

HSBC SFH (France) Investor Report

Collection Period End:

29/02/2016

Summary

| Cover Pool Overview Data | |
|--|--------------------|
| Total Outstanding Current Balance: | 6 743 523 054 € |
| Number of Loans | 48 951 |
| Number of Borrowers | 40 221 |
| Average Loan Balance | 137 761 |
| Weighted Average Seasoning of Loan parts (months) | 39,77 |
| Weighted Average Remaining Term of Loan Parts (months) | 157,84 |
| Percentage of floating interest rate loans | 1,05% |
| Weighted Average Current LTV | 66,9% |
| Weighted Average Current Indexed LTV | 67,4% |
| Loan Originator | Total Loan Balance |
| HBFRR | 6 743 523 054 € |
| Covered Bonds Overview Data | |
| Total Covered Bonds Outstanding Balance: | 5 116 501 741 € |
| Weight Average Maturity | 4,42 |
| ACT Results | |
| Asset Cover Ratio | 1,15 |
| 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% | 856 934 871 € | 9 109 |
| >40% - ≤50% | 653 835 787 € | 5 302 |
| >50% - ≤60% | 855 918 642 € | 6 095 |
| >60% - ≤70% | 958 452 292 € | 6 549 |
| >70% - ≤80% | 1 152 524 681 € | 7 756 |
| >80% - ≤85% | 704 635 544 € | 4 573 |
| >85% - ≤90% | 923 733 744 € | 5 756 |
| >90% - ≤95% | 547 099 916 € | 3 217 |
| >95% - ≤100% | 89 680 821 € | 589 |
| >100% - ≤105% | 258 293 € | 3 |
| >105% | 448 465 € | 2 |
| Total | 6 743 523 054 € | 48 951 |

| 1.b Indexed LTV Ranges Distribution | | |
|-------------------------------------|------------------------|-----------------|
| Indexed LTV Range | Total Loan Balance | Number of Loans |
| 0 - ≤40% | 927 890 255 € | 9 782 |
| >40% - ≤50% | 643 492 373 € | 5 011 |
| >50% - ≤60% | 794 100 921 € | 5 619 |
| >60% - ≤70% | 885 167 122 € | 5 975 |
| >70% - ≤80% | 1 034 061 092 € | 6 932 |
| >80% - ≤85% | 606 469 420 € | 4 047 |
| >85% - ≤90% | 831 738 054 € | 5 357 |
| >90% - ≤95% | 849 305 734 € | 5 179 |
| >95% - ≤100% | 171 298 083 € | 1 049 |
| >100% - ≤105% | 0 € | - |
| >105% | 0 € | - |
| Total | 6 743 523 054 € | 48 951 |

| 2. Current Arrears Ranges Distribution | | |
|--|------------------------|-----------------|
| Number of months in arrears | Total Loan Balance | Number of Loans |
| 0 | 6 743 523 054 € | 48 951 |
| >1 - ≤2 | | |
| >2 - ≤3 | | |
| >3 - ≤4 | | |
| >4 - ≤5 | | |
| >5 - ≤6 | | |
| >6 | | |
| Total | 6 743 523 054 € | 48 951 |

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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 | 1 162 353 094 € | 97 921 460 € | 89 310 877 € | 128 990 710 € | 159 531 027 € | 187 416 256 € | 95 678 779 € | 208 554 906 € | 129 237 069 € | 65 712 011 € | 0 € | 0 € |
| ≥12 - <24 | 1 613 600 379 € | 142 140 657 € | 126 564 596 € | 192 478 631 € | 213 355 925 € | 274 800 249 € | 198 731 451 € | 192 993 691 € | 261 727 457 € | 10 807 721 € | 0 € | 0 € |
| ≥24 - <36 | 1 580 312 136 € | 125 751 828 € | 107 238 235 € | 146 589 436 € | 186 214 572 € | 304 840 773 € | 212 909 286 € | 374 261 244 € | 115 064 711 € | 7 442 049 € | 0 € | 0 € |
| ≥36 - <60 | 960 383 006 € | 158 442 018 € | 111 228 558 € | 138 071 178 € | 152 745 364 € | 172 685 631 € | 111 119 640 € | 88 389 509 € | 24 514 196 € | 3 186 911 € | 0 € | 0 € |
| ≥60 | 1 426 874 440 € | 332 678 908 € | 219 493 520 € | 249 788 687 € | 246 605 404 € | 212 781 771 € | 86 196 387 € | 59 534 395 € | 16 556 482 € | 2 532 128 € | 258 293 € | 448 463 € |
| Total | 6 743 523 054 € | 856 934 871 € | 653 835 787 € | 855 918 642 € | 958 452 292 € | 1 152 524 681 € | 704 635 544 € | 923 733 744 € | 547 099 916 € | 89 680 821 € | 258 293 € | 448 463 € |

| 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 | 5 117 853 759 € | 786 082 731 € | 602 148 514 € | 780 286 181 € | 851 032 445 € | 944 208 191 € | 506 542 588 € | 512 289 661 € | 112 842 686 € | 22 158 741 € | 247 621 € | 14 400 € |
| RE-MORTGAGE | 1 370 137 688 € | 28 348 307 € | 22 132 826 € | 39 569 730 € | 64 959 331 € | 158 801 371 € | 170 141 916 € | 390 867 561 € | 428 152 169 € | 66 730 410 € | 0 € | 434 065 € |
| EQUITY RELEASE | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Construction (Surface Increase) | 105 422 599 € | 15 586 391 € | 12 184 798 € | 14 307 762 € | 17 412 470 € | 20 309 961 € | 12 841 365 € | 9 178 528 € | 3 166 529 € | 434 796 € | 0 € | 0 € |
| Construction (New Building) | 150 109 008 € | 26 917 442 € | 17 369 648 € | 21 754 969 € | 25 048 045 € | 29 205 158 € | 15 109 675 € | 11 397 995 € | 2 938 531 € | 356 874 € | 10 671 € | 0 € |
| Other/No data | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Total | 6 743 523 054 € | 856 934 871 € | 653 835 787 € | 855 918 642 € | 958 452 292 € | 1 152 524 681 € | 704 635 544 € | 923 733 744 € | 547 099 916 € | 89 680 821 € | 258 293 € | 448 463 € |

| 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 | 5 163 611 804 € | 666 621 580 € | 516 405 400 € | 655 004 396 € | 724 205 284 € | 875 966 278 € | 522 801 444 € | 703 029 133 € | 432 317 050 € | 66 988 546 € | 258 293 € | 14 400 € |
| Buy-to let | 1 084 205 767 € | 103 134 587 € | 80 562 405 € | 120 265 508 € | 153 447 254 € | 200 430 792 € | 140 081 664 € | 170 845 548 € | 97 080 649 € | 18 357 359 € | 0 € | 0 € |
| Vacation / second home | 495 705 483 € | 87 178 704 € | 56 867 982 € | 80 648 737 € | 80 799 754 € | 76 127 611 € | 41 752 435 € | 49 859 063 € | 17 702 217 € | 4 334 916 € | 0 € | 434 065 € |
| Other/No data | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Total | 6 743 523 054 € | 856 934 871 € | 653 835 787 € | 855 918 642 € | 958 452 292 € | 1 152 524 681 € | 704 635 544 € | 923 733 744 € | 547 099 916 € | 89 680 821 € | 258 293 € | 448 463 € |

| 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 | 5 103 279 823 € | 640 803 920 € | 499 463 745 € | 657 890 425 € | 727 622 774 € | 865 329 198 € | 517 692 784 € | 704 459 575 € | 423 369 789 € | 66 374 922 € | 258 293 € | 14 400 € |
| Protected life-time employment | 477 603 477 € | 52 948 529 € | 39 218 891 € | 52 444 430 € | 62 794 121 € | 85 802 306 € | 55 807 701 € | 76 179 596 € | 46 766 032 € | 5 641 873 € | 0 € | 0 € |
| SELF-EMPLOYED | 951 269 383 € | 122 154 425 € | 93 378 434 € | 118 093 099 € | 136 856 845 € | 169 218 425 € | 110 734 283 € | 121 197 034 € | 68 607 811 € | 10 594 963 € | 0 € | 434 065 € |
| Unemployed | 53 164 944 € | 10 542 299 € | 5 351 222 € | 7 504 386 € | 8 303 586 € | 8 686 388 € | 4 990 351 € | 5 653 264 € | 1 455 813 € | 677 635 € | 0 € | 0 € |
| Other/No data | 158 205 426 € | 30 485 699 € | 16 423 496 € | 19 986 302 € | 22 874 966 € | 23 488 365 € | 15 410 424 € | 16 244 276 € | 6 900 472 € | 6 391 428 € | 0 € | 0 € |
| Total | 6 743 523 054 € | 856 934 871 € | 653 835 787 € | 855 918 642 € | 958 452 292 € | 1 152 524 681 € | 704 635 544 € | 923 733 744 € | 547 099 916 € | 89 680 821 € | 258 293 € | 448 463 € |

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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 | 54 659 400 € | 4 933 841 € | 5 532 887 € | 8 718 385 € | 7 933 608 € | 10 230 793 € | 5 373 546 € | 6 165 178 € | 4 192 528 € | 1 578 633 € | 0 € | 0 € |
| Aquitaine | 337 078 127 € | 39 318 910 € | 30 744 757 € | 37 143 369 € | 48 951 175 € | 49 321 283 € | 36 812 610 € | 49 426 752 € | 38 760 277 € | 6 588 323 € | 10 671 € | 0 € |
| Auvergne | 30 344 186 € | 3 637 453 € | 1 611 856 € | 4 545 612 € | 4 836 585 € | 5 804 506 € | 3 536 048 € | 3 651 389 € | 2 615 402 € | 105 335 € | 0 € | 0 € |
| Basse-Normandie | 54 654 324 € | 5 987 504 € | 6 365 763 € | 7 745 655 € | 7 250 139 € | 10 373 514 € | 7 737 291 € | 7 843 159 € | 1 236 301 € | 115 000 € | 0 € | 0 € |
| Bourgogne | 43 263 322 € | 4 071 105 € | 3 909 622 € | 4 425 015 € | 6 771 052 € | 9 984 690 € | 5 090 443 € | 5 433 097 € | 2 984 352 € | 593 947 € | 0 € | 0 € |
| Bretagne | 103 487 425 € | 13 757 188 € | 10 424 733 € | 14 800 254 € | 11 266 052 € | 16 968 645 € | 12 031 772 € | 14 631 587 € | 8 688 746 € | 918 449 € | 0 € | 0 € |
| Centre | 118 603 590 € | 12 283 492 € | 9 617 353 € | 13 335 980 € | 17 354 508 € | 22 538 161 € | 15 582 360 € | 15 074 461 € | 11 443 807 € | 1 373 470 € | 0 € | 0 € |
| Champagne-Ardenne | 18 157 923 € | 1 533 607 € | 1 035 420 € | 1 616 324 € | 2 614 500 € | 3 820 600 € | 3 551 889 € | 3 057 063 € | 823 994 € | 104 525 € | 0 € | 0 € |
| Corse | 18 427 452 € | 3 314 535 € | 2 379 004 € | 2 428 681 € | 3 320 908 € | 3 037 670 € | 1 529 181 € | 1 374 159 € | 711 369 € | 331 946 € | 0 € | 0 € |
| Départements d'Outre-Mer | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € | 0 € |
| Franche-Comté | 24 979 617 € | 2 327 760 € | 2 186 918 € | 1 941 932 € | 3 117 850 € | 5 327 723 € | 3 641 845 € | 4 421 453 € | 2 014 136 € | 0 € | 0 € | 0 € |
| Haute-Normandie | 123 154 006 € | 14 357 689 € | 11 797 448 € | 15 084 003 € | 19 089 667 € | 23 915 632 € | 16 090 328 € | 15 410 241 € | 6 170 339 € | 1 238 658 € | 0 € | 0 € |
| Île-de-France | 3 520 886 582 € | 465 121 391 € | 360 169 346 € | 462 287 509 € | 490 173 164 € | 584 101 317 € | 341 364 981 € | 476 595 907 € | 298 674 439 € | 41 716 843 € | 247 621 € | 434 065 € |
| Languedoc-Roussillon | 90 766 082 € | 10 970 948 € | 7 549 724 € | 12 482 229 € | 14 836 348 € | 18 391 776 € | 8 351 039 € | 8 697 798 € | 7 784 008 € | 1 702 212 € | 0 € | 0 € |
| Limousin | 12 802 094 € | 2 183 680 € | 1 350 813 € | 1 562 853 € | 1 534 094 € | 2 100 375 € | 1 731 234 € | 1 345 609 € | 892 618 € | 100 819 € | 0 € | 0 € |
| Lorraine | 72 924 958 € | 6 631 079 € | 6 873 564 € | 8 475 622 € | 7 040 567 € | 14 092 956 € | 10 887 199 € | 11 554 597 € | 6 223 560 € | 1 145 815 € | 0 € | 0 € |
| Midi-Pyrénées | 146 836 888 € | 14 190 404 € | 10 949 055 € | 16 752 803 € | 20 572 453 € | 26 142 055 € | 18 220 675 € | 24 210 531 € | 13 413 244 € | 2 385 668 € | 0 € | 0 € |
| Nord-Pas-de-Calais | 308 828 082 € | 34 513 845 € | 28 564 576 € | 34 115 563 € | 43 856 272 € | 58 061 937 € | 37 400 457 € | 51 258 986 € | 18 179 011 € | 2 877 435 € | 0 € | 0 € |
| Pays-de-la-Loire | 134 049 002 € | 19 511 022 € | 13 612 631 € | 18 043 312 € | 20 616 917 € | 23 052 473 € | 12 835 238 € | 15 797 671 € | 9 335 989 € | 1 243 749 € | 0 € | 0 € |
| Picardie | 109 132 250 € | 8 115 634 € | 10 143 626 € | 8 185 161 € | 14 821 308 € | 19 355 003 € | 16 493 754 € | 20 465 195 € | 10 192 155 € | 1 360 414 € | 0 € | 0 € |
| Poitou-Charentes | 101 289 170 € | 15 352 993 € | 8 583 282 € | 12 903 560 € | 16 828 755 € | 17 032 608 € | 10 694 217 € | 12 816 338 € | 5 472 341 € | 1 605 076 € | 0 € | 0 € |
| Provence-Alpes-Côte d'Azur | 754 198 080 € | 102 240 621 € | 70 833 098 € | 99 833 387 € | 116 592 508 € | 133 867 964 € | 77 104 128 € | 95 731 778 € | 47 508 080 € | 10 472 117 € | 0 € | 14 400 € |
| Rhône-Alpes | 565 000 494 € | 72 580 170 € | 49 600 311 € | 69 491 433 € | 79 073 865 € | 95 002 999 € | 58 575 312 € | 78 770 797 € | 49 783 218 € | 12 122 388 € | 0 € | 0 € |
| 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 € |
| Total | 6 743 523 054 € | 856 934 871 € | 653 835 787 € | 855 918 642 € | 958 452 292 € | 1 152 524 681 € | 704 635 544 € | 923 733 744 € | 547 099 916 € | 89 680 821 € | 258 293 € | 448 465 € |

| 8. Guaranty Type | | | |
|-------------------------------|------------------------|-------------------------|-----------------|
| Guaranty | Total Loan Balance | Total Loan Balance in % | Number of Loans |
| Mortgage | 1 049 186 994 € | 15,56% | 7 450 |
| Guaranteed by Crédit Logement | 5 694 336 060 € | 84,44% | 41 501 |
| Total | 6 743 523 054 € | 100,00% | 48 951 |

ASSET COVER TEST

Date of Asset Cover test:

29/02/2016

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

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

| | | |
|----------|---|--------------------|
| R | Asset Cover test Ratio | 1,15 |
| | Adjusted Aggregate Asset Amount (AAAA) | 5 882 408 525,92 € |
| | Aggregate Covered Bond Outstanding Principal Amount | 5 116 501 740,88 € |
| | Asset Cover Test Result | PASS |

| | | |
|-----------|---|---------------------------|
| A | =min(A1 ; A2) | 5 866 865 057,34 € |
| A1 | Adjusted Home Loan Outstanding Principal Amount | 6 508 315 801,44 € |
| A2 | = a * b | 5 866 865 057,34 € |
| | Unadjusted Home Loan Outstanding Principal Amount (a) | 6 743 523 054,41 € |
| | Asset Percentage (b) | 87,0% |

| | | |
|----------|-------------------------|---|
| B | Cash Collateral Account | - |
|----------|-------------------------|---|

| | | |
|----------|--|------|
| C | Aggregate Substitution Asset Amount (ASAA) | - |
| | ASAA level limit | 20% |
| | ASAA level is acceptable | TRUE |

| | | |
|----------|-----------------------|-------------------------|
| D | Permitted Investments | 128 559 612,35 € |
|----------|-----------------------|-------------------------|

| | | |
|----------|---|---|
| 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% | 113 016 144 |
| | WAM (Weighted Average Maturity) | 4,42 |
| | 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 | 0,8925 |
| Serie n°3 ISINCH0111297443 Devise : CHF | 200 000 000,00 | 07/09/2018 | 2,5216 |
| Serie n°4 ISINCH0120743346 Devise : CHF | 200 000 000,00 | 23/04/2019 | 3,1458 |
| Serie n°5 ISINFR0011470764 Devise : EUR | 1 250 000 000,00 | 16/10/2023 | 7,6277 |
| Serie n°6 ISINFR0011600923 Devise : EUR | 1 000 000 000,00 | 28/10/2020 | 4,6626 |
| Serie n°7 ISINFR0012602522 Devise : EUR | 1 000 000 000,00 | 11/03/2022 | 6,0287 |

Disclaimer :

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