

HSBC at a Glance:

Our customer groups and global businesses

As the world's leading international and emerging markets bank, HSBC provides a wide range of financial services to customers in both mature and faster-growing economies. We organise our business by two customer groups, Personal Financial Services and Commercial Banking; and two global businesses, Global Banking and Markets, and Global Private Banking. HSBC was profitable in all customer groups and global businesses in 2010.

Personal Financial Services

Overview

HSBC provides Personal Financial Services to 92 million customers in over 60 markets worldwide. HSBC Premier, our flagship global customer proposition, increased customer numbers to 4.4 million across 47 markets, while HSBC Advance, our second global proposition, reached 4.6 million customers in 34 markets. Our global investment offering, World Selection, continued to grow, with total assets under management reaching US\$7.2 billion. We took steps to enhance our customer service, by hiring new relationship managers, investing in better systems, and developing our products.

Strategic focus

- To deepen customer relationships and develop our wealth management services, particularly in faster-growing markets.
- To provide a full range of financial products and services in markets where we have scale or where we can build scale. In other markets, to target mass affluent customers, especially those who can benefit from our international connectivity.



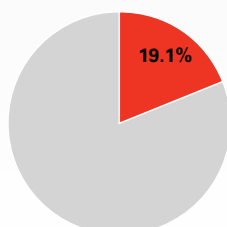
Singapore is a major centre for our Personal Financial Services business. Opened in 2010, the futuristic Helix Bridge spans Marina Bay, near Singapore's financial district.

Highlights of 2010

- Over 980,000 net new Premier customers.
- Maintained number one position in residential mortgage lending, credit cards, life insurance and deposits in Hong Kong.

Contribution to profit before tax

US\$3,508m



Commercial Banking

Overview

We serve 3.6 million Commercial Banking customers across 65 countries, ranging from sole proprietors to publicly quoted companies. As the world's leading international and emerging markets bank, we are ideally placed to facilitate new trade flows. We increased lending by 21 per cent, driven by higher demand in Asia and by higher trade volumes. We also became the first international bank to complete renminbi trade settlements in six continents. Profit before tax increased by 48 per cent, as credit quality improved and revenues increased.

Strategic focus

- To be the best bank for small and medium-sized enterprises in our largest markets, providing working capital finance to businesses that trade internationally.
- To be the leading international business bank in all our markets, using our global network and product expertise to support customers who trade and invest globally.



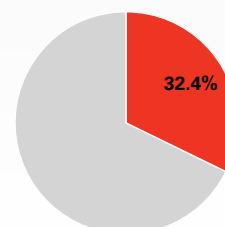
One of Europe's principal tyre and wheel wholesalers, Treadsetters has been a Commercial Banking customer since 2005.

Highlights of 2010

- Built presence in faster growing markets, which accounted for 67 per cent of profits before tax.
- In the UK, we increased new lending to small and medium-sized enterprises by 19 per cent and opened accounts for over 125,000 customers starting new businesses.

Contribution to profit before tax

US\$5,957m



Global Banking and Markets

Overview

We provide tailored financial solutions to major government, corporate and institutional clients worldwide. Global Banking and Markets is managed as a global business, with dedicated offices in over 65 countries and territories. Despite less benign market conditions, particularly in the euro zone, our Global Banking and Markets business recorded its second best performance so far, with profits before tax of US\$9.2 billion, reflecting a diversified and globally connected business, with a strong footprint in emerging markets. Eight business areas generated over US\$1 billion in operating income in 2010 – up from seven in 2009.

Strategic focus

- To maintain our strong emerging markets-led and financing-focused strategy.
- To become a leading wholesale bank by using our global network and developing our capabilities in major hubs.



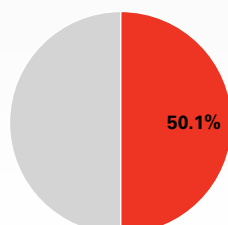
Hong Kong contributed 15 per cent to Global Banking and Markets' pre-tax profit in 2010.

Highlights of 2010

- Strong contribution from faster growing markets, accounting for 56 per cent of Global Banking and Markets' profits before tax.
- 'Best Global Emerging Markets Bank': *Euromoney*.

Contribution to profit before tax

US\$9,194m



Global Private Banking

Overview

Operating from 95 locations in 37 countries and territories, we offer a personal service to high net worth individuals in all major wealth-creating regions of the world. We offer our clients both traditional and innovative ways to manage wealth, preserving it for future generations, while also optimising returns. Reported client assets increased by US\$23 billion, due to net new money inflows and favourable market movements.

Strategic focus

- To be the world's leading and most globally connected international private bank.
- To maintain our strong position for sustainable, long-term growth, through investment in our people, systems and services, particularly in emerging markets.



Traditional Chinese shophouses in Temple Street, Singapore, one of HSBC's key private banking centres in Asia.

Highlights of 2010

- US\$13 billion of net new money (on a reported basis), benefiting from emerging market presence.
- 'Best Global Wealth Manager' and 'Best Private Bank in Asia': *Euromoney*.

Contribution to profit before tax

US\$1,055m

