

HSBC SFH (France) Investor Report

Cover Pool Selection Date:

31/12/2016

Note: In line with the methodology used for previous disclosures, the cover pool pledged on 31/12/2016 has been selected based on the 30/11/2016 cut-off. It will be replaced by the the cover pool selected on the 31/12/2016 cut-off as of 23/01/2017 (after the reimbursement of the serie 1).

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	5 311 924 694 €
Number of Loans	34 857
Number of Borrowers	29 191
Average Loan Balance	152 392
Weighted Average Seasoning of Loan parts (months)	35.07
Weighted Average Remaining Term of Loan Parts (months)	158.56
Percentage of floating interest rate loans	0.00%
Weighted Average Current LTV	62.8%
Weighted Average Current Indexed LTV	62.5%
Loan Originator	Total Loan Balance
HBFR	5 311 924 694 €
Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	5 122 474 160 €
Weight Average Maturity	3.58
ACT Results	
Asset Cover Ratio	1.04
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%	68 729 194 €	658
>40% - ≤50%	854 252 404 €	6 254
>50% - ≤60%	1 256 414 582 €	8 399
>60% - ≤70%	1 434 795 502 €	9 263
>70% - ≤80%	1 412 951 854 €	8 557
>80% - ≤85%	217 217 288 €	1 292
>85% - ≤90%	45 106 740 €	267
>90% - ≤95%	15 130 711 €	106
>95% - ≤100%	5 664 378 €	49
>100% - ≤105%	998 810 €	6
>105%	663 233 €	6
Total	5 311 924 694 €	34 857

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	0 €	-
>40% - ≤50%	998 201 069 €	7 302
>50% - ≤60%	1 237 251 264 €	8 282
>60% - ≤70%	1 351 660 148 €	8 636
>70% - ≤80%	1 495 269 279 €	9 197
>80% - ≤85%	229 542 935 €	1 440
>85% - ≤90%	0 €	-
>90% - ≤95%	0 €	-
>95% - ≤100%	0 €	-
>100% - ≤105%	0 €	-
>105%	0 €	-
Total	5 311 924 694 €	34 857

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	5 311 924 694 €	34 857
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	5 311 924 694 €	34 857

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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	1 024 714 306 €	5 100 160 €	151 491 759 €	223 421 872 €	277 974 193 €	305 519 214 €	47 372 927 €	8 837 237 €	3 814 690 €	1 182 255 €	0 €	0 €
≥12 - <24	1 488 073 723 €	11 969 982 €	226 608 615 €	333 109 577 €	401 222 576 €	408 828 874 €	84 923 738 €	12 509 640 €	7 161 803 €	1 267 869 €	471 050 €	0 €
≥24 - <36	897 882 070 €	7 184 474 €	139 748 568 €	202 481 252 €	227 637 598 €	289 031 208 €	26 234 786 €	3 724 797 €	734 201 €	972 144 €	0 €	133 043 €
≥36 - <60	1 089 793 962 €	24 289 312 €	198 043 693 €	271 316 821 €	297 829 872 €	253 881 730 €	29 264 598 €	10 028 627 €	3 033 767 €	1 666 121 €	0 €	439 421 €
≥60	811 460 633 €	20 185 267 €	138 359 768 €	226 085 060 €	230 131 262 €	155 690 829 €	29 421 240 €	10 006 438 €	386 249 €	575 989 €	527 760 €	90 769 €
Total	5 311 924 694 €	68 729 194 €	854 252 404 €	1 256 414 582 €	1 434 795 502 €	1 412 951 854 €	217 217 288 €	45 106 740 €	15 130 711 €	5 664 378 €	998 810 €	663 233 €

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	3 546 272 068 €	42 342 548 €	584 634 099 €	851 920 855 €	954 377 282 €	969 364 637 €	128 593 398 €	12 549 727 €	791 002 €	1 506 673 €	101 077 €	90 769 €
RE-MORTGAGE	1 589 685 178 €	23 667 369 €	241 483 327 €	365 101 451 €	430 019 403 €	395 637 074 €	81 475 386 €	32 419 874 €	14 264 065 €	4 157 704 €	887 061 €	572 464 €
EQUITY RELEASE	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Construction (Surface Increase)	71 715 119 €	985 791 €	11 027 725 €	13 496 274 €	21 008 595 €	20 868 018 €	4 115 934 €	137 139 €	75 644 €	0 €	0 €	0 €
Construction (New Building)	104 252 329 €	1 733 486 €	17 107 253 €	25 896 002 €	29 390 221 €	27 082 126 €	3 032 570 €	0 €	0 €	0 €	10 671 €	0 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	5 311 924 694 €	68 729 194 €	854 252 404 €	1 256 414 582 €	1 434 795 502 €	1 412 951 854 €	217 217 288 €	45 106 740 €	15 130 711 €	5 664 378 €	998 810 €	663 233 €

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	4 202 180 857 €	50 966 673 €	700 282 382 €	1 001 674 167 €	1 132 943 693 €	1 110 986 066 €	160 437 169 €	29 569 547 €	10 644 967 €	3 760 851 €	315 040 €	600 303 €
Buy-to let	751 955 720 €	9 136 796 €	87 171 914 €	152 470 863 €	209 457 379 €	224 776 539 €	48 125 179 €	14 552 535 €	4 400 246 €	1 758 453 €	42 886 €	62 929 €
Vacation / second home	357 788 117 €	8 625 725 €	66 798 108 €	102 269 552 €	92 394 430 €	77 189 250 €	8 654 940 €	984 657 €	85 497 €	145 073 €	640 884 €	0 €
Other/No data	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Total	5 311 924 694 €	68 729 194 €	854 252 404 €	1 256 414 582 €	1 434 795 502 €	1 412 951 854 €	217 217 288 €	45 106 740 €	15 130 711 €	5 664 378 €	998 810 €	663 233 €

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	4 087 835 813 €	53 314 041 €	663 387 934 €	981 832 937 €	1 100 458 756 €	1 075 373 068 €	163 883 060 €	32 658 925 €	11 341 343 €	4 730 667 €	278 430 €	576 652 €
Protected life-time employment	383 352 133 €	4 393 911 €	58 082 084 €	90 859 807 €	102 220 125 €	107 705 285 €	15 481 880 €	2 843 512 €	1 651 888 €	113 641 €	0 €	0 €
SELF-EMPLOYED	642 891 531 €	7 984 372 €	97 482 184 €	137 912 480 €	179 999 974 €	181 305 587 €	28 730 345 €	6 992 414 €	1 159 603 €	517 610 €	720 380 €	86 581 €
Unemployed	39 827 472 €	509 841 €	8 312 620 €	9 973 036 €	10 836 095 €	8 474 560 €	1 404 984 €	316 335 €	0 €	0 €	0 €	0 €
Other/No data	158 017 745 €	2 527 029 €	26 987 580 €	35 836 322 €	41 280 551 €	40 093 355 €	7 717 018 €	2 295 553 €	977 877 €	302 460 €	0 €	0 €
Total	5 311 924 694 €	68 729 194 €	854 252 404 €	1 256 414 582 €	1 434 795 502 €	1 412 951 854 €	217 217 288 €	45 106 740 €	15 130 711 €	5 664 378 €	998 810 €	663 233 €

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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	43 417 599 €	432 013 €	9 086 644 €	10 884 716 €	9 725 197 €	11 814 528 €	1 474 501 €	0 €	0 €	0 €	0 €	0 €
Aquitaine	260 097 523 €	2 893 013 €	33 916 438 €	56 309 363 €	69 138 616 €	70 879 934 €	16 427 156 €	7 163 507 €	3 049 712 €	309 111 €	10 671 €	0 €
Auvergne	22 051 870 €	60 266 €	2 773 046 €	5 809 827 €	5 315 748 €	7 047 064 €	1 045 918 €	0 €	0 €	0 €	0 €	0 €
Basse-Normandie	35 518 283 €	1 302 233 €	5 530 569 €	8 083 921 €	11 025 858 €	8 372 402 €	1 203 300 €	0 €	0 €	0 €	0 €	0 €
Bourgogne	33 194 271 €	1 235 000 €	5 385 463 €	8 046 058 €	9 742 303 €	8 665 798 €	90 976 €	28 672 €	0 €	0 €	0 €	0 €
Bretagne	67 927 582 €	1 319 332 €	13 104 482 €	17 615 479 €	16 117 626 €	17 073 758 €	2 517 149 €	179 757 €	0 €	0 €	0 €	0 €
Centre	83 248 497 €	3 206 537 €	12 330 157 €	17 984 789 €	26 000 722 €	21 032 129 €	2 246 775 €	322 974 €	124 415 €	0 €	0 €	0 €
Champagne-Ardenne	12 585 523 €	611 110 €	1 889 008 €	3 458 106 €	3 442 379 €	3 138 200 €	46 720 €	0 €	0 €	0 €	0 €	0 €
Corse	11 600 687 €	38 991 €	3 331 624 €	2 391 971 €	2 509 695 €	3 186 999 €	141 406 €	0 €	0 €	0 €	0 €	0 €
Départements d'Outre-Mer	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Franche-Comté	15 175 857 €	431 741 €	2 082 625 €	2 523 996 €	4 667 323 €	4 944 815 €	525 358 €	0 €	0 €	0 €	0 €	0 €
Haute-Normandie	79 101 625 €	1 635 905 €	14 079 371 €	17 038 351 €	25 745 282 €	19 625 852 €	866 969 €	109 894 €	0 €	0 €	0 €	0 €
Île-de-France	2 831 554 369 €	23 214 091 €	468 065 105 €	682 843 426 €	756 253 997 €	754 262 870 €	110 049 542 €	23 661 428 €	9 090 432 €	2 462 107 €	988 139 €	663 233 €
Languedoc-Roussillon	71 116 905 €	1 495 212 €	9 916 027 €	16 936 421 €	22 658 589 €	19 133 264 €	868 171 €	109 222 €	0 €	0 €	0 €	0 €
Limousin	8 547 114 €	217 316 €	1 035 166 €	2 372 218 €	3 032 672 €	1 889 742 €	0 €	0 €	0 €	0 €	0 €	0 €
Lorraine	48 198 059 €	742 744 €	8 534 727 €	10 563 257 €	12 434 222 €	14 279 452 €	1 581 761 €	61 896 €	0 €	0 €	0 €	0 €
Midi-Pyrénées	116 356 800 €	1 175 592 €	13 964 045 €	27 446 790 €	32 725 438 €	32 159 431 €	6 996 215 €	1 889 289 €	0 €	0 €	0 €	0 €
Nord-Pas-de-Calais	236 428 742 €	2 310 583 €	36 152 486 €	50 669 227 €	65 172 307 €	65 218 611 €	15 376 532 €	1 434 511 €	94 484 €	0 €	0 €	0 €
Pays-de-la-Loire	106 359 862 €	1 990 472 €	17 322 959 €	22 939 021 €	28 219 594 €	29 971 670 €	4 862 850 €	795 534 €	257 763 €	0 €	0 €	0 €
Picardie	78 827 960 €	1 121 864 €	15 810 669 €	19 039 417 €	21 466 940 €	19 511 908 €	1 699 254 €	177 908 €	0 €	0 €	0 €	0 €
Poitou-Charentes	63 271 979 €	943 486 €	10 966 524 €	16 808 925 €	15 605 161 €	16 865 270 €	1 978 771 €	103 843 €	0 €	0 €	0 €	0 €
Provence-Alpes-Côte d'Azur	614 660 595 €	18 397 830 €	102 967 929 €	153 692 375 €	174 129 450 €	148 276 614 €	15 455 285 €	1 423 888 €	317 225 €	0 €	0 €	0 €
Rhône-Alpes	472 682 992 €	3 953 866 €	66 007 341 €	102 956 927 €	119 666 384 €	135 601 540 €	31 762 678 €	7 644 418 €	2 196 679 €	2 893 159 €	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	5 311 924 694 €	68 729 194 €	854 252 404 €	1 256 414 582 €	1 434 795 502 €	1 412 951 854 €	217 217 288 €	45 106 740 €	15 130 711 €	5 664 378 €	998 810 €	663 233 €

ASSET COVER TEST

Date of Asset Cover test:

31/12/2016

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

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

R	Asset Cover test Ratio	1.04
	Adjusted Aggregate Asset Amount (AAAA)	5 321 026 508.05 €
	Aggregate Covered Bond Outstanding Principal Amount	5 122 474 159.61 €
	Asset Cover Test Result	PASS
A	=min(A1 ; A2)	4 621 374 483.82 €
A1	Adjusted Home Loan Outstanding Principal Amount	5 309 372 141.63 €
A2	= a * b	4 621 374 483.82 €
	Unadjusted Home Loan Outstanding Principal Amount (a)	5 311 924 694.05 €
	Asset Percentage (b)	87.0%
B	Cash Collateral Account	667 650 000.00
C	Aggregate Substitution Asset Amount (ASAA)	-
	ASAA level limit	20%
	ASAA level is acceptable	TRUE
D	Permitted Investments	123 645 195.51 €
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%	91 643 171
	WAM (Weighted Average Maturity)	3.58
	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	0.0548
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	1.6838
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	2.3080
Serie n°5 ISINFR0011470764 Devise : EUR	1 250 000 000.00	16/10/2023	6.7899
Serie n°6 ISINFR0011600923 Devise : EUR	1 000 000 000.00	28/10/2020	3.8248
Serie n°7 ISINFR0012602522 Devise : EUR	1 000 000 000.00	11/03/2022	5.1910

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