

HSBC Covered Bonds (France)

Collection Period End:
Date of Report:

31/01/2010
20/02/2010

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	3 843 346 945.23
Number of Loans	28 964
Number of Borrowers	26 025
Average Loan Balance	132 693.93
Weighted Average Seasoning of Loan parts (months)	44.36
Weighted Average Remaining Term of Loan Parts (months)	173.03
Percentage of variable mortgages	4%
Weighted Average Current LTV	68.7%
Weighted Average Current Indexed LTV	62.8%
Loan Originator	Total Loan Balance
HBFR	3 843 346 945.23

Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	1 500 000 000.00
Weighted Average Maturity	6.98

ACT Results	
Asset Cover Ratio	2.25
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%	500 889 286	6 976
>40% - ≤50%	340 701 582	2 861
>50% - ≤60%	474 531 464	3 303
>60% - ≤70%	519 794 748	3 520
>70% - ≤80%	591 963 949	3 881
>80% - ≤85%	313 436 897	1 952
>85% - ≤90%	332 005 135	2 091
>90% - ≤95%	307 332 744	1 793
>95% - ≤100%	267 690 565	1 553
>100% - ≤105%	161 003 246	840
>105%	33 997 330	194
Total	3 843 346 945	28 964

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	723 178 992	9 482
>40% - ≤50%	442 493 739	3 365
>50% - ≤60%	503 121 599	3 408
>60% - ≤70%	525 926 263	3 231
>70% - ≤80%	549 040 745	3 287
>80% - ≤85%	291 444 209	1 691
>85% - ≤90%	294 237 257	1 629
>90% - ≤95%	265 855 833	1 483
>95% - ≤100%	248 048 309	1 388
>100% - ≤105%	-	-
>105%	-	-
Total	3 843 346 945	28 964

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 843 346 945	28 964
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	3 843 346 945	28 964

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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	257 323 087	32 558 915	24 272 646	33 867 011	36 764 801	42 805 412	19 575 628	18 395 842	24 318 430	24 158 241	343 435	262 728
≥12 - <24	350 169 896	64 413 668	34 733 957	48 514 138	52 373 679	56 526 129	34 766 414	35 810 819	19 741 894	3 289 197	-	-
≥24 - <36	445 437 928	54 894 604	36 767 410	53 788 173	68 185 685	69 087 407	39 182 148	45 030 859	36 479 585	25 657 803	12 966 439	3 397 814
≥36 - <60	2 104 633 372	192 232 620	160 600 977	227 672 277	259 060 907	315 719 138	174 963 929	202 699 224	196 566 673	208 522 176	143 422 811	23 172 639
≥60	685 782 663	156 789 479	84 326 592	110 689 865	103 409 676	107 825 863	44 948 777	30 068 390	30 226 161	6 063 148	4 270 562	7 164 150
Total	3 843 346 945	500 889 286	340 701 582	474 531 464	519 794 748	591 963 949	313 436 897	332 005 135	307 332 744	267 690 565	161 003 246	33 997 330

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	3 504 720 366	470 146 558	323 849 286	446 708 269	481 782 367	540 736 012	281 394 398	292 958 775	263 734 458	227 575 688	144 345 141	31 489 413
RE-MORTGAGE	200 137 479	8 487 069	7 614 766	10 190 397	19 266 077	29 538 347	21 561 493	27 467 789	32 072 153	31 203 800	11 059 373	1 676 215
EQUITY RELEASE	-	-	-	-	-	-	-	-	-	-	-	-
RENOVATION	82 045 548	11 123 698	5 597 868	8 668 409	11 552 090	13 795 522	7 332 371	8 587 858	6 472 887	6 177 488	2 567 739	169 619
Construction (new)	56 443 551	11 131 961	3 639 662	8 964 388	7 194 214	7 894 068	3 148 635	2 990 713	5 053 246	2 733 589	3 030 993	662 083
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 843 346 945	500 889 286	340 701 582	474 531 464	519 794 748	591 963 949	313 436 897	332 005 135	307 332 744	267 690 565	161 003 246	33 997 330

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	2 929 146 548	404 780 940	269 142 196	370 184 359	403 205 243	447 872 712	233 171 526	238 639 671	226 259 948	190 717 307	121 157 203	24 015 442
Buy-to let	593 798 660	47 989 812	41 004 334	66 587 031	65 732 346	90 247 573	53 211 150	66 972 278	60 304 670	57 948 928	35 281 861	8 518 678
Vacation / second home	320 401 737	48 118 533	30 555 052	37 760 074	50 857 159	53 843 665	27 054 221	26 393 187	20 768 125	19 024 330	4 564 182	1 463 211
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 843 346 945	500 889 286	340 701 582	474 531 464	519 794 748	591 963 949	313 436 897	332 005 135	307 332 744	267 690 565	161 003 246	33 997 330

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	2 546 476 904	314 015 046	220 157 783	313 149 339	352 906 581	401 229 659	207 164 140	228 625 950	199 328 818	172 986 657	114 845 453	22 067 479
Protected life-time emplc	230 649 187	30 141 603	18 640 400	25 835 576	31 142 875	34 756 714	18 576 965	19 216 133	18 685 176	20 673 881	10 723 911	2 255 953
SELF-EMPLOYED	815 438 811	103 378 687	74 878 140	100 721 155	102 470 381	123 872 160	68 207 969	69 563 679	73 045 909	61 609 179	29 467 277	8 224 275
Unemployed	204 459 416	37 042 466	21 892 729	29 475 725	27 294 435	27 023 849	16 694 765	13 191 705	13 600 100	11 288 974	5 647 664	1 307 004
Other/No data	46 322 627	16 311 484	5 132 530	5 349 669	5 980 477	5 081 568	2 793 059	1 407 668	2 672 742	1 131 874	318 939	142 618
Total	3 843 346 945	500 889 286	340 701 582	474 531 464	519 794 748	591 963 949	313 436 897	332 005 135	307 332 744	267 690 565	161 003 246	33 997 330

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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	43 111 762	4 524 342	3 089 246	4 299 775	4 540 920	5 971 812	4 548 376	5 233 322	4 094 066	3 762 304	2 460 729	586 868
Aquitaine	162 900 799	20 961 161	10 248 853	19 124 136	20 165 250	24 557 954	15 452 401	14 845 319	15 004 142	14 000 312	6 581 200	1 960 072
Auvergne	14 486 353	1 018 096	1 025 429	1 468 065	1 630 252	2 245 724	1 808 762	1 174 946	797 356	1 430 888	1 886 835	-
Basse-Normandie	40 613 026	4 640 338	3 328 484	3 218 189	4 992 824	6 276 560	3 425 501	3 472 675	6 332 535	3 970 258	746 399	209 264
Bourgogne	27 137 154	2 446 400	1 340 229	2 418 004	3 237 076	4 562 360	2 782 126	1 722 130	2 674 366	4 011 414	1 420 503	522 546
Bretagne	60 884 009	6 974 197	4 782 690	7 191 427	7 916 244	12 469 099	4 221 597	6 461 099	4 357 701	5 049 698	357 306	1 102 951
Centre	52 706 528	5 056 931	4 273 777	6 438 094	6 422 699	7 220 318	3 887 504	6 201 042	5 938 295	4 566 490	2 229 311	472 067
Champagne-Ardenne	9 282 422	1 214 163	769 654	929 398	740 626	1 574 040	322 366	559 101	832 256	1 742 536	417 355	180 928
Corse	9 716 217	1 748 448	1 049 036	1 419 694	1 393 448	1 447 470	949 276	483 038	481 396	612 282	132 130	-
Départements d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
Franche-Comté	12 004 238	1 953 741	716 657	1 354 418	1 176 829	1 558 478	1 458 089	930 488	1 278 132	913 589	514 527	149 290
Haute-Normandie	98 040 790	6 842 697	5 939 103	8 867 240	14 234 255	10 921 169	10 029 467	11 181 587	9 302 156	10 226 973	8 119 276	2 376 867
Île-de-France	1 938 138 240	278 080 067	185 419 977	254 918 685	273 800 644	296 598 560	154 339 170	154 755 628	140 127 124	112 683 313	77 150 182	10 264 891
Languedoc-Roussillon	48 211 748	6 150 113	3 019 691	3 936 387	8 033 513	5 420 982	4 993 947	5 940 214	4 126 471	3 872 969	1 784 679	932 784
Limousin	11 033 817	1 014 574	769 016	1 307 812	1 376 701	2 429 987	561 608	1 178 630	1 411 522	439 309	544 658	-
Lorraine	46 713 541	3 515 352	2 043 257	3 476 230	4 639 384	6 421 120	4 944 094	5 827 515	6 351 434	4 272 717	4 840 311	382 128
Midi-Pyrénées	66 704 944	7 890 687	4 642 195	8 337 653	7 332 181	10 346 454	5 442 916	6 788 850	6 352 089	5 913 250	3 319 294	339 377
Nord-Pas-de-Calais	213 607 172	23 533 272	18 647 093	19 887 717	28 013 678	31 075 893	18 819 494	23 497 607	20 791 929	19 429 300	8 133 774	1 777 416
Pays-de-la-Loire	-	-	-	-	-	-	-	-	-	-	-	-
Picardie	85 899 627	9 897 495	8 464 573	8 938 736	11 781 713	15 149 698	4 910 419	9 222 521	8 829 701	5 709 234	2 060 696	934 840
Poitou-Charentes	18 963 805	2 924 609	1 106 865	1 480 655	2 290 755	2 102 568	1 616 415	712 093	1 927 745	2 813 979	1 702 889	285 233
Provence-Alpes-Côte d'Azur	70 124 084	7 302 381	6 546 772	7 296 435	12 811 905	12 255 306	4 735 768	4 865 469	6 616 009	5 119 252	2 422 381	152 406
Rhône-Alpes	495 174 913	67 817 916	43 968 276	54 311 220	62 220 473	84 140 252	38 579 145	36 563 938	39 861 354	39 122 222	21 973 057	6 617 059
Territoires d'Outre-Mer	317 891 756	35 382 303	29 510 713	53 911 492	41 043 380	47 218 147	25 608 457	30 387 924	19 844 967	18 028 277	12 205 755	4 750 340
No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 843 346 945	500 889 286	340 701 582	474 531 464	519 794 748	591 963 949	313 436 897	332 005 135	307 332 744	267 690 565	161 003 246	33 997 330

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ASSET COVER TEST

Date of Asset Cover test:

22/02/2010

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

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

R	Asset Cover test Ratio	2.25
	Adjusted Aggregate Asset Amount (AAAA)	3 372 653 958.89
	Aggregate Covered Bond Outstanding Principal Amount	1 500 000 000.00
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	3 382 145 311.80
A1	Adjusted Home Loan Outstanding Principal Amount	3 719 691 437.89
A2	= a * b	3 382 145 311.80
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 843 346 945.23
	Asset Percentage (b)	88.0%

B	Cash Collateral Account	-
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C	Aggregate Substitution Asset Amount (ASAA)	-
	ASAA level limit	20%
	ASAA level is acceptable	TRUE

D	Permitted Investments	42 823 715.36
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Y	Payments under Issuer Hedging Agreement	-
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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%	52 315 068
	WAM (Weighted Average Maturity)	6.98
	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	6.98 Years