

HSBC SFH (France) Investor Report

Collection Period End:

31/10/2012

Date of Report:

16/11/2012

Summary

| Cover Pool Overview Data | |
|--|--------------------|
| Total Outstanding Current Balance: | 3 994 096 709 € |
| Number of Loans | 29 815 |
| Number of Borrowers | 28 149 |
| Average Loan Balance | 133 963 |
| Weighted Average Seasoning of Loan parts (months) | 52.95 |
| Weighted Average Remaining Term of Loan Parts (months) | 167.79 |
| Percentage of floating interest rate loans | 3.09% |
| Weighted Average Current LTV | 68.7% |
| Weighted Average Current Indexed LTV | 60.5% |
| Loan Originator | Total Loan Balance |
| HBFH | 3 994 096 709 € |
| Covered Bonds Overview Data | |
| Total Covered Bonds Outstanding Balance: | 1 924 970 271 € |
| Weight Average Maturity | 4.42 |
| ACT Results | |
| 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% | 341 098 797 € | 3 490 |
| >40% - ≤50% | 457 402 282 € | 3 983 |
| >50% - ≤60% | 553 090 838 € | 4 439 |
| >60% - ≤70% | 619 714 618 € | 4 588 |
| >70% - ≤80% | 696 750 308 € | 4 853 |
| >80% - ≤85% | 377 873 552 € | 2 547 |
| >85% - ≤90% | 370 660 585 € | 2 431 |
| >90% - ≤95% | 312 342 849 € | 1 944 |
| >95% - ≤100% | 152 208 136 € | 932 |
| >100% - ≤105% | 80 227 159 € | 443 |
| >105% | 32 727 584 € | 165 |
| Total | 3 994 096 709 € | 29 815 |

| 1.b Indexed LTV Ranges Distribution | | |
|-------------------------------------|------------------------|-----------------|
| Indexed LTV Range | Total Loan Balance | Number of Loans |
| 0 - ≤40% | 719 688 410 € | 6 940 |
| >40% - ≤50% | 570 765 722 € | 4 534 |
| >50% - ≤60% | 620 373 525 € | 4 423 |
| >60% - ≤70% | 656 464 972 € | 4 506 |
| >70% - ≤80% | 660 663 305 € | 4 416 |
| >80% - ≤85% | 302 777 398 € | 2 017 |
| >85% - ≤90% | 302 327 826 € | 1 932 |
| >90% - ≤95% | 161 035 551 € | 1 047 |
| >95% - ≤100% | 0 € | - |
| >100% - ≤105% | 0 € | - |
| >105% | 0 € | - |
| Total | 3 994 096 709 € | 29 815 |

| 2. Current Arrears Ranges Distribution | | |
|--|------------------------|-----------------|
| Number of months in arrears | Total Loan Balance | Number of Loans |
| 0 | 3 994 096 709 € | 29 815 |
| >1 - ≤2 | | |
| >2 - ≤3 | | |
| >3 - ≤4 | | |
| >4 - ≤5 | | |
| >5 - ≤6 | | |
| >6 | | |
| Total | 3 994 096 709 € | 29 815 |

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| 3. Seasoning | | By Unindexed LTV ranges | | | | | | | | | | |
|---------------------|------------------------|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| Seasoning in months | Total Loan Balance | 0 - ≤40% | >40% - ≤50% | >50% - ≤60% | >60% - ≤70% | >70% - ≤80% | >80% - ≤85% | >85% - ≤90% | >90% - ≤95% | >95% - ≤100% | >100% - ≤105% | >105% |
| < 12 | 591 131 312 € | 69 363 887 € | 67 340 347 € | 78 798 374 € | 99131 688 € | 124 653 016 € | 55 076 103 € | 59 482 590 € | 37 25 307 € | 0 € | 0 € | 0 € |
| ≥12 - <24 | 395 280 135 € | 41 830 939 € | 39 467 950 € | 51 578 917 € | 61920 664 € | 68 344 295 € | 38 370 082 € | 40 194 936 € | 34 28 554 € | 12 287 563 € | 4 810 938 € | 2 175 297 € |
| ≥24 - <36 | 440 875 143 € | 35 822 771 € | 36 981 519 € | 48 052 265 € | 51854 174 € | 63 017 763 € | 35 567 260 € | 41 387 799 € | 42 40 367 € | 35 397 906 € | 33 111 545 € | 17 278 774 € |
| ≥36 - <60 | 594 646 417 € | 58 188 533 € | 59 733 679 € | 66 115 579 € | 78811 472 € | 90 980 375 € | 51 806 732 € | 60 099 116 € | 44 18 966 € | 47 359 799 € | 29 959 352 € | 7 405 814 € |
| ≥60 | 1 972 163 702 € | 135 892 667 € | 253 878 787 € | 308 545 703 € | 327 996 619 € | 349 754 859 € | 197 053 375 € | 169 496 145 € | 154 169 656 € | 57 162 868 € | 12 345 324 € | 5 867 700 € |
| Total | 3 994 096 709 € | 341 098 797 € | 457 402 282 € | 553 090 838 € | 619 714 618 € | 696 750 308 € | 377 873 552 € | 370 660 585 € | 312 342 849 € | 152 208 136 € | 80 227 159 € | 32 727 584 € |

| 4. Loan Purpose | | By Unindexed LTV ranges | | | | | | | | | | |
|---------------------------------|------------------------|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| Loan Purpose | Total Loan Balance | 0 - ≤40% | >40% - ≤50% | >50% - ≤60% | >60% - ≤70% | >70% - ≤80% | >80% - ≤85% | >85% - ≤90% | >90% - ≤95% | >95% - ≤100% | >100% - ≤105% | >105% |
| Purchase | 3 645 976 322 € | 321 576 649 € | 425 061 640 € | 512 749 131 € | 573 607 497 € | 634 723 668 € | 339 409 880 € | 326 456 490 € | 281 821 392 € | 132 426 904 € | 70 456 932 € | 27 686 138 € |
| RE-MORTGAGE | 186 378 336 € | 6 594 878 € | 12 964 678 € | 19 379 530 € | 23321 491 € | 36 327 213 € | 21 336 077 € | 24 915 658 € | 15 338226 € | 14 404 687 € | 7 706 664 € | 4 089 232 € |
| EQUITY RELEASE | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Construction (Surface Increase) | 104 210 141 € | 7 507 734 € | 9 234 993 € | 12 879 048 € | 15 88 444 € | 17 554 042 € | 12 314 544 € | 13 279 487 € | 9 925 49 € | 4 297 821 € | 1 680 651 € | 347 918 € |
| Construction (New Building) | 57 531 910 € | 5 419 535 € | 10 140 972 € | 8 083 128 € | 7 597 185 € | 8 145385 € | 4 813 052 € | 6 008 950 € | 5 257 772 € | 1 078 724 € | 38 912 € | 604 296 € |
| Other/No data | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Total | 3 994 096 709 € | 341 098 797 € | 457 402 282 € | 553 090 838 € | 619 714 618 € | 696 750 308 € | 377 873 552 € | 370 660 585 € | 312 342 849 € | 152 208 136 € | 80 227 159 € | 32 727 584 € |

| 5. Occupancy type | | By Unindexed LTV ranges | | | | | | | | | | |
|------------------------|------------------------|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| Occupancy type | Total Loan Balance | 0 - ≤40% | >40% - ≤50% | >50% - ≤60% | >60% - ≤70% | >70% - ≤80% | >80% - ≤85% | >85% - ≤90% | >90% - ≤95% | >95% - ≤100% | >100% - ≤105% | >105% |
| Owner-occupied | 2 961 941 062 € | 271 643 061 € | 356 269 239 € | 420 559 090 € | 462 978 445 € | 513 912 395 € | 279 744 045 € | 260 668 889 € | 219 919 395 € | 104 300 675 € | 49 017 513 € | 22 928 315 € |
| Buy-to let | 729 393 199 € | 36 108 242 € | 59 671 970 € | 85 897 179 € | 10 429 236 € | 127 035 080 € | 74 162 102 € | 85 187 918 € | 78371 752 € | 41 254 534 € | 29 984 462 € | 9 290 725 € |
| Vacation / second home | 302 762 448 € | 33 347 494 € | 41 461 074 € | 46 634 569 € | 54306 937 € | 55 802 833 € | 23 967 405 € | 24 803 779 € | 14 09 702 € | 6 652 927 € | 1 225 184 € | 508 544 € |
| Other/No data | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Total | 3 994 096 709 € | 341 098 797 € | 457 402 282 € | 553 090 838 € | 619 714 618 € | 696 750 308 € | 377 873 552 € | 370 660 585 € | 312 342 849 € | 152 208 136 € | 80 227 159 € | 32 727 584 € |

| 6. Borrower Employment type | | By Unindexed LTV ranges | | | | | | | | | | |
|--------------------------------|------------------------|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| Employment type | Total Loan Balance | 0 - ≤40% | >40% - ≤50% | >50% - ≤60% | >60% - ≤70% | >70% - ≤80% | >80% - ≤85% | >85% - ≤90% | >90% - ≤95% | >95% - ≤100% | >100% - ≤105% | >105% |
| Employed | 2 854 543 085 € | 236 535 139 € | 324 743 492 € | 398 267 534 € | 441 257 921 € | 499 822 026 € | 272 942 554 € | 266 873 748 € | 222 721 831 € | 108 416 895 € | 60 587 185 € | 22 374 760 € |
| Protected life-time employment | 297 975 462 € | 25 260 224 € | 30 852 930 € | 40 243 656 € | 48 653 387 € | 50479 572 € | 28 060 899 € | 32 015 704 € | 23 610 480 € | 11 919816 € | 4 468 791 € | 2 410 004 € |
| SELF-EMPLOYED | 615 114 685 € | 47 949 732 € | 70 201 903 € | 79 146 753 € | 97 619 228 € | 111840 141 € | 58 614 893 € | 57 017 978 € | 50 612 375 € | 24 39 664 € | 11 271 093 € | 6 520 925 € |
| Unemployed | 150 890 401 € | 17 272 571 € | 18 054 158 € | 23 665 431 € | 22 235 018 € | 24094 081 € | 13 077 337 € | 11 076 474 € | 10 647 584 € | 5 930902 € | 3 759 570 € | 1 077 875 € |
| Other/No data | 75 573 075 € | 14 081 131 € | 13 549 800 € | 11 767 463 € | 9 949 064 € | 10 54 489 € | 5 177 869 € | 3 676 681 € | 4 750 579 € | 1 621 459 € | 140 521 € | 344 020 € |
| Total | 3 994 096 709 € | 341 098 797 € | 457 402 282 € | 553 090 838 € | 619 714 618 € | 696 750 308 € | 377 873 552 € | 370 660 585 € | 312 342 849 € | 152 208 136 € | 80 227 159 € | 32 727 584 € |

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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 | 41 769 483 € | 2 848 129 € | 4 328 087 € | 5 818 079 € | 7 128 104 € | 8 993 80 € | 4 462 214 € | 4 633 195 € | 2 652 906 € | 904 931 € | 0 € | 0 € |
| Aquitaine | 183 537 891 € | 17 149 645 € | 19 985 464 € | 23 554 468 € | 28 522 670 € | 35 689 103 € | 19 928 325 € | 16 305 167 € | 12 420 420 € | 5 934 975 € | 3 171 706 € | 875 950 € |
| Auvergne | 18 148 020 € | 1 688 488 € | 1 464 159 € | 2 134 832 € | 2 529 683 € | 3 488 21 € | 1 913 615 € | 2 315 517 € | 1 958 820 € | 654 186 € | 0 € | 0 € |
| Basse-Normandie | 43 277 924 € | 2 720 202 € | 4 506 342 € | 7 299 312 € | 6 961 366 € | 7 828 07 € | 4 951 766 € | 3 747 790 € | 4 331 183 € | 931 857 € | 0 € | 0 € |
| Bourgogne | 29 299 464 € | 1 960 042 € | 2 697 622 € | 2 400 106 € | 6 323 100 € | 6 023 75 € | 2 924 064 € | 4 133 742 € | 2 596 363 € | 240 949 € | 0 € | 0 € |
| Bretagne | 67 145 460 € | 7 249 972 € | 8 101 396 € | 8 915 750 € | 11 334 799 € | 13 127 879 € | 5 601 238 € | 6 658 213 € | 4 125 434 € | 1 764 844 € | 8 544 € | 203 391 € |
| Centre | 85 973 553 € | 7 280 532 € | 8 596 154 € | 11 373 590 € | 11 785 940 € | 15 071 905 € | 10 727 805 € | 10 945 597 € | 6 272 332 € | 2 280 202 € | 1 639 495 € | 0 € |
| Champagne-Ardenne | 12 055 443 € | 954 597 € | 1 016 865 € | 833 571 € | 1 459 604 € | 3 162 385 € | 1 396 475 € | 1 430 657 € | 1 236 868 € | 564 422 € | 0 € | 0 € |
| Corse | 11 744 472 € | 820 241 € | 526 418 € | 1 484 443 € | 2 822 089 € | 1 749 275 € | 684 810 € | 1 455 849 € | 850 993 € | 633 858 € | 716 495 € | 0 € |
| Départements d'Outre-Mer | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Franche-Comté | 14 620 107 € | 1 260 943 € | 1 465 625 € | 1 985 557 € | 1 985 190 € | 4 063 58 € | 615 807 € | 1 255 498 € | 1 527 505 € | 460 474 € | 0 € | 0 € |
| Haute-Normandie | 97 815 925 € | 5 578 418 € | 9 005 798 € | 10 448 398 € | 16 195 849 € | 19 381 261 € | 10 295 706 € | 10 796 932 € | 12 091 913 € | 4 021 656 € | 0 € | 0 € |
| Île-de-France | 1 977 052 472 € | 163 790 428 € | 237 506 431 € | 287 978 640 € | 306 426 254 € | 321 607 395 € | 173 642 057 € | 167 792 52 € | 146 483 071 € | 85 678 926 € | 57 610 551 € | 28 536 058 € |
| Languedoc-Roussillon | 50 979 111 € | 4 303 607 € | 6 073 767 € | 7 249 641 € | 8 011 746 € | 11 110 453 € | 3 996 223 € | 5 854 836 € | 3 322 232 € | 92 681 € | 63 926 € | 0 € |
| Limousin | 11 726 908 € | 1 369 630 € | 886 466 € | 2 062 761 € | 1 317 608 € | 2 217 201 € | 1 943 528 € | 1 263 140 € | 456 740 € | 209 77 € | 0 € | 0 € |
| Lorraine | 52 022 686 € | 3 394 983 € | 2 973 445 € | 6 841 958 € | 8 460 057 € | 11 356 672 € | 6 437 644 € | 6 212 026 € | 6 120 416 € | 29 486 € | 0 € | 0 € |
| Midi-Pyrénées | 73 715 661 € | 6 334 570 € | 5 407 439 € | 9 761 675 € | 11 211 669 € | 12 786 268 € | 8 686 504 € | 8 252 175 € | 5 546 135 € | 4 021 268 € | 1 377 634 € | 330 325 € |
| Nord-Pas-de-Calais | 212 624 468 € | 20 455 187 € | 20 640 480 € | 26 111 200 € | 32 777 216 € | 35 271 239 € | 22 437 789 € | 20 106 221 € | 20 35 933 € | 10 554 302 € | 3 799 947 € | 154 955 € |
| Pays-de-la-Loire | 87 252 336 € | 8 235 986 € | 11 011 373 € | 13 460 120 € | 14 84 344 € | 15 535 194 € | 8 783 501 € | 5 916 402 € | 4 485 462 € | 2 984 922 € | 2 035 033 € | 0 € |
| Picardie | 86 839 699 € | 5 006 244 € | 7 044 822 € | 8 450 597 € | 8 868 120 € | 17 601 240 € | 10 240 795 € | 13 288 877 € | 12 582 059 € | 3 440 709 € | 186 235 € | 130 000 € |
| Poitou-Charentes | 77 371 995 € | 6 187 206 € | 8 217 661 € | 10 616 528 € | 11 55 696 € | 13 333 830 € | 7 852 917 € | 8 541 675 € | 6 011 083 € | 4 151 231 € | 904 169 € | 0 € |
| Provence-Alpes-Côte d'Azur | 452 250 584 € | 46 643 745 € | 52 520 842 € | 59 405 465 € | 69 604 812 € | 84 393 646 € | 43 832 350 € | 46 325 045 € | 34 83 462 € | 11 742 630 € | 2 207 197 € | 741 389 € |
| Rhône-Alpes | 306 873 047 € | 25 866 002 € | 43 425 628 € | 44 904 139 € | 49 622 646 € | 52 957 714 € | 26 518 418 € | 23 429 380 € | 22 12 518 € | 9 819 858 € | 6 452 227 € | 1 755 517 € |
| 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 | 3 994 096 709 € | 341 098 797 € | 457 402 282 € | 553 090 838 € | 619 714 618 € | 696 750 308 € | 377 873 552 € | 370 660 585 € | 312 342 849 € | 152 208 136 € | 80 227 159 € | 32 727 584 € |

ASSET COVER TEST

Date of Asset Cover test:

16/11/2012

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

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

| | | |
|----------|---|--------------------|
| R | Asset Cover test Ratio | 1.82 |
| | Adjusted Aggregate Asset Amount (AAAA) | 3 510 524 222.63 € |
| | Aggregate Covered Bond Outstanding Principal Amount | 1 924 970 271.46 € |
| | Asset Cover Test Result | PASS |

| | | |
|-----------|---|---------------------------|
| A | =min(A1 ; A2) | 3 474 864 136.80 € |
| A1 | Adjusted Home Loan Outstanding Principal Amount | 3 930 714 459.89 € |
| A2 | = a * b | 3 474 864 136.80 € |
| | Unadjusted Home Loan Outstanding Principal Amount (a) | 3 994 096 708.97 € |
| | 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 | 78 168 413.00 € |
|----------|-----------------------|------------------------|

| | | |
|----------|---|---|
| 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% | 42 508 327 |
| | WAM (Weighted Average Maturity) | 4.42 |
| | 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 | 4.2218 |
| Serie n°2 ISINCH0111297393 Devise : CHF | 200 000 000.00 | 07/09/2015 | 2.8501 |
| Serie n°3 ISINCH0111297443 Devise : CHF | 200 000 000.00 | 07/09/2018 | 5.8508 |
| Serie n°4 ISINCH0120743346 Devise : CHF | 200 000 000.00 | 23/04/2019 | 6.4750 |

Disclaimer :

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