

HSBC Bank (China) Company Limited

Who we are

HSBC Bank (China) Company Limited ('HSBC China') started operations on 2 April 2007 as a wholly-foreign-owned bank solely owned by The Hongkong and Shanghai Banking Corporation Limited. With its headquarters based in Shanghai, HSBC China incorporated the previous mainland China offices of The Hongkong and Shanghai Banking Corporation Limited.

Established in Hong Kong and Shanghai in 1865, The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group – one of the world's largest banking and financial services organisations with around 10,000 offices in 83 countries and territories – and its flagship in the Asia-Pacific region. The Hongkong and Shanghai Banking Corporation Limited is the largest bank incorporated in the Hong Kong Special Administrative Region and one of the SAR's three note-issuing banks.

The Hongkong and Shanghai Banking Corporation Limited has had a continuous presence in mainland China for 142 years. It is one of the largest investors amongst foreign banks in mainland China, having invested over US\$5 billion in select mainland financial services entities and in the growth of its own operations, including a 19% stake in Bank of Communications, a 16.8% stake in Ping An Insurance, and an 8% stake in Bank of Shanghai. It has a branch in Shanghai, which conducts foreign currency wholesale banking business.

Services and network

With the full opening of China's financial market, HSBC China provides a range of RMB services to Chinese citizens in 15 Mainland cities, including RMB deposit services, RMB mortgage loans and a variety of RMB investment products - the widest geographical reach of any foreign bank in China.

In addition, HSBC China provides a wide range of foreign currency services to Chinese citizens, and comprehensive RMB and foreign currency services to local enterprises, foreign invested enterprises, foreign passport holders and residents of Hong Kong, Macau and Taiwan.

HSBC China currently has more than 4,700 staff, around 98% of whom were recruited locally. HSBC is committed to recruiting, developing and nurturing local talents. Its 'PRC Banker Development Programme' aims to train local talents into experts in mainland China with both banking business and international experience.

With strong commitment to corporate social responsibility, HSBC supports extensive educational, environmental and charitable projects and has made accumulated donations of more than RMB190 million in mainland China.

HSBC China has the largest service network among foreign banks in mainland China. The range of services offered by HSBC China is described overleaf.



Range of services

HSBC China's knowledge of the Mainland and its business environment enable us to provide our customers with a full range of specialised financial and banking services, which include:

Corporate, institutional and commercial banking

HSBC China offers comprehensive services and solutions to meet companies' needs in mainland China.

Business finance

HSBC China arranges and provides financing for multinational corporations, large companies and institutions as well as small and medium-sized enterprises in mainland China. We can provide financing in either local or foreign currency including working capital, international trade, fixed assets, project finance, syndicated loans and intra-group entrusted loans.

Corporate deposits and loans

HSBC China currently provides RMB banking services to corporate customers at 16 of its branches - Beijing, Chengdu, Chongqing, Dalian, Dongguan, Guangzhou, Hangzhou, Qingdao, Shanghai, Shenyang, Shenzhen, Suzhou, Tianjin, Wuhan, Xiamen and Xi'an - the widest geographical reach of any foreign bank in China. In addition, all 17 branches of HSBC China are able to offer foreign currency banking to local and foreign companies.

Cash management

HSBC China provides comprehensive cash management solutions to help enhance customers' operational efficiency. Through HSBCnet, our worldwide web-based financial services delivery platform, HSBC China provides customers with a wide range of flexible cash management services to automate payments, speed up collections and optimise liquidity management. Through cooperation with local banks, HSBC China can tap into the local banks' clearing systems and networks to shorten customers' payment and clearance time. HSBC was named 'Best Cash Management Bank in China' by *Asiamoney* for four consecutive years.

Trade services

A wide range of import and export services and trade finance facilities are offered, including factoring, import documentary credit, export documentary credit advising and transferring, non-recourse discounting and draft collection. HSBC was named 'Best Trade Finance Bank' by *FinanceAsia* for 10 years in a row. In addition, HSBC became the first bank to be named 'Best Trade Bank in China' by *Trade Finance Magazine* in 2006.

Custody and clearing

HSBC China has extensive custodian experience providing services to Mainland commercial banks that are qualified to provide overseas wealth management services. Meanwhile, it offers custody and clearing services to foreign institutional investors in China's B-share market and Qualified Foreign Institutional Investors (QFIIs) in China's A-share market, holding the largest share in both markets. Additionally, HSBC China has been licensed to provide custodian services to Chinese insurance companies for their domestic and overseas investments. In 2006, HSBC was awarded 'Best Sub-custodian in China' by *Global Finance* for the fourth consecutive year.

Treasury and capital markets

HSBC China is one of the first market makers for RMB trading against foreign currencies on China's interbank foreign exchange market. A wide range of treasury services are also available including foreign exchange, currency derivatives and fixed income. Based in the Shanghai branch, our dealing room offers foreign currency and RMB services, including foreign exchange spot, foreign exchange and RMB forward, currency swap and derivatives.

Personal financial services

HSBC China's retail banking focuses on providing *Premier services*, which is HSBC's global wealth management proposition. Personal Internet Banking and 24-hour phone banking services are also available to provide added convenience to customers.

HSBC Premier

With an average monthly account balance of RMB500,000 or equivalent and above, customers can enjoy the benefits of one-to-one relationship banking and a series of value-added services without a monthly service charge. For *Premier* accounts with a balance below that threshold, a monthly fee of RMB300 will be charged. For non-*Premier* accounts, a monthly service charge of RMB150 will be waived if an average monthly account balance of RMB100,000 or equivalent is maintained.

In September 2007 HSBC Premier was revamped and globally relaunched in China with a host of enhanced personalised services through a globally integrated account featuring transferable credit history and other services.

Deposit services

HSBC China offers RMB deposit services to Chinese citizens, foreign passport holders and residents of Hong Kong, Macau and Taiwan in 15 cities (Beijing, Chengdu, Chongqing, Dalian, Dongguan, Guangzhou, Hangzhou, Qingdao, Shanghai, Shenyang, Shenzhen, Suzhou, Tianjin, Wuhan and Xiamen). HSBC China also offers foreign currency deposit services to Chinese citizens, foreign passport holders and residents of Hong Kong, Macau and Taiwan in all cities where HSBC China has a presence. In addition, a range of investment products are available to meet customers' investment needs.

Loan services

HSBC China provides RMB and foreign currency mortgage loan services to assist customers with their business and residential property purchases; a high mortgage advance ratio of up to 70% and a maximum loan tenure of up to 30 years are offered. A wide choice of repayment options are also available.

Credit cards

HSBC and Bank of Communications launched the Pacific Dual Currency Credit Card and the Pacific Liu Xiang VISA Credit Card. Issued by Bank of Communications' Pacific Credit Card Centre with technical and management support from HSBC, both credit cards carry the logos of each bank. HSBC has also provided support in developing the Bank of Communications Pacific Suning Credit Card and Pacific Wal-Mart Credit Card. Bank of Communications is HSBC's key strategic partner in mainland China.

Automated teller machine services (ATMs)

More than 140 HSBC ATMs are available in mainland China. In all cities where HSBC China has a presence, 24-hour cash withdrawal or cash advance services to holders of Visa / Plus, Master / Cirrus and other ATM cards are available.

HSBC Bank (China) Company Limited Headquarters

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President and Chief Executive Officer: Richard Yorke
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Parent company

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Website: www.hsbc.com.hk

Network and subsidiaries of parent company

The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries provide a complete range of personal, commercial and corporate banking and related financial services through over 600 branches and offices in 19 countries and territories in Asia-Pacific and 20 branches and offices in six other countries around the world.

The Hongkong and Shanghai Banking Corporation Limited's other principal subsidiaries include:

Hang Seng Bank Limited (62.14% owned)	HSBC Bank Australia Limited
HSBC Brokings Services (Asia) Limited	HSBC Insurance (Asia-Pacific) Holdings Limited
HSBC Investments (Hong Kong) Limited	HSBC Private Equity (Asia) Limited
HSBC Securities (Asia) Limited	HSBC Trustee (Hong Kong) Limited

Staff of parent company

The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries employ some 56,600 people.

Financial highlights of The Hongkong and Shanghai Banking Corporation Limited

Pre-tax profit for 2006: HK\$52,016 million (US\$6,696 million)
Attributable profit for 2006: HK\$37,709 million (US\$4,854 million)
Total equity at 31 December 2006: HK\$165,445 billion (US\$21,276 million)
Capital strength at 31 December 2006: { Tier 1 capital ratio: 12.3%
Total capital ratio: 13.5%
Paid-up capital at 31 December 2006: HK\$22,494 million (US\$2,893 million)

The HSBC Group

HSBC Holdings plc, the holding company of the HSBC Group, wholly owns The Hongkong and Shanghai Banking Corporation Limited. The HSBC Group is one of the largest banking and financial services organisations in the world. The Group has about 10,000 offices in 83 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa, and has assets of US\$2,150 billion at 30 June 2007.

**The HSBC
Group's
international
network**

Europe

Armenia
Belgium
Channel Islands
Cyprus
Czech Republic
France
Germany
Greece
Hungary
Ireland
Isle of Man
Italy
Luxembourg
Malta
Monaco
Netherlands
Poland
Russia
Slovakia
Spain
Sweden
Switzerland
Turkey
United Kingdom

Asia-Pacific

Australia
Bangladesh
Brunei Darussalam
China
Cook Islands
Hong Kong Special
Administrative
Region
India
Indonesia
Japan
Kazakhstan
Korea, Republic of
Macau Special
Administrative
Region
Malaysia
Maldives
New Zealand
Pakistan
Philippines
Singapore
Sri Lanka
Taiwan
Thailand
Vietnam

Americas

Argentina
Bahamas
Bermuda
Brazil
British Virgin
Islands
Canada
Cayman Islands
Chile
Colombia
Costa Rica
El Salvador
Honduras
Mexico
Nicaragua
Panama
Paraguay
Peru
United States of
America
Uruguay
Venezuela

Middle East and Africa

Algeria
Bahrain
Egypt
Iran
Iraq
Israel
Jordan
Kuwait
Lebanon
Libya
Mauritius
Oman
Palestinian Autonomous
Area
Qatar
Saudi Arabia
South Africa
United Arab Emirates