

## HSBC SFH (France) Investor Report

Collection Period End:

**31/10/2014**

Date of Report:

**13/11/2014**

### Summary

<b>Cover Pool Overview Data</b>	
Total Outstanding Current Balance:	6 097 854 943 €
Number of Loans	42 692
Number of Borrowers	37 658
Average Loan Balance	142 834
Weighted Average Seasoning of Loan parts (months)	43.54
Weighted Average Remaining Term of Loan Parts (months)	169.50
Percentage of floating interest rate loans	1.34%
Weighted Average Current LTV	66.3%
Weighted Average Current Indexed LTV	64.6%
Loan Originator	Total Loan Balance
HBFH	6 097 854 943 €
<b>Covered Bonds Overview Data</b>	
Total Covered Bonds Outstanding Balance:	4 174 970 271 €
Weight Average Maturity	5.23
<b>ACT Results</b>	
Asset Cover Ratio	1.27
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%	561 725 595 €	5 271
>40% - ≤50%	731 066 707 €	5 827
>50% - ≤60%	904 788 262 €	6 579
>60% - ≤70%	1 072 628 198 €	7 246
>70% - ≤80%	1 163 758 302 €	7 494
>80% - ≤85%	577 662 605 €	3 665
>85% - ≤90%	607 498 634 €	3 745
>90% - ≤95%	438 508 419 €	2 657
>95% - ≤100%	32 156 303 €	166
>100% - ≤105%	6 985 802 €	32
>105%	1 076 116 €	10
<b>Total</b>	<b>6 097 854 943 €</b>	<b>42 692</b>

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	797 938 078 €	7 192
>40% - ≤50%	773 206 482 €	5 902
>50% - ≤60%	893 654 678 €	6 288
>60% - ≤70%	979 863 690 €	6 496
>70% - ≤80%	1 051 561 783 €	6 766
>80% - ≤85%	518 049 578 €	3 274
>85% - ≤90%	570 387 548 €	3 584
>90% - ≤95%	513 193 105 €	3 190
>95% - ≤100%	0 €	-
>100% - ≤105%	0 €	-
>105%	0 €	-
<b>Total</b>	<b>6 097 854 943 €</b>	<b>42 692</b>

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	6 097 854 943 €	42 692
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
<b>Total</b>	<b>6 097 854 943 €</b>	<b>42 692</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	1 264 587 354 €	86 543 081 €	106 064 579 €	177 335 396 €	218 149 728 €	273 982 757 €	120 372 375 €	143 223 27 €	138 916 191 €	0 €	0 €	0 €
≥12 - <24	1 268 891 119 €	94 660 234 €	124 676 433 €	164 692 574 €	199 112 271 €	231 221 577 €	136 598 905 €	163 225 48 €	154 157 531 €	546 169 €	0 €	0 €
≥24 - <36	898 157 484 €	98 839 605 €	110 185 060 €	127 933 754 €	148 968 147 €	174 907 408 €	95 595 500 €	108 685 180 €	32 418 372 €	624 459 €	0 €	0 €
≥36 - <60	904 932 177 €	88 162 084 €	87 396 697 €	107 770 451 €	88 652 942 €	167 800 890 €	107 531 003 €	109 779 894 €	76 714 893 €	18 962 658 €	2 055 405 €	105 260 €
≥60	1 761 286 809 €	193 520 591 €	302 743 938 €	327 056 088 €	367 745 110 €	315 845 671 €	117 564 822 €	82 584 887 €	36 301 432 €	12 023 017 €	4 930 397 €	970 856 €
<b>Total</b>	<b>6 097 854 943 €</b>	<b>561 725 595 €</b>	<b>731 066 707 €</b>	<b>904 788 262 €</b>	<b>1 072 628 198 €</b>	<b>1 163 758 302 €</b>	<b>577 662 605 €</b>	<b>607 498 634 €</b>	<b>438 508 419 €</b>	<b>32 156 303 €</b>	<b>6 985 802 €</b>	<b>1 076 116 €</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	5 477 672 091 €	518 096 206 €	678 563 683 €	838 572 312 €	979 650 508 €	1 052 832 545 €	506 896 269 €	514 028 629 €	354 285 85 €	27 557 702 €	6 583 186 €	605 187 €
RE-MORTGAGE	346 110 888 €	15 552 709 €	18 770 107 €	28 036 016 €	47304 232 €	51 446 423 €	42 420 606 €	64 667 082 €	74 38 566 €	2 804 778 €	262 112 €	460 258 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	104 313 218 €	10 262 516 €	11 684 805 €	14 655 548 €	18302 674 €	22 683 552 €	11 821 269 €	10 258 792 €	4 142001 €	360 657 €	140 504 €	0 €
Construction (New Building)	169 758 746 €	17 814 165 €	22 048 113 €	23 524 386 €	27 370 784 €	36795 782 €	16 524 460 €	18 544 131 €	5 693 087 €	1 433 66 €	0 €	10 671 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>6 097 854 943 €</b>	<b>561 725 595 €</b>	<b>731 066 707 €</b>	<b>904 788 262 €</b>	<b>1 072 628 198 €</b>	<b>1 163 758 302 €</b>	<b>577 662 605 €</b>	<b>607 498 634 €</b>	<b>438 508 419 €</b>	<b>32 156 303 €</b>	<b>6 985 802 €</b>	<b>1 076 116 €</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	4 750 114 065 €	452 054 059 €	582 114 452 €	720 710 473 €	840 533 529 €	892 571 378 €	435 818 719 €	462 229 973 €	335 482 779 €	22 210 057 €	6 127 629 €	261 017 €
Buy-to let	431 621 115 €	26 440 154 €	40 460 408 €	54 308 508 €	78291 669 €	93 693 563 €	55 370 294 €	47 752 666 €	27 78 333 €	6 858 890 €	648 629 €	0 €
Vacation / second home	916 119 762 €	83 231 383 €	108 491 847 €	129 769 281 €	153 803 000 €	177 493 361 €	86 473 592 €	97 515 995 €	5 229 307 €	3 087 356 €	209 543 €	815 099 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
<b>Total</b>	<b>6 097 854 943 €</b>	<b>561 725 595 €</b>	<b>731 066 707 €</b>	<b>904 788 262 €</b>	<b>1 072 628 198 €</b>	<b>1 163 758 302 €</b>	<b>577 662 605 €</b>	<b>607 498 634 €</b>	<b>438 508 419 €</b>	<b>32 156 303 €</b>	<b>6 985 802 €</b>	<b>1 076 116 €</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	4 521 325 431 €	403 645 597 €	538 083 434 €	669 173 018 €	806 401 318 €	863 089 715 €	429 528 999 €	451 358 112 €	329 656 708 €	23 819 531 €	5 953 139 €	615 858 €
Protected life-time employment	499 939 378 €	43 910 705 €	53 347 203 €	73 402 206 €	82 359 616 €	102554 015 €	49 355 338 €	51 371 546 €	40 830 065 €	2 676570 €	132 113 €	0 €
SELF-EMPLOYED	786 224 161 €	67 024 639 €	95 088 795 €	118 604 540 €	135 560 011 €	51 307 853 €	76 516 928 €	81 564 410 €	54 894 612 €	4 48 177 €	853 938 €	460 258 €
Unemployed	199 375 535 €	27 728 328 €	31 044 928 €	27 956 393 €	33 616 503 €	32901 783 €	16 965 132 €	17 684 456 €	10 165 987 €	1 312024 €	0 €	0 €
Other/No data	90 990 439 €	19 416 327 €	13 502 347 €	15 652 105 €	14 690 749 €	13904 936 €	5 296 208 €	5 520 109 €	2 961 046 €	0 €	46 612 €	0 €
<b>Total</b>	<b>6 097 854 943 €</b>	<b>561 725 595 €</b>	<b>731 066 707 €</b>	<b>904 788 262 €</b>	<b>1 072 628 198 €</b>	<b>1 163 758 302 €</b>	<b>577 662 605 €</b>	<b>607 498 634 €</b>	<b>438 508 419 €</b>	<b>32 156 303 €</b>	<b>6 985 802 €</b>	<b>1 076 116 €</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	44 962 189 €	4 117 951 €	5 267 152 €	7 070 209 €	8 997 816 €	7 880 11 €	4 686 622 €	4 431 878 €	2 510 450 €	0 €	0 €	0 €
Aquitaine	265 094 001 €	24 807 383 €	30 157 508 €	36 986 386 €	44 276 875 €	52 511 524 €	22 289 958 €	23 929 905 €	27 280 277 €	2 854 186 €	0 €	0 €
Auvergne	27 493 101 €	2 768 517 €	2 724 036 €	2 520 358 €	5 214 616 €	6 454 29 €	3 916 059 €	2 359 926 €	1 535 159 €	0 €	0 €	0 €
Basse-Normandie	52 283 866 €	4 151 581 €	6 963 105 €	8 104 525 €	8 504 234 €	10 833 36 €	5 293 174 €	4 800 598 €	3 632 913 €	0 €	0 €	0 €
Bourgogne	36 504 386 €	2 713 634 €	3 656 292 €	5 565 556 €	6 509 555 €	8 608 43 €	3 194 847 €	4 512 081 €	1 744 009 €	0 €	0 €	0 €
Bretagne	87 292 633 €	10 560 791 €	10 197 112 €	13 414 300 €	16 165 315 €	15 199 958 €	8 496 006 €	8 220 702 €	4 457 876 €	580 574 €	0 €	0 €
Centre	112 165 244 €	8 775 162 €	13 538 549 €	12 861 449 €	19 009 985 €	21 39 721 €	14 306 300 €	15 198 730 €	6 666 778 €	438 570 €	0 €	0 €
Champagne-Ardenne	17 209 286 €	1 555 046 €	1 223 241 €	1 701 565 €	3 602 482 €	3 065 88 €	3 084 226 €	1 240 595 €	1 736 483 €	0 €	0 €	0 €
Corse	15 148 573 €	713 241 €	2 489 512 €	2 228 796 €	3 479 296 €	2 840 715 €	1 113 372 €	1 457 297 €	826 345 €	0 €	0 €	0 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	20 442 595 €	1 509 984 €	1 367 989 €	3 458 452 €	2 872 422 €	4 434 04 €	3 110 050 €	2 363 375 €	1 326 298 €	0 €	0 €	0 €
Haute-Normandie	119 937 739 €	8 587 270 €	13 751 474 €	19 284 416 €	22 898 684 €	25 04 029 €	12 086 777 €	13 434 983 €	4 709 769 €	170 337 €	0 €	0 €
Île-de-France	3 368 503 235 €	305 110 329 €	425 339 940 €	518 453 23 €	592 558 412 €	616 872 876 €	293 933 455 €	325 819 28 €	261 423 608 €	21 489 694 €	6 451 517 €	1 051 044 €
Languedoc-Roussillon	73 119 199 €	7 365 316 €	8 627 258 €	9 475 572 €	13 881 495 €	15 555 362 €	7 289 772 €	5 996 679 €	4 546 826 €	380 921 €	0 €	0 €
Limousin	14 452 283 €	1 462 932 €	1 633 717 €	2 314 779 €	2 17 1743 €	2 476 665 €	2 507 991 €	1 642 421 €	242 035 €	0 €	0 €	0 €
Lorraine	61 615 446 €	4 118 083 €	5 930 579 €	8 780 063 €	11 992 754 €	11 323 713 €	5 584 224 €	7 959 974 €	5 631 069 €	221 063 €	73 925 €	0 €
Midi-Pyrénées	110 177 489 €	8 167 624 €	9 161 840 €	14 485 277 €	18 61 326 €	22 433 315 €	11 720 549 €	13 257 570 €	11 451 437 €	838 550 €	0 €	0 €
Nord-Pas-de-Calais	273 610 400 €	23 613 413 €	27 039 641 €	39 389 335 €	43 888 173 €	55 298 460 €	31 247 785 €	30 396 301 €	21 69 219 €	1 239 074 €	0 €	0 €
Pays-de-la-Loire	120 530 078 €	13 010 078 €	13 494 645 €	15 680 455 €	20 596 896 €	23 168 757 €	12 428 137 €	13 510 391 €	8 188 665 €	250 479 €	204 376 €	0 €
Picardie	124 774 652 €	8 003 330 €	10 051 717 €	13 615 255 €	23 439 171 €	28 110 545 €	15 669 092 €	17 163 255 €	7 950 215 €	772 073 €	0 €	0 €
Poitou-Charentes	93 849 027 €	9 475 582 €	10 968 393 €	11 730 099 €	19 04 701 €	18 655 564 €	9 644 861 €	9 681 651 €	3 979 736 €	678 441 €	0 €	0 €
Provence-Alpes-Côte d'Azur	614 789 574 €	66 295 382 €	70 283 824 €	92 492 672 €	18 194 368 €	123 784 483 €	62 413 428 €	57 476 973 €	27 892 449 €	805 975 €	135 618 €	14 400 €
Rhône-Alpes	443 899 946 €	44 842 968 €	57 199 185 €	65 175 512 €	71 877 878 €	87 866 254 €	43 645 921 €	42 644 221 €	29 08 601 €	1 436 368 €	120 366 €	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 €
<b>Total</b>	<b>6 097 854 943 €</b>	<b>561 725 595 €</b>	<b>731 066 707 €</b>	<b>904 788 262 €</b>	<b>1 072 628 19 €</b>	<b>1 163 758 302 €</b>	<b>577 662 605 €</b>	<b>607 498 634 €</b>	<b>438 508 419 €</b>	<b>32 156 303 €</b>	<b>6 985 802 €</b>	<b>1 076 116 €</b>

## 8. Guaranty Type

Guaranty	Total Loan Balance	Total Loan Balance in %	Number of Loans
Mortgage	953 313 522 €	15.63%	6 432
Guaranteed by Crédit Logement	5 144 541 420 €	84.37%	36 260
<b>Total</b>	<b>6 097 854 943 €</b>	<b>100.00%</b>	<b>42 692</b>

**ASSET COVER TEST**

Date of Asset Cover test:

13/11/2014

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

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

<b>R</b>	<b>Asset Cover test Ratio</b>	<b>1.27</b>
	Adjusted Aggregate Asset Amount (AAAA)	5 320 174 902.43 €
	Aggregate Covered Bond Outstanding Principal Amount	4 174 970 271.46 €
	<b>Asset Cover Test Result</b>	<b>PASS</b>

<b>A</b>	<b>=min(A1 ; A2)</b>	<b>5 305 133 800.08 €</b>
<b>A1</b>	Adjusted Home Loan Outstanding Principal Amount	5 963 735 528.30 €
<b>A2</b>	= a * b	5 305 133 800.08 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	6 097 854 942.62 €
	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>124 267 727.98 €</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>109 226 626</b>
	WAM (Weighted Average Maturity)	5.23
	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	2.2231
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	0.8515
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	3.8522
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	4.4764
Serie n°5 ISINFR0011470764 Devise : EUR	1 250 000 000.00	16/10/2023	8.9582
Serie n°6 ISINFR0011600923 Devise : EUR	1 000 000 000.00	28/10/2020	6.0780

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