

NOTIFICATION OF MAJOR INTERESTS IN SHARES

Section 198 – Companies Act 1985

The Company was notified on 12 October 2006 that Lehman Brothers International (Europe) had a notifiable interest as at 10 October 2006 in 366,310,443 ordinary shares of US\$0.50 each in HSBC Holdings plc, representing approximately 3.19% of the ordinary shares in issue.

A copy of the letter of notification, is quoted below.

N S Black
Assistant Secretary
HSBC Holdings plc

Letter to HSBC Holdings plc dated 12 October 2006 from Paul MacDonald,
Compliance Department - Europe, Lehman Brothers International (Europe)

"Dear Sir/Madam,

S198 Companies Act 1985 (the “Act”)

We write to inform you, pursuant to s198 of the Act, that as at the close of business on 10th October 2006, Lehman Brothers International (Europe) had an interest in 366,310,443 ordinary shares of HSBC Holdings Plc (the “Company”). This represents 3.19% of the outstanding share capital of the Company.

Yours faithfully
For & on behalf of Lehman Brothers

Paul MacDonald
Compliance Department - Europe"