

14 December 2006

HSBC ISSUANCE OF SUBORDINATED NOTES

On 14 December 2006, HSBC Holdings plc issued US\$700,000,000 of 6.5% Subordinated Notes due 2036 (the “New Notes”).

The New Notes form a part of the same series as, and are fungible with, the outstanding US\$1,300,000,000 6.5% Subordinated Notes due 2036 issued by HSBC Holdings plc on 3 May 2006 and 23 August 2006 (the “Existing Notes” and, together with the New Notes, the “Notes”). The aggregate principal amount of Notes of this series now outstanding is US\$2,000,000,000.

The Existing Notes are listed on the New York Stock Exchange. Application has been made to list the New Notes issued on 14 December 2006 on the New York Stock Exchange.

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Note to editors:

HSBC Holdings plc

HSBC Holdings plc serves over 125 million customers worldwide through some 9,500 offices in 81 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of US\$1,738 billion at 30 June 2006, HSBC is one of the world’s largest banking and financial services organisations.

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