

HBFR Covered Bond Investor Report

Collection Period End:

31/03/2011

Date of Report:

14/04/2011

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	3 986 214 093
Number of Loans	30 454
Number of Borrowers	27 176
Average Loan Balance	130 893
Weighted Average Seasoning of Loan parts (months)	49.75
Weighted Average Remaining Term of Loan Parts (months)	169.43
Percentage of variable mortgages	3.49%
Weighted Average Current LTV	68.4%
Weighted Average Current Indexed LTV	60.8%
Loan Originator	Total Loan Balance
HBFR	3 986 214 093
Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	1 924 970 273
Weight Average Maturity	5.97
ACT Results	
Asset Cover Ratio	1.80
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%	560 676 763	8066
>40% - ≤50%	379 478 815	3081
>50% - ≤60%	477 656 435	3470
>60% - ≤70%	519 772 075	3628
>70% - ≤80%	594 393 310	3787
>80% - ≤85%	320 692 821	1948
>85% - ≤90%	325 805 574	1951
>90% - ≤95%	347 218 819	1971
>95% - ≤100%	302 193 501	1687
>100% - ≤105%	112 089 940	624
>105%	46 236 041	241
Total	3 986 214 093	30 454

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	880 075 316	11173
>40% - ≤50%	485 652 088	3547
>50% - ≤60%	508 630 367	3390
>60% - ≤70%	563 101 019	3441
>70% - ≤80%	585 694 859	3370
>80% - ≤85%	281 254 322	1641
>85% - ≤90%	259 968 197	1441
>90% - ≤95%	225 413 755	1310
>95% - ≤100%	196 424 170	1141
>100% - ≤105%	-	-
>105%	-	-
Total	3 986 214 093	30 454

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 986 214 093	30 454
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	3 986 214 093	30 454

HSBC Covered Bonds (France) Investor Report

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	417 850 366	57 803 314	42 250 429	46 247 626	54 296 267	60 040 752	37 941 819	38 259 840	35 688 302	39 348 028	5 071 118	902 873
≥12 - <24	403 083 069	39 762 916	31 237 510	38 774 656	44 352 281	59 544 907	24 120 089	34 639 627	31 975 637	39 827 096	36 954 034	21 894 315
≥24 - <36	261 571 443	45 225 238	23 759 833	34 366 562	31 358 876	36 101 376	24 719 705	18 996 969	23 097 844	17 195 282	5 417 459	1 332 297
≥36 - <60	1 422 954 762	147 161 528	118 477 377	145 192 995	172 339 555	214 643 718	126 564 956	127 984 560	154 238 690	132 348 245	66 556 811	17 446 326
≥60	1 480 754 452	261 373 108	161 017 689	210 919 446	212 594 322	219 926 818	109 836 448	100 435 157	99 391 399	84 507 916	12 734 796	8 017 353
Total	3 986 214 093	551 326 103	376 742 839	475 501 286	514 941 300	590 257 572	323 183 017	320 316 153	344 391 872	313 226 566	126 734 218	49 593 165

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	3 626 973 281	514 419 576	352 340 252	442 876 281	471 263 565	538 997 199	287 190 309	283 865 259	299 448 391	281 101 855	110 898 370	44 572 224
RE-MORTGAGE	195 015 396	10 972 974	9 948 765	14 321 111	22 545 010	30 395 034	24 325 134	23 994 055	30 372 434	17 595 197	7 597 243	2 948 440
EQUITY RELEASE	-	-	-	-	-	-	-	-	-	-	-	-
RENOVATION	102 790 422	14 458 668	7 550 080	8 939 657	13 835 372	14 417 877	7 501 088	9 295 890	10 048 680	9 908 927	5 098 780	1 735 405
Construction (new)	61 434 994	11 474 885	6 903 742	9 364 238	7 297 353	6 447 463	4 166 487	3 160 949	4 522 367	4 620 587	3 139 825	337 096
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 986 214 093	551 326 103	376 742 839	475 501 286	514 941 300	590 257 572	323 183 017	320 316 153	344 391 872	313 226 566	126 734 218	49 593 165

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	2 951 824 593	431 252 119	290 866 143	367 441 385	383 211 380	432 421 447	232 315 337	225 746 359	247 918 394	217 653 232	90 428 597	32 570 201
Buy-to let	686 526 878	64 269 886	49 345 361	68 710 029	81 862 085	99 880 168	61 480 066	68 342 208	71 434 148	78 080 827	29 568 199	13 553 900
Vacation / second home	347 862 621	55 804 098	36 531 335	39 349 872	49 867 836	57 955 958	29 387 614	26 227 585	25 039 330	17 492 508	6 737 421	3 469 063
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 986 214 093	551 326 103	376 742 839	475 501 286	514 941 300	590 257 572	323 183 017	320 316 153	344 391 872	313 226 566	126 734 218	49 593 165

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	2 637 033 360	342 496 717	250 217 309	318 712 689	340 163 377	394 485 401	213 334 199	212 006 666	234 920 905	210 472 298	88 075 773	32 148 028
Protected life-time employment	232 412 973	31 742 518	20 705 382	25 023 303	31 631 863	37 208 121	20 330 236	18 234 321	19 150 817	19 318 117	6 131 260	2 937 034
SELF-EMPLOYED	829 379 308	112 670 748	73 345 596	98 026 640	101 684 693	123 476 200	70 678 008	73 466 150	69 187 524	67 610 880	26 027 547	13 205 322
Unemployed	222 345 969	42 568 316	24 082 970	26 624 571	34 149 755	28 498 751	13 812 815	14 632 022	17 925 389	13 837 784	5 292 793	920 803
Other/No data	65 042 483	21 847 804	8 391 582	7 114 083	7 311 613	6 589 099	5 027 760	1 976 994	3 207 237	1 987 488	1 206 845	381 979
Total	3 986 214 093	551 326 103	376 742 839	475 501 286	514 941 300	590 257 572	323 183 017	320 316 153	344 391 872	313 226 566	126 734 218	49 593 165

HSBC Covered Bonds (France) Investor Report

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	41 468 505	3 993 253	4 014 380	3 109 058	5 933 212	7 391 195	5 179 398	3 590 483	3 932 376	3 956 444	133 491	235 215
Aquitaine	171 410 450	21 704 329	15 418 800	18 810 515	23 414 703	26 678 799	14 730 110	16 050 357	16 397 160	12 724 422	5 296 242	185 013
Auvergne	16 556 252	1 519 424	763 224	1 793 153	1 818 884	2 730 096	1 310 072	1 243 795	1 694 683	2 597 865	794 551	290 504
Basse-Normandie	39 887 934	4 575 233	2 987 023	3 761 107	5 062 609	5 789 961	3 077 112	5 525 553	4 654 087	2 794 852	1 565 450	94 946
Bourgogne	28 899 178	2 223 105	1 904 256	2 921 172	3 198 237	5 555 597	2 412 312	1 927 592	3 901 678	3 489 348	1 254 481	111 398
Bretagne	62 562 539	7 365 668	5 462 598	8 619 134	7 992 384	11 587 336	7 946 280	3 890 653	4 689 973	3 620 612	989 040	398 861
Centre	58 938 138	6 706 835	5 681 028	5 360 038	6 651 480	8 425 698	5 557 916	4 833 116	6 175 478	6 523 093	2 478 308	545 150
Champagne-Ardenne	11 331 091	1 208 387	743 091	952 054	1 026 569	2 001 215	1 087 711	1 012 316	1 247 106	1 066 177	883 741	102 725
Corse	9 527 430	1 585 286	766 879	943 571	622 861	1 840 972	424 244	665 554	1 112 524	788 060	560 639	216 840
Départements d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
Franche-Comté	13 047 923	1 814 645	1 166 693	1 095 476	1 834 073	2 007 580	2 137 457	554 179	917 523	1 376 034	144 264	-
Haute-Normandie	102 994 474	8 805 488	6 819 191	10 293 253	12 732 365	13 147 558	9 892 175	9 072 440	9 571 677	14 909 302	6 296 317	1 454 708
Île-de-France	1 982 118 094	298 742 469	194 289 712	245 568 303	258 125 960	285 958 120	146 212 770	156 467 305	153 863 956	148 120 250	60 363 300	34 405 949
Languedoc-Roussillon	53 408 984	7 344 388	4 199 355	4 717 679	6 252 834	9 469 159	6 404 115	3 593 212	4 236 399	4 292 760	2 582 047	317 037
Limousin	10 860 976	1 156 309	927 078	891 342	2 368 744	1 346 639	1 284 351	1 241 174	921 185	704 741	19 413	-
Lorraine	48 514 752	3 963 141	2 118 337	4 218 981	5 874 821	8 590 742	3 940 934	5 285 058	6 556 958	6 446 280	1 303 407	216 091
Midi-Pyrénées	72 185 874	9 587 932	7 599 448	7 762 318	9 112 724	9 090 115	5 205 084	6 051 082	10 454 079	4 798 856	2 296 506	227 730
Nord-Pas-de-Calais	230 026 704	26 039 314	18 757 201	25 160 175	29 699 136	31 355 265	20 218 859	19 342 395	22 594 627	24 208 417	9 796 555	2 854 759
Pays-de-la-Loire	86 129 894	10 835 101	9 790 800	9 341 487	13 329 323	12 983 546	8 922 595	6 509 276	7 060 332	4 888 286	2 007 203	461 947
Picardie	22 669 282	2 716 505	1 695 079	1 348 514	1 692 850	2 371 009	1 025 191	2 222 831	3 605 907	4 245 881	1 572 510	173 006
Poitou-Charentes	78 877 632	9 695 471	7 277 654	10 195 635	9 440 436	13 741 913	5 592 196	5 872 104	7 799 958	5 362 540	3 400 845	498 880
Provence-Alpes-Côte d'Azur	529 351 091	79 323 668	45 978 826	59 250 239	70 866 462	82 207 883	41 554 245	42 282 420	52 428 700	38 178 073	14 329 061	2 951 514
Rhône-Alpes	315 446 897	40 420 153	38 382 188	49 388 083	37 890 633	45 987 175	29 067 890	23 083 259	20 575 505	18 134 274	8 666 847	3 850 890
Territoires d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 986 214 093	551 326 103	376 742 839	475 501 286	514 941 300	590 257 572	323 183 017	320 316 153	344 391 872	313 226 566	126 734 218	49 593 165

ASSET COVER TEST

Date of Asset Cover test:

14/04/2011

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

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

R	Asset Cover test Ratio	1.80
	Adjusted Aggregate Asset Amount (AAAA)	3 456 065 419.72
	Aggregate Covered Bond Outstanding Principal Amount	1 924 970 272.80
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	3 468 006 260.54
A1	Adjusted Home Loan Outstanding Principal Amount	3 875 469 103.42
A2	= a * b	3 468 006 260.54
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 986 214 092.58
	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	45 559 508.31
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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%	57 500 349
	WAM (Weighted Average Maturity)	5.97
	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	5.7589 Years
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	4.3863 Years
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	7.389 Years
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	8.0137 Years