

23 November 2005

HSBC TO BUY OUT ASIA FUND SERVICES FROM UOB

HSBC and United Overseas Bank (UOB) of Singapore have entered into an agreement whereby HSBC will buy out UOB's stake in the two banks' 50:50 shareholder services joint venture, Asia Fund Services Pte Ltd (AFS), for a consideration of S\$4.5 million (US\$2.6 million).

Upon completion, AFS will be 100 per cent held by HSBC Institutional Trust Services (BVI) Limited and renamed HSBC Securities Services (Transfer Agency) Pte Limited. The transaction is subject to regulatory and other approvals, and is expected to be completed by 30 November 2005.

AFS, which offers shareholder services in Singapore, was established in February 2004 as a joint venture between HSBC and UOB. Under the joint venture, the two companies shared the cost of developing a new share registry service and reporting system catering specifically to the needs of institutional fund services clients in Singapore.

The decision for HSBC to fully own AFS was mutually agreed between HSBC and UOB. Given the flexibility and effectiveness of the new share registry software, HSBC intends to roll out the system globally to all its fund administration clients. UOB will continue to use AFS services after it is transferred to full HSBC ownership.

Nick Bryan, Head HSBC Securities Services, Asia Pacific, said: "We have great confidence in the shareholder services software that has been developed by Asia Fund Services. The improved functionality, flexibility and efficiency of the system allow HSBC to unify its shareholder services globally. Full ownership of Asia Fund Services will enable us to accelerate the transfer of clients to the enhanced platform in a seamless and efficient manner."

HSBC's share registry service is part of the Institutional Fund Services business, which has 700 staff in 11 Asian countries.

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Note to editors

The HSBC Group

Asia Fund Services Pte Ltd (AFS) is a subsidiary of the HSBC Group, which is one of the largest banking and financial services organisations in the world. The Group has over 9,700 offices in 77 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa, serves over 110 million customers and has assets of US\$1,467 billion at 30 June 2005.

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