

HBFR Covered Bond Investor Report

Collection Period End:

30/04/2010

Date of Report:

21/05/2010

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	3 813 804 249.02
Number of Loans	28 943
Number of Borrowers	26 017
Average Loan Balance	131 769
Weighted Average Seasoning of Loan parts (months)	45.99
Weighted Average Remaining Term of Loan Parts (months)	171.33
Percentage of variable mortgages	3.72%
Weighted Average Current LTV	68.57%
Weighted Average Current Indexed LTV	62.98%
Loan Originator	Total Loan Balance
HBFR	3 813 804 249
Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	1 774 254 372
Weight Average Maturity	6.71
ACT Results	
Asset Cover Ratio	1.86
Asset Cover Test Result	PASS

HSBC Covered Bonds (France) Investor Report

1.a Unindexed LTV Ranges Distribution		
Unindexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	485 776 167	6 904
>40% - ≤50%	338 830 409	2 857
>50% - ≤60%	469 235 859	3 300
>60% - ≤70%	518 003 122	3 596
>70% - ≤80%	599 357 679	3 921
>80% - ≤85%	319 221 371	1 988
>85% - ≤90%	337 290 545	2 111
>90% - ≤95%	313 749 276	1 874
>95% - ≤100%	264 283 650	1 497
>100% - ≤105%	138 947 415	731
>105%	29 108 756	164
Total	3 817 189 287	28 943

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	709 068 398	9 454
>40% - ≤50%	439 440 886	3 369
>50% - ≤60%	499 250 933	3 375
>60% - ≤70%	517 788 592	3 254
>70% - ≤80%	551 708 121	3 282
>80% - ≤85%	301 954 444	1 750
>85% - ≤90%	285 313 024	1 599
>90% - ≤95%	266 281 205	1 514
>95% - ≤100%	242 998 645	1 346
>100% - ≤105%	-	-
>105%	-	-
Total	3 813 804 249	28 943

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 813 804 249	28 943
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	3 813 804 249	28 943

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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	323 493 122	37 395 019	28 483 078	39 270 006	44 814 262	55 181 496	26 065 795	26 715 747	31 026 003	33 940 121	34 259	260 338
≥12 - <24	273 240 966	50 105 789	25 888 197	41 415 694	39 746 429	43 143 390	26 704 930	25 982 935	18 140 620	2 095 363	17 617	-
≥24 - <36	415 536 759	56 828 249	39 838 649	44 873 506	65 177 229	64 378 515	45 624 814	43 789 201	33 752 959	16 705 866	3 539 295	1 028 477
≥36 - <60	2 060 575 953	186 847 149	160 137 007	221 963 533	255 218 623	318 514 210	172 150 545	200 091 192	196 494 757	199 840 467	128 333 983	20 984 488
≥60	740 957 450	164 639 833	87 603 315	123 360 500	115 881 860	116 226 350	46 341 354	37 148 923	29 320 847	8 764 036	4 799 429	6 871 003
Total	3 813 804 249	495 816 039	341 950 245	470 883 237	520 838 403	597 443 961	316 887 439	333 727 998	308 735 186	261 345 852	137 031 584	29 144 305

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	3 474 531 409	463 491 299	323 609 461	441 730 621	483 235 642	543 354 914	283 590 180	292 074 457	267 315 442	223 487 801	125 593 565	27 048 027
RE-MORTGAGE	196 939 724	8 911 753	8 119 689	12 066 011	19 108 020	31 017 032	20 784 074	29 975 039	29 212 904	28 206 231	8 247 573	1 291 399
EQUITY RELEASE	-	-	-	-	-	-	-	-	-	-	-	-
RENOVATION	85 484 701	12 609 952	5 378 427	7 991 854	11 330 080	15 296 836	9 143 865	7 662 901	8 062 089	6 067 107	1 714 255	227 336
Construction (new)	56 848 415	10 803 035	4 842 668	9 094 752	7 164 660	7 775 180	3 369 321	4 015 601	4 144 751	3 584 713	1 476 192	577 543
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 813 804 249	495 816 039	341 950 245	470 883 237	520 838 403	597 443 961	316 887 439	333 727 998	308 735 186	261 345 852	137 031 584	29 144 305

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	2 889 025 302	396 197 399	269 387 417	366 835 063	398 980 711	452 899 575	232 339 836	238 882 302	225 507 847	184 665 708	103 413 658	19 915 786
Buy-to let	600 406 204	50 231 475	41 978 622	65 514 815	69 995 273	90 803 544	55 142 828	69 841 358	60 588 098	58 465 736	29 876 528	7 967 929
Vacation / second home	324 372 743	49 387 165	30 584 206	38 533 360	51 862 419	53 740 842	29 404 776	25 004 338	22 639 241	18 214 408	3 741 398	1 260 590
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 813 804 249	495 816 039	341 950 245	470 883 237	520 838 403	597 443 961	316 887 439	333 727 998	308 735 186	261 345 852	137 031 584	29 144 305

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	2 531 995 034	314 824 845	225 197 621	308 274 028	352 193 454	410 607 542	207 218 440	222 112 896	199 983 039	175 063 268	97 182 734	19 337 166
Protected life-time empl	228 037 084	28 365 444	18 125 994	26 361 903	31 410 824	35 749 583	17 826 563	20 452 798	19 761 492	18 896 757	8 862 763	2 222 963
SELF-EMPLOYED	810 912 256	102 184 784	74 718 055	99 447 662	106 329 168	118 835 984	72 705 513	73 544 728	76 479 447	53 531 837	26 850 416	6 284 663
Unemployed	192 832 388	34 042 151	17 972 683	29 761 228	26 089 042	25 175 485	16 448 069	15 198 276	10 795 792	12 409 237	3 640 910	1 299 513
Other/No data	50 027 487	16 398 814	5 935 892	7 038 416	4 815 915	7 075 368	2 688 854	2 419 299	1 715 415	1 444 754	494 761	-
Total	3 813 804 249	495 816 039	341 950 245	470 883 237	520 838 403	597 443 961	316 887 439	333 727 998	308 735 186	261 345 852	137 031 584	29 144 305

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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	41 542 154	4 668 640	2 920 902	4 334 497	4 760 682	5 944 457	5 127 314	3 935 485	4 441 028	3 200 221	1 739 332	469 596
Aquitaine	162 621 440	20 140 888	11 455 703	17 603 938	19 961 417	26 551 923	14 792 061	17 156 544	15 354 407	12 929 856	5 005 223	1 669 482
Auvergne	14 307 942	924 819	728 075	1 470 790	1 956 250	2 206 533	1 638 906	1 433 469	1 701 491	722 858	1 524 750	-
Basse-Normandie	39 937 481	4 355 027	3 002 399	3 203 713	5 378 321	6 384 865	3 323 058	3 053 619	7 136 855	3 251 231	641 063	207 329
Bourgogne	27 776 695	2 466 132	1 713 981	2 308 284	3 570 346	4 687 758	3 237 620	2 175 559	3 207 158	2 886 614	1 243 729	279 513
Bretagne	61 556 688	6 788 894	5 026 548	6 403 722	8 814 352	12 357 166	4 683 220	6 417 948	4 993 097	4 050 372	819 206	1 202 164
Centre	52 696 348	4 890 780	5 233 706	5 762 303	7 148 718	7 156 969	4 258 881	6 095 591	5 127 902	4 873 966	2 147 532	-
Champagne-Ardenne	9 364 840	1 198 003	881 118	887 773	938 198	1 482 156	413 603	683 565	1 250 590	1 036 744	413 335	179 753
Corse	8 509 774	1 782 251	589 255	1 692 865	949 867	1 465 457	781 336	473 861	137 410	506 328	131 143	-
Départements d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
Franche-Comté	12 012 503	1 936 099	719 653	1 106 784	1 414 684	2 352 037	840 956	1 278 190	802 909	902 583	510 374	148 234
Haute-Normandie	97 895 351	7 904 119	5 580 853	9 780 307	13 325 821	11 156 877	10 201 611	11 554 613	7 560 854	11 371 267	7 827 405	1 631 625
Île-de-France	1 917 635 703	270 971 941	185 058 249	253 384 264	270 857 816	302 410 501	155 029 989	155 441 814	139 376 417	110 746 676	65 768 116	8 589 919
Languedoc-Roussillon	49 409 858	6 706 453	3 119 842	3 898 584	7 956 736	6 342 915	5 785 452	4 789 562	4 748 060	3 978 803	1 354 975	728 477
Limousin	11 494 999	1 073 237	690 039	1 448 587	1 249 568	2 372 895	575 142	1 707 498	1 254 158	808 336	315 538	-
Lorraine	47 141 324	3 474 018	2 160 487	3 066 859	4 872 244	7 064 754	5 772 424	4 985 315	6 959 931	4 635 945	3 770 972	378 375
Midi-Pyrénées	66 146 209	8 036 593	4 883 254	7 526 974	7 021 524	11 535 951	4 697 665	6 850 215	6 865 125	5 747 140	2 645 592	336 177
Nord-Pas-de-Calais	210 735 434	23 680 121	18 638 863	19 412 604	29 355 058	30 899 441	18 498 841	23 841 612	21 853 151	16 643 499	6 311 667	1 600 578
Pays-de-la-Loire	83 509 186	9 942 935	9 171 155	8 495 227	11 093 888	14 147 234	5 392 967	10 142 158	8 908 901	3 909 100	1 377 116	928 505
Picardie	18 259 222	2 934 591	1 056 766	1 239 399	2 030 369	1 791 501	1 527 124	995 702	2 027 969	3 141 834	1 306 558	207 409
Poitou-Charentes	73 807 663	8 283 634	5 898 698	9 188 741	11 668 472	11 995 825	5 799 703	5 851 063	6 496 037	5 691 015	2 464 442	470 032
Provence-Alpes-Côte d'Azur	495 352 739	68 115 623	43 825 596	58 051 494	63 859 589	81 753 521	39 525 036	35 517 359	39 975 873	40 523 468	19 067 966	5 137 214
Rhône-Alpes	312 090 696	35 541 240	29 595 103	50 615 530	42 654 482	45 383 223	24 984 531	29 347 254	18 555 864	19 787 997	10 645 549	4 979 924
Territoires d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 813 804 249	495 816 039	341 950 245	470 883 237	520 838 403	597 443 961	316 887 439	333 727 998	308 735 186	261 345 852	137 031 584	29 144 305

ASSET COVER TEST

Date of Asset Cover test:

21/05/2010

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

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

R	Asset Cover test Ratio	1.86
	Adjusted Aggregate Asset Amount (AAAA)	3 301 178 400.03
	Aggregate Covered Bond Outstanding Principal Amount	1 774 254 372.27
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	3 318 009 696.65
A1	Adjusted Home Loan Outstanding Principal Amount	3 692 027 111.28
A2	= a * b	3 318 009 696.65
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 813 804 249.02
	Asset Percentage (b)	87.0%

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	42 705 819
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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%	59 537 116
	WAM (Weighted Average Maturity Negative Carry Adjustment)	6.71 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	6.6767 Years
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	5.3041 Years
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	8.3068 Years