

## HSBC SFH (France) Investor Report

Collection Period End:

**31/07/2011**

Date of Report:

**31/08/2011**

### Summary

<b>Cover Pool Overview Data</b>	
Total Outstanding Current Balance:	3 754 669 706 €
Number of Loans	30 789
Number of Borrowers	27 374
Average Loan Balance	121 948
Weighted Average Seasoning of Loan parts (months)	51.57
Weighted Average Remaining Term of Loan Parts (months)	166.35
Percentage of variable mortgages	3.30%
Weighted Average Current LTV	68.7%
Weighted Average Current Indexed LTV	58.9%
Loan Originator	Total Loan Balance
HBFRR	3 754 669 706 €
<b>Covered Bonds Overview Data</b>	
Total Covered Bonds Outstanding Balance:	1 924 970 273 €
Weight Average Maturity	5.64
<b>ACT Results</b>	
Asset Cover Ratio	1.69
Asset Cover Test Result	PASS

# HSBC SFH (France) Investor Report

<b>1.a Unindexed LTV Ranges Distribution</b>		
<b>Unindexed LTV Range</b>	<b>Total Loan Balance</b>	<b>Number of Loans</b>
0 - ≤40%	545 705 236 €	8274
>40% - ≤50%	356 528 422 €	3100
>50% - ≤60%	438 839 425 €	3436
>60% - ≤70%	471 885 563 €	3602
>70% - ≤80%	519 409 916 €	3642
>80% - ≤85%	273 400 357 €	1799
>85% - ≤90%	282 941 851 €	1898
>90% - ≤95%	304 000 686 €	1866
>95% - ≤100%	289 955 068 €	1707
>100% - ≤105%	164 153 881 €	959
>105%	107 849 302 €	506
<b>Total</b>	<b>3 754 669 706 €</b>	<b>30789</b>

<b>1.b Indexed LTV Ranges Distribution</b>		
<b>Indexed LTV Range</b>	<b>Total Loan Balance</b>	<b>Number of Loans</b>
0 - ≤40%	946 053 442 €	11974
>40% - ≤50%	458 732 458 €	3520
>50% - ≤60%	500 534 735 €	3491
>60% - ≤70%	514 605 691 €	3383
>70% - ≤80%	508 303 953 €	3241
>80% - ≤85%	230 476 869 €	1450
>85% - ≤90%	200 838 063 €	1272
>90% - ≤95%	199 785 830 €	1259
>95% - ≤100%	195 338 666 €	1199
>100% - ≤105%	-	0
>105%	-	0
<b>Total</b>	<b>3 754 669 706 €</b>	<b>30789</b>

<b>2. Current Arrears Ranges Distribution</b>		
<b>Number of months in arrears</b>	<b>Total Loan Balance</b>	<b>Number of Loans</b>
0	3 754 669 706 €	30 789
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
<b>Total</b>	<b>3 754 669 706 €</b>	<b>30789</b>

## HSBC SFH (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	364 206 799 €	52 329 069 €	35 892 595 €	46 992 602 €	41 990 362 €	49 839 188 €	32 350 565 €	26 426 458 €	26 997 908 €	33 547 788 €	12 440 456 €	5 399 808 €
≥12 - <24	474 281 593 €	49 201 382 €	32 920 489 €	39 014 527 €	44 799 937 €	53 766 170 €	31 384 794 €	30 941 976 €	37 434 353 €	43 831 351 €	53 166 087 €	57 820 526 €
≥24 - <36	192 888 397 €	30 217 547 €	17 071 945 €	19 955 395 €	20 056 716 €	23 618 847 €	13 088 105 €	13 254 979 €	15 483 534 €	18 029 591 €	15 000 877 €	7 110 861 €
≥36 - <60	1 005 036 599 €	117 899 181 €	81 969 510 €	97 032 049 €	119 713 614 €	136 252 065 €	71 373 058 €	86 473 337 €	104 280 100 €	96 641 583 €	70 793 142 €	22 608 960 €
≥60	1 718 256 318 €	296 058 058 €	188 673 882 €	235 844 852 €	245 324 934 €	255 933 645 €	125 203 835 €	125 845 101 €	119 804 790 €	97 904 756 €	12 753 318 €	14 909 148 €
<b>Total</b>	<b>3 754 669 706 €</b>	<b>545 705 236 €</b>	<b>356 528 422 €</b>	<b>438 839 425 €</b>	<b>471 885 563 €</b>	<b>519 409 916 €</b>	<b>273 400 357 €</b>	<b>282 941 851 €</b>	<b>304 000 686 €</b>	<b>289 955 068 €</b>	<b>164 153 881 €</b>	<b>107 849 302 €</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	3 379 295 601 €	509 590 645 €	330 753 074 €	406 018 906 €	425 905 570 €	467 601 655 €	239 700 522 €	245 129 67 €	261 932 517 €	256 716 915 €	141 276 831 €	94 669 81 €
RE-MORTGAGE	205 255 644 €	11 378 555 €	10 449 023 €	15 401 584 €	21 962 293 €	32 491 657 €	22 993 982 €	23 107 208 €	28 133 375 €	15 157 403 €	13 980 061 €	10 200 500 €
EQUITY RELEASE	0 €	-	-	-	-	-	-	-	-	-	-	-
Construction (Surface Increase)	109 941 004 €	14 817 853 €	7 509 227 €	9 574 897 €	14 28 908 €	14 014 051 €	7 458 876 €	10 278 729 €	10 667 86 €	11 951 918 €	6 566 226 €	2 573 012 €
Construction (New Building)	60 177 457 €	9 918 183 €	7 817 098 €	7 843 978 €	9 488 792 €	5 302 552 €	3 246 976 €	4 426 847 €	3 267 489 €	8 28 832 €	2 330 763 €	405 949 €
Other/No data	0 €	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3 754 669 706 €</b>	<b>545 705 236 €</b>	<b>356 528 422 €</b>	<b>438 839 425 €</b>	<b>471 885 563 €</b>	<b>519 409 916 €</b>	<b>273 400 357 €</b>	<b>282 941 851 €</b>	<b>304 000 686 €</b>	<b>289 955 068 €</b>	<b>164 153 881 €</b>	<b>107 849 302 €</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	2 720 782 732 €	426 046 255 €	270 535 264 €	332 380 672 €	341 961 952 €	371 251 327 €	193 949 294 €	204 319 310 €	207 844 007 €	198 394 999 €	106 337 619 €	67 762 032 €
Buy-to let	717 147 928 €	64 208 524 €	52 228 511 €	67 506 111 €	83 283 838 €	98 331 923 €	58 508 242 €	59 632 480 €	75 813 388 €	74 834 057 €	47 560 880 €	35 239 972 €
Vacation / second home	316 739 047 €	55 450 457 €	33 764 647 €	38 952 641 €	46 639 773 €	49 826 665 €	20 942 821 €	18 990 060 €	20 343 292 €	16 726 013 €	10 255 382 €	4 847 297 €
Other/No data	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Total</b>	<b>3 754 669 706 €</b>	<b>545 705 236 €</b>	<b>356 528 422 €</b>	<b>438 839 425 €</b>	<b>471 885 563 €</b>	<b>519 409 916 €</b>	<b>273 400 357 €</b>	<b>282 941 851 €</b>	<b>304 000 686 €</b>	<b>289 955 068 €</b>	<b>164 153 881 €</b>	<b>107 849 302 €</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	2 497 342 828 €	336 957 522 €	239 122 528 €	296 624 594 €	312 897 546 €	344 633 982 €	183 603 490 €	187 516 329 €	211 909 376 €	196 089 882 €	114 192 345 €	73 795 234 €
Protected life-time employment	226 880 013 €	34 764 091 €	19 767 206 €	24 872 879 €	29 533 432 €	32 446 549 €	17 136 744 €	18 112 442 €	19 401 738 €	16 260 667 €	8 237 175 €	6 347 089 €
SELF-EMPLOYED	772 385 651 €	113 311 924 €	69 317 761 €	85 417 925 €	94 653 028 €	12 695 222 €	57 084 770 €	62 028 480 €	56 395 227 €	64 46 102 €	34 291 172 €	22 704 040 €
Unemployed	194 288 852 €	38 893 851 €	19 556 685 €	23 966 226 €	28 775 282 €	23 16 572 €	12 461 550 €	12 282 372 €	13 254 968 €	11 200 477 €	5 823 500 €	4 757 369 €
Other/No data	63 772 364 €	21 777 848 €	8 764 241 €	7 957 801 €	6 026 276 €	6 31 7591 €	3 113 802 €	3 002 229 €	3 039 378 €	1 917 940 €	1 609 688 €	245 571 €
<b>Total</b>	<b>3 754 669 706 €</b>	<b>545 705 236 €</b>	<b>356 528 422 €</b>	<b>438 839 425 €</b>	<b>471 885 563 €</b>	<b>519 409 916 €</b>	<b>273 400 357 €</b>	<b>282 941 851 €</b>	<b>304 000 686 €</b>	<b>289 955 068 €</b>	<b>164 153 881 €</b>	<b>107 849 302 €</b>

# HSBC SFH (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	40 410 161 €	4 475 979 €	3 089 548 €	2 885 266 €	5 151 122 €	7 601 760 €	3 904 595 €	3 928 389 €	2 387 309 €	4 712 453 €	2 091 583 €	182 156 €
Aquitaine	180 415 142 €	23 516 880 €	15 959 954 €	20 302 805 €	22 601 368 €	25 369 377 €	14 940 036 €	14 442 591 €	13 601 313 €	16 806 424 €	8 946 565 €	3 927 828 €
Auvergne	17 634 955 €	1 859 459 €	1 003 196 €	1 669 180 €	2 220 026 €	2 449 861 €	829 421 €	1 431 476 €	2 281 548 €	229 140 €	958 144 €	641 504 €
Basse-Normandie	39 968 282 €	4 884 988 €	2 833 657 €	5 193 688 €	6 495 006 €	5 232 486 €	3 740 389 €	4 213 640 €	3 687 296 €	2 197 381 €	1 378 418 €	111 333 €
Bourgogne	29 304 295 €	2 116 997 €	1 828 873 €	2 974 664 €	3 538 611 €	5 704 685 €	2 084 926 €	3 199 271 €	3 346 950 €	1 999 813 €	2 316 926 €	262 577 €
Bretagne	64 177 732 €	7 610 964 €	5 282 128 €	8 982 108 €	8 544 224 €	10 061 448 €	5 703 673 €	4 418 931 €	5 823 555 €	5 622 584 €	1 269 716 €	808 401 €
Centre	60 791 936 €	6 658 588 €	5 634 703 €	5 781 827 €	6 604 392 €	8 399 596 €	5 618 639 €	5 215 131 €	4 305 711 €	6 978 735 €	4 300 031 €	1 294 583 €
Champagne-Ardenne	11 499 629 €	1 301 272 €	847 224 €	903 131 €	1 124 276 €	1 995 851 €	943 981 €	1 178 092 €	1 248 220 €	606 622 €	1 070 910 €	280 050 €
Corse	10 378 647 €	1 554 550 €	875 628 €	673 265 €	1 303 592 €	1 443 166 €	166 623 €	596 694 €	1 318 916 €	375 109 €	854 551 €	1 246 553 €
Départements d'Outre-Mer	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Franche-Comté	13 193 435 €	1 594 631 €	1 119 398 €	1 074 980 €	2 311 243 €	1 875 530 €	1 442 450 €	244 702 €	1 151 175 €	1 865 344 €	513 984 €	- €
Haute-Normandie	103 212 862 €	8 805 913 €	6 924 101 €	10 808 288 €	12 012 175 €	15 822 205 €	7 523 794 €	8 048 900 €	11 027 217 €	14 357 459 €	6 805 845 €	1 076 964 €
Île-de-France	1 757 677 219 €	288 680 398 €	178 937 612 €	212 308 899 €	20 292 426 €	233 520 615 €	116 277 109 €	124 441 531 €	129 295 914 €	122 069 109 €	66 755 856 €	65 097 750 €
Languedoc-Roussillon	54 617 854 €	7 059 980 €	5 152 415 €	4 218 796 €	5 579 756 €	10 662 491 €	5 268 208 €	3 663 993 €	5 312 343 €	3 817 929 €	2 730 428 €	1 151 515 €
Limousin	11 547 039 €	1 203 471 €	1 169 637 €	852 709 €	2 192 630 €	1 642 695 €	1 155 900 €	1 406 408 €	1 154 379 €	570 586 €	198 624 €	- €
Lorraine	50 157 111 €	3 885 437 €	2 365 512 €	4 589 676 €	5 905 874 €	8 792 250 €	5 318 238 €	5 077 187 €	6 311 206 €	5 023 404 €	2 448 930 €	439 396 €
Midi-Pyrénées	71 115 691 €	9 482 798 €	6 738 736 €	6 841 150 €	10 439 023 €	7 784 396 €	5 625 839 €	6 377 921 €	9 718 008 €	4 849 351 €	2 583 702 €	674 766 €
Nord-Pas-de-Calais	231 637 130 €	27 399 242 €	18 358 430 €	23 596 710 €	28 923 836 €	31 047 427 €	17 966 579 €	18 364 929 €	20 234 330 €	20 387 657 €	16 655 068 €	8 702 920 €
Pays-de-la-Loire	88 100 038 €	11 522 687 €	8 620 507 €	10 839 137 €	14 336 021 €	12 202 961 €	7 842 428 €	6 462 185 €	6 800 473 €	4 387 245 €	3 300 530 €	1 785 865 €
Picardie	22 623 000 €	3 235 321 €	1 183 395 €	1 529 236 €	1 252 958 €	2 096 085 €	2 076 166 €	1 923 535 €	3 531 640 €	3 320 238 €	2 127 010 €	347 416 €
Poitou-Charentes	81 936 318 €	10 950 256 €	6 375 297 €	9 759 069 €	9 565 555 €	10 475 698 €	5 838 194 €	6 530 974 €	6 623 733 €	8 073 672 €	5 938 877 €	1 804 992 €
Provence-Alpes-Côte d'Azur	496 701 702 €	77 144 397 €	44 314 542 €	54 979 274 €	62 975 428 €	69 403 321 €	37 367 962 €	38 639 956 €	46 192 104 €	38 636 154 €	19 762 029 €	7 286 534 €
Rhône-Alpes	317 569 529 €	40 761 027 €	37 913 929 €	48 075 565 €	38 516 023 €	45 826 010 €	21 795 206 €	23 135 414 €	18 647 346 €	21 026 658 €	11 146 154 €	10 726 199 €
Territoires d'Outre-Mer	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
No data	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
<b>Total</b>	<b>3 754 669 706 €</b>	<b>545 705 236 €</b>	<b>356 528 422 €</b>	<b>438 839 425 €</b>	<b>471 885 563 €</b>	<b>519 409 916 €</b>	<b>273 400 357 €</b>	<b>282 941 851 €</b>	<b>304 000 686 €</b>	<b>289 955 068 €</b>	<b>164 153 881 €</b>	<b>107 849 302 €</b>

**ASSET COVER TEST**

Date of Asset Cover test:

31/08/2011

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

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

<b>R</b>	<b>Asset Cover test Ratio</b>	<b>1.69</b>
	Adjusted Aggregate Asset Amount (AAAA)	3 256 029 879.50 €
	Aggregate Covered Bond Outstanding Principal Amount	1 924 970 272.80 €
	<b>Asset Cover Test Result</b>	<b>PASS</b>

<b>A</b>	<b>=min(A1 ; A2)</b>	<b>3 266 562 644.62 €</b>
<b>A1</b>	Adjusted Home Loan Outstanding Principal Amount	3 653 965 775.96 €
<b>A2</b>	= a * b	3 266 562 644.62 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 754 669 706.46 €
	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>43 960 900.83 €</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>54 273 408</b>
	WAM (Weighted Average Maturity)	5.64
	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	5.4247 Years
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	4.0521 Years
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	7.0548 Years
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	7.6795 Years

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