € | 581 819 262 € | 670 474 902 € | 814 655 290 € | 945 349 231 € | 1 010 754 360 € | 502 076 376 € | 497 246 945 € | 398 291 23 € | 44 201 575 € | 6 917 876 € | 1 579 089 € |
| RE-MORTGAGE | 345 617 722 € | 15 496 383 € | 19 687 846 € | 28 379 865 € | 43 457 591 € | 51 685 606 € | 38 380 406 € | 56 447 192 € | 86 629 144 € | 4 727 789 € | 262 537 € | 463 364 € |
| EQUITY RELEASE | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Construction (Surface Increase) | 108 855 927 € | 11 566 525 € | 12 108 237 € | 15 092 700 € | 18 555 641 € | 23 887 878 € | 11 428 765 € | 10 679 086 € | 5 122 061 € | 470 411 € | 47 980 € | 96 643 € |
| Construction (New Building) | 169 395 334 € | 19 706 572 € | 22 034 666 € | 22 349 512 € | 25 206 966 € | 33 660 935 € | 17 745 493 € | 19 247 743 € | 7 437 055 € | 1 571 26 € | 223 995 € | 10 671 € |
| Other/No data | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Total | 6 097 235 312 € | 628 588 742 € | 724 305 650 € | 880 477 367 € | 1 032 369 429 € | 1 120 188 779 € | 569 631 040 € | 583 620 967 € | 497 479 683 € | 50 971 501 € | 7 452 387 € | 2 149 767 € |

| 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 | 4 736 944 238 € | 507 952 349 € | 576 473 612 € | 697 897 710 € | 810 832 402 € | 852 495 993 € | 426 966 237 € | 435 393 578 € | 385 235 135 € | 36 391 401 € | 6 073 026 € | 1 232 796 € |
| Buy-to let | 454 383 825 € | 29 914 085 € | 42 895 201 € | 55 245 507 € | 77 574 771 € | 97 024 707 € | 54 292 383 € | 52 263 882 € | 34 824 407 € | 9 567 750 € | 646 490 € | 96 643 € |
| Vacation / second home | 905 907 249 € | 90 722 307 € | 104 936 838 € | 127 334 150 € | 143 962 256 € | 170 668 079 € | 88 372 420 € | 95 963 507 € | 7 382 141 € | 5 012 349 € | 732 872 € | 820 328 € |
| Other/No data | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Total | 6 097 235 312 € | 628 588 742 € | 724 305 650 € | 880 477 367 € | 1 032 369 429 € | 1 120 188 779 € | 569 631 040 € | 583 620 967 € | 497 479 683 € | 50 971 501 € | 7 452 387 € | 2 149 767 € |

| 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 | 4 506 097 050 € | 453 888 859 € | 534 211 059 € | 647 183 828 € | 770 618 140 € | 827 611 973 € | 420 171 571 € | 434 257 427 € | 375 442 270 € | 35 816 629 € | 5 664 363 € | 1 230 932 € |
| Protected life-time employment | 490 633 637 € | 45 426 730 € | 52 471 429 € | 70 566 252 € | 80 026 370 € | 91 356 880 € | 51 558 513 € | 48 112 425 € | 46 339 955 € | 4 629 667 € | 132 117 € | 0 € |
| SELF-EMPLOYED | 803 775 357 € | 76 513 805 € | 93 864 093 € | 118 246 544 € | 134 816 330 € | 152 089 987 € | 76 423 983 € | 81 579 820 € | 59 489 614 € | 8 75 160 € | 1 383 932 € | 592 091 € |
| Unemployed | 204 911 226 € | 30 893 234 € | 29 792 285 € | 29 612 428 € | 33 318 221 € | 35 723 299 € | 15 200 463 € | 14 544 692 € | 13 834 536 € | 1 443 329 € | 223 995 € | 326 744 € |
| Other/No data | 91 818 041 € | 21 866 114 € | 13 966 785 € | 14 868 316 € | 13 590 368 € | 13 406 641 € | 6 276 511 € | 5 126 603 € | 2 373 308 € | 295 416 € | 47 980 € | 0 € |
| Total | 6 097 235 312 € | 628 588 742 € | 724 305 650 € | 880 477 367 € | 1 032 369 429 € | 1 120 188 779 € | 569 631 040 € | 583 620 967 € | 497 479 683 € | 50 971 501 € | 7 452 387 € | 2 149 767 € |

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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 | 44 279 014 € | 4 673 020 € | 5 557 842 € | 6 468 840 € | 8 820 017 € | 8 013 57 € | 3 989 936 € | 4 601 889 € | 2 153 954 € | 0 € | 0 € | 0 € |
| Aquitaine | 264 926 343 € | 27 930 754 € | 29 769 312 € | 35 904 010 € | 44 083 699 € | 50 277 517 € | 21 711 935 € | 24 712 155 € | 26 456 609 € | 4 080 352 € | 0 € | 0 € |
| Auvergne | 26 498 546 € | 2 446 154 € | 2 653 038 € | 2 080 591 € | 5 371 051 € | 6 533 65 € | 3 552 399 € | 2 244 798 € | 1 548 777 € | 68 043 € | 0 € | 0 € |
| Basse-Normandie | 52 732 796 € | 4 380 253 € | 7 271 667 € | 7 971 218 € | 8 132 207 € | 11 893 701 € | 3 942 776 € | 5 029 130 € | 4 111 844 € | 0 € | 0 € | 0 € |
| Bourgogne | 37 660 539 € | 3 103 756 € | 3 515 923 € | 5 635 285 € | 6 671 237 € | 8 300 51 € | 3 509 627 € | 4 649 432 € | 2 274 627 € | 0 € | 0 € | 0 € |
| Bretagne | 90 104 831 € | 11 383 840 € | 10 475 784 € | 13 562 587 € | 16 473 023 € | 14 692 656 € | 8 087 972 € | 9 599 596 € | 5 084 859 € | 744 514 € | 0 € | 0 € |
| Centre | 117 030 750 € | 10 028 187 € | 14 254 074 € | 12 626 322 € | 18 404 025 € | 22 023 640 € | 12 605 198 € | 15 921 003 € | 10 235 381 € | 932 92 € | 0 € | 0 € |
| Champagne-Ardenne | 17 503 146 € | 1 647 954 € | 1 146 028 € | 1 823 075 € | 3 544 460 € | 2 915 72 € | 3 123 662 € | 1 104 510 € | 1 985 935 € | 211 751 € | 0 € | 0 € |
| Corse | 13 271 182 € | 1 158 333 € | 2 269 899 € | 1 911 089 € | 2 176 887 € | 2 586 96 € | 1 419 992 € | 798 228 € | 949 848 € | 0 € | 0 € | 0 € |
| Départements d'Outre-Mer | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Franche-Comté | 19 891 576 € | 1 671 543 € | 1 656 549 € | 3 332 167 € | 2 636 332 € | 3 867 05 € | 3 198 573 € | 2 041 121 € | 1 359 570 € | 128 676 € | 0 € | 0 € |
| Haute-Normandie | 126 934 354 € | 10 220 798 € | 12 998 675 € | 18 929 819 € | 23 217 752 € | 23 783 239 € | 12 548 132 € | 14 260 326 € | 9 996 451 € | 979 163 € | 0 € | 0 € |
| Île-de-France | 3 344 720 686 € | 347 296 643 € | 419 438 226 € | 496 466 670 € | 568 456 421 € | 585 737 990 € | 292 062 423 € | 300 979 06 € | 293 585 311 € | 32 350 324 € | 6 222 487 € | 2 124 695 € |
| Languedoc-Roussillon | 74 170 686 € | 8 431 906 € | 8 143 279 € | 8 908 684 € | 12 441 353 € | 17 136 392 € | 8 035 329 € | 5 637 410 € | 5 052 518 € | 301 386 € | 82 429 € | 0 € |
| Limousin | 14 767 427 € | 1 670 530 € | 1 685 969 € | 2 226 642 € | 2 422 651 € | 2 440 179 € | 2 154 707 € | 2 020 964 € | 145 785 € | 0 € | 0 € | 0 € |
| Lorraine | 63 553 363 € | 4 322 266 € | 6 348 942 € | 8 389 456 € | 11 775 92 € | 12 434 747 € | 5 645 176 € | 7 962 345 € | 6 219 203 € | 378 828 € | 74 808 € | 0 € |
| Midi-Pyrénées | 111 370 974 € | 9 546 244 € | 9 725 791 € | 13 594 584 € | 17 06 822 € | 22 335 522 € | 11 095 452 € | 14 391 258 € | 11 836 122 € | 1 759 178 € | 0 € | 0 € |
| Nord-Pas-de-Calais | 278 148 234 € | 26 385 286 € | 28 966 140 € | 38 495 153 € | 42 762 677 € | 51 602 801 € | 31 678 470 € | 30 654 989 € | 25 45 355 € | 2 151 364 € | 0 € | 0 € |
| Pays-de-la-Loire | 120 423 808 € | 13 328 854 € | 13 699 958 € | 17 372 929 € | 19 800 694 € | 21 378 594 € | 12 122 869 € | 12 211 859 € | 9 895 336 € | 405 283 € | 206 833 € | 0 € |
| Picardie | 127 879 800 € | 8 663 096 € | 9 727 002 € | 13 821 229 € | 21 88 597 € | 28 305 094 € | 14 889 291 € | 18 868 752 € | 10 307 532 € | 1 303 724 € | 115 484 € | 0 € |
| Poitou-Charentes | 94 809 075 € | 11 028 951 € | 10 352 916 € | 12 883 107 € | 17 366 244 € | 18 903 278 € | 9 684 017 € | 9 056 370 € | 4 804 37 € | 729 819 € | 0 € | 0 € |
| Provence-Alpes-Côte d'Azur | 617 939 798 € | 73 468 926 € | 68 779 464 € | 92 809 938 € | 10 218 289 € | 121 369 209 € | 63 059 495 € | 56 088 030 € | 32 774 210 € | 1 996 462 € | 361 377 € | 14 400 € |
| Rhône-Alpes | 438 618 384 € | 45 801 449 € | 55 869 175 € | 65 263 973 € | 7 162 7 402 € | 83 656 634 € | 41 513 609 € | 40 787 304 € | 31 20 484 € | 2 449 712 € | 388 970 € | 10 671 € |
| 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 | 6 097 235 312 € | 628 588 742 € | 724 305 650 € | 880 477 367 € | 1 032 369 42 € | 1 120 188 779 € | 569 631 040 € | 583 620 967 € | 497 479 683 € | 50 971 501 € | 7 452 387 € | 2 149 767 € |

| 8. Guaranty Type | | | |
|-------------------------------|------------------------|-------------------------|-----------------|
| Guaranty | Total Loan Balance | Total Loan Balance in % | Number of Loans |
| Mortgage | 958 054 485 € | 15.71% | 6 556 |
| Guaranteed by Crédit Logement | 5 139 180 827 € | 84.29% | 36 673 |
| Total | 6 097 235 312 € | 100.00% | 43 229 |

ASSET COVER TEST

Date of Asset Cover test:

16/09/2014

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

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

| | | |
|----------|---|--------------------|
| R | Asset Cover test Ratio | 1.27 |
| | Adjusted Aggregate Asset Amount (AAAA) | 5 316 286 464.81 € |
| | Aggregate Covered Bond Outstanding Principal Amount | 4 174 970 271.46 € |
| | Asset Cover Test Result | PASS |

| | | |
|-----------|---|---------------------------|
| A | =min(A1 ; A2) | 5 304 594 721.27 € |
| A1 | Adjusted Home Loan Outstanding Principal Amount | 5 958 417 821.32 € |
| A2 | = a * b | 5 304 594 721.27 € |
| | Unadjusted Home Loan Outstanding Principal Amount (a) | 6 097 235 311.81 € |
| | Asset Percentage (b) | 87.0% |

| | | |
|----------|-------------------------|---|
| B | Cash Collateral Account | - |
|----------|-------------------------|---|

| | | |
|----------|--|------|
| C | Aggregate Substitution Asset Amount (ASAA) | - |
| | ASAA level limit | 20% |
| | ASAA level is acceptable | TRUE |

| | | |
|----------|-----------------------|-----------------------|
| D | Permitted Investments | 124 404 655.08 |
|----------|-----------------------|-----------------------|

| | | |
|----------|---|---|
| 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% | 112 712 912 |
| | WAM (Weighted Average Maturity) | 5.40 |
| | 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 | 2.3901 |
| Serie n°2 ISINCH0111297393 Devise : CHF | 200 000 000.00 | 07/09/2015 | 1.0185 |
| Serie n°3 ISINCH0111297443 Devise : CHF | 200 000 000.00 | 07/09/2018 | 4.0192 |
| Serie n°4 ISINCH0120743346 Devise : CHF | 200 000 000.00 | 23/04/2019 | 4.6434 |
| Serie n°5 ISINFR0011470764 Devise : EUR | 1 250 000 000.00 | 16/10/2023 | 9.1253 |
| Serie n°6 ISINFR0011600923 Devise : EUR | 1 000 000 000.00 | 28/10/2020 | 6.1602 |

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