

HSBC SFH (France) Investor Report

Collection Period End:

30/09/2016

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	7 452 769 609 €
Number of Loans	54 017
Number of Borrowers	43 377
Average Loan Balance	137 971
Weighted Average Seasoning of Loan parts (months)	37,67
Weighted Average Remaining Term of Loan Parts (months)	154,68
Percentage of floating interest rate loans	0,00%
Weighted Average Current LTV	61,0%
Weighted Average Current Indexed LTV	60,7%
Loan Originator	Total Loan Balance
HBFR	7 452 769 609 €
Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	5 117 782 273 €
Weight Average Maturity	3,83
ACT Results	
Asset Cover Ratio	1,38
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%	1 202 358 677 €	12 566
>40% - ≤50%	921 505 851 €	7 063
>50% - ≤60%	1 210 202 995 €	8 384
>60% - ≤70%	1 320 884 467 €	8 689
>70% - ≤80%	1 448 199 023 €	9 189
>80% - ≤85%	748 260 522 €	4 548
>85% - ≤90%	533 156 831 €	3 138
>90% - ≤95%	54 382 611 €	320
>95% - ≤100%	10 860 035 €	96
>100% - ≤105%	1 507 937 €	10
>105%	1 450 662 €	14
Total	7 452 769 609 €	54 017

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	1 321 257 134 €	13 518
>40% - ≤50%	914 327 061 €	6 878
>50% - ≤60%	1 141 639 432 €	7 808
>60% - ≤70%	1 230 045 836 €	8 037
>70% - ≤80%	1 327 655 887 €	8 403
>80% - ≤85%	756 499 239 €	4 697
>85% - ≤90%	693 690 103 €	4 227
>90% - ≤95%	67 654 918 €	449
>95% - ≤100%	0 €	-
>100% - ≤105%	0 €	-
>105%	0 €	-
Total	7 452 769 609 €	54 017

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	7 452 769 609 €	54 017
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	7 452 769 609 €	54 017

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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	1 448 927 305 €	158 872 054 €	133 814 858 €	213 966 139 €	252 494 922 €	277 672 601 €	149 835 799 €	241 134 623 €	18 677 383 €	1 877 563 €	389 641 €	191 722 €
≥12 - <24	1 903 326 205 €	262 606 749 €	233 560 951 €	292 029 523 €	334 536 064 €	379 056 488 €	239 469 382 €	140 625 922 €	19 504 633 €	1 708 335 €	228 158 €	0 €
≥24 - <36	1 392 040 219 €	183 960 841 €	162 370 450 €	227 298 012 €	244 098 821 €	318 620 458 €	165 539 821 €	81 081 697 €	5 095 202 €	3 188 913 €	353 289 €	432 717 €
≥36 - <60	1 357 048 374 €	247 554 021 €	179 429 099 €	227 272 604 €	259 866 402 €	270 708 355 €	122 715 956 €	40 097 935 €	6 022 955 €	2 690 807 €	82 303 €	607 938 €
≥60	1 351 427 506 €	349 365 012 €	212 330 494 €	249 636 717 €	229 888 258 €	202 141 121 €	70 699 564 €	30 216 654 €	5 082 439 €	1 394 417 €	454 546 €	218 284 €
Total	7 452 769 609 €	1 202 358 677 €	921 505 851 €	1 210 202 995 €	1 320 884 467 €	1 448 199 023 €	748 260 522 €	533 156 831 €	54 382 611 €	10 860 035 €	1 507 937 €	1 450 662 €

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	5 196 359 647 €	866 905 765 €	634 780 071 €	843 430 527 €	916 854 876 €	1 016 612 490 €	519 288 618 €	379 250 085 €	15 977 852 €	3 018 685 €	22 393 €	218 284 €
RE-MORTGAGE	2 006 061 468 €	289 702 142 €	258 509 771 €	326 920 965 €	360 423 024 €	379 507 358 €	204 838 785 €	137 924 539 €	37 686 284 €	7 841 349 €	1 474 873 €	1 232 377 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	106 307 870 €	19 064 136 €	11 768 892 €	14 787 529 €	18 314 745 €	20 778 670 €	14 151 254 €	6 724 170 €	718 474 €	0 €	0 €	0 €
Construction (New Building)	144 040 624 €	26 686 633 €	16 447 117 €	25 063 974 €	25 291 823 €	31 300 505 €	9 981 864 €	9 258 037 €	0 €	0 €	10 671 €	0 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	7 452 769 609 €	1 202 358 677 €	921 505 851 €	1 210 202 995 €	1 320 884 467 €	1 448 199 023 €	748 260 522 €	533 156 831 €	54 382 611 €	10 860 035 €	1 507 937 €	1 450 662 €

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	5 844 604 750 €	981 193 035 €	754 823 211 €	952 541 924 €	1 029 997 054 €	1 104 938 274 €	566 359 343 €	406 532 741 €	39 583 746 €	6 990 905 €	613 924 €	1 030 594 €
Buy-to let	1 099 859 073 €	131 290 510 €	103 091 454 €	155 529 422 €	198 849 910 €	261 862 003 €	138 235 349 €	93 227 308 €	13 460 763 €	3 647 912 €	244 373 €	420 068 €
Vacation / second home	508 305 786 €	89 875 132 €	63 591 186 €	102 131 649 €	92 037 502 €	81 398 747 €	43 665 830 €	33 396 782 €	1 338 102 €	221 218 €	649 640 €	0 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	7 452 769 609 €	1 202 358 677 €	921 505 851 €	1 210 202 995 €	1 320 884 467 €	1 448 199 023 €	748 260 522 €	533 156 831 €	54 382 611 €	10 860 035 €	1 507 937 €	1 450 662 €

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	5 694 961 197 €	905 499 439 €	713 471 844 €	943 950 887 €	1 018 484 934 €	1 087 636 174 €	565 785 241 €	407 608 203 €	42 103 033 €	8 670 139 €	635 337 €	1 115 968 €
Protected life-time employment	529 285 845 €	82 332 820 €	63 230 502 €	84 560 732 €	93 725 106 €	109 224 927 €	53 877 929 €	38 601 980 €	3 352 882 €	378 967 €	0 €	0 €
SELF-EMPLOYED	939 270 884 €	152 108 009 €	111 821 041 €	136 179 117 €	163 537 254 €	202 216 847 €	98 239 822 €	65 706 949 €	6 704 585 €	1 549 964 €	872 600 €	334 696 €
Unemployed	61 160 584 €	15 200 047 €	8 720 386 €	8 331 214 €	9 987 206 €	10 169 793 €	6 101 471 €	2 245 183 €	339 612 €	65 674 €	0 €	0 €
Other/No data	228 091 099 €	47 218 362 €	24 262 078 €	37 181 046 €	35 149 967 €	38 951 282 €	24 256 059 €	18 994 516 €	1 882 499 €	195 290 €	0 €	0 €
Total	7 452 769 609 €	1 202 358 677 €	921 505 851 €	1 210 202 995 €	1 320 884 467 €	1 448 199 023 €	748 260 522 €	533 156 831 €	54 382 611 €	10 860 035 €	1 507 937 €	1 450 662 €

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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	56 602 071 €	5 724 801 €	8 946 018 €	11 268 280 €	8 509 210 €	11 449 543 €	5 416 859 €	4 741 023 €	546 337 €	0 €	0 €	0 €
Aquitaine	360 484 388 €	48 723 703 €	39 156 498 €	54 811 782 €	65 429 353 €	71 826 761 €	39 503 191 €	33 252 271 €	6 233 759 €	1 509 345 €	10 671 €	27 052 €
Auvergne	29 456 971 €	3 881 558 €	2 740 550 €	5 538 911 €	5 671 558 €	6 209 117 €	3 901 013 €	1 195 026 €	319 238 €	0 €	0 €	0 €
Basse-Normandie	54 445 122 €	7 798 195 €	6 579 735 €	9 056 540 €	10 208 093 €	11 464 978 €	7 192 006 €	2 072 148 €	73 428 €	0 €	0 €	0 €
Bourgogne	43 614 496 €	4 607 179 €	5 423 922 €	6 910 592 €	10 237 477 €	9 880 585 €	3 785 719 €	2 769 021 €	0 €	0 €	0 €	0 €
Bretagne	97 729 656 €	16 415 212 €	12 232 705 €	17 241 575 €	14 739 927 €	18 741 051 €	11 183 507 €	6 994 363 €	181 316 €	0 €	0 €	0 €
Centre	121 117 571 €	16 695 866 €	11 816 680 €	18 190 584 €	22 907 792 €	29 262 868 €	14 003 925 €	7 815 555 €	424 300 €	0 €	0 €	0 €
Champagne-Ardenne	18 399 209 €	2 507 509 €	1 884 039 €	3 239 869 €	3 241 078 €	4 128 823 €	1 781 745 €	1 616 147 €	0 €	0 €	0 €	0 €
Corse	16 744 103 €	3 088 066 €	2 615 097 €	2 520 990 €	3 073 570 €	3 647 139 €	753 953 €	1 045 288 €	0 €	0 €	0 €	0 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	22 437 796 €	2 691 014 €	2 134 152 €	2 015 916 €	4 781 247 €	5 420 003 €	3 136 089 €	2 259 375 €	0 €	0 €	0 €	0 €
Haute-Normandie	120 283 450 €	16 349 086 €	14 669 182 €	16 673 464 €	24 500 293 €	27 121 084 €	13 065 163 €	7 729 677 €	175 501 €	0 €	0 €	0 €
Île-de-France	3 998 262 815 €	705 236 298 €	534 896 487 €	661 579 565 €	698 310 772 €	723 529 153 €	375 407 324 €	261 458 718 €	29 750 930 €	5 386 511 €	1 335 195 €	1 371 862 €
Languedoc-Roussillon	97 075 175 €	13 648 407 €	9 196 974 €	16 988 223 €	19 317 220 €	23 096 623 €	7 528 546 €	7 299 180 €	0 €	0 €	0 €	0 €
Limousin	12 419 522 €	2 118 371 €	814 763 €	2 550 884 €	2 374 539 €	3 150 184 €	947 500 €	463 282 €	0 €	0 €	0 €	0 €
Lorraine	72 584 597 €	9 122 760 €	8 053 211 €	11 645 659 €	9 787 526 €	18 894 506 €	9 713 580 €	4 991 799 €	375 556 €	0 €	0 €	0 €
Midi-Pyrénées	165 276 371 €	19 644 837 €	15 468 112 €	26 434 033 €	31 059 419 €	34 439 668 €	19 078 640 €	17 309 499 €	1 736 832 €	105 331 €	0 €	0 €
Nord-Pas-de-Calais	329 301 606 €	45 692 361 €	35 532 697 €	48 614 085 €	58 577 437 €	72 007 319 €	43 197 100 €	23 236 974 €	2 443 633 €	0 €	0 €	0 €
Pays-de-la-Loire	145 997 814 €	23 241 141 €	18 796 764 €	20 954 702 €	26 572 283 €	28 404 128 €	14 070 836 €	12 435 219 €	1 522 742 €	0 €	0 €	0 €
Picardie	115 463 821 €	11 780 520 €	15 537 353 €	19 203 466 €	21 157 470 €	24 182 781 €	12 868 614 €	9 986 991 €	746 625 €	0 €	0 €	0 €
Poitou-Charentes	100 415 461 €	16 783 360 €	10 701 436 €	15 861 107 €	16 621 597 €	19 234 974 €	10 985 453 €	9 831 242 €	396 293 €	0 €	0 €	0 €
Provence-Alpes-Côte d'Azur	849 610 154 €	141 280 906 €	94 564 046 €	143 717 842 €	153 041 792 €	174 709 901 €	81 969 071 €	57 940 841 €	2 363 362 €	0 €	22 393 €	0 €
Rhône-Alpes	625 047 441 €	85 327 527 €	69 745 426 €	95 184 928 €	110 764 816 €	127 397 833 €	68 770 687 €	56 713 192 €	7 092 759 €	3 858 847 €	139 678 €	51 747 €
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	7 452 769 609 €	1 202 358 677 €	921 505 851 €	1 210 202 995 €	1 320 884 467 €	1 448 199 023 €	748 260 522 €	533 156 831 €	54 382 611 €	10 860 035 €	1 507 937 €	1 450 662 €

8. Guaranty Type			
Guaranty	Total Loan Balance	Total Loan Balance in %	Number of Loans
Mortgage	1 101 340 043 €	14,78%	7 878
Guaranteed by Crédit Logement	6 351 429 566 €	85,22%	46 139
Total	7 452 769 609 €	100,00%	54 017

ASSET COVER TEST

Date of Asset Cover test:

30/09/2016

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

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

R	Asset Cover test Ratio	1,38
	Adjusted Aggregate Asset Amount (AAAA)	7 080 126 241,33 €
	Aggregate Covered Bond Outstanding Principal Amount	5 117 782 272,89 €
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	6 483 909 559,94 €
A1	Adjusted Home Loan Outstanding Principal Amount	7 362 765 837,94 €
A2	= a * b	6 483 909 559,94 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	7 452 769 609,13 €
	Asset Percentage (b)	87,0%

B	Cash Collateral Account	570 310 000,00
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C	Aggregate Substitution Asset Amount (ASAA)	-
	ASAA level limit	20%
	ASAA level is acceptable	TRUE

D	Permitted Investments	123 948 423,29 €
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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%	98 041 742
	WAM (Weighted Average Maturity)	3,83
	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	0,3066
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000,00	07/09/2018	1,9357
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000,00	23/04/2019	2,5599
Serie n°5 ISINFR0011470764 Devise : EUR	1 250 000 000,00	16/10/2023	7,0418
Serie n°6 ISINFR0011600923 Devise : EUR	1 000 000 000,00	28/10/2020	4,0767
Serie n°7 ISINFR0012602522 Devise : EUR	1 000 000 000,00	11/03/2022	5,4428

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