



19 February 2013

**HSBC TO SELL HSBC BANK (PANAMA) S.A. TO
BANCOLOMBIA**

***** HSBC to sell HSBC Bank (Panama) S.A. for a consideration of US\$2.1bn *****
***** Branches continue to offer full customer services during transition *****

HSBC Latin America Holdings (UK) Limited, a wholly owned subsidiary of HSBC Holdings plc (“HSBC”), has entered into an agreement to sell HSBC Bank (Panama) S.A. to Bancolombia S.A. (“Bancolombia”) for a total consideration of US\$2.1bn in cash, based upon estimated net asset value at completion of US\$700m. The transaction is subject to regulatory approvals and other conditions and is expected to complete by the third quarter of 2013.

The sale represents further progress in HSBC's execution of the strategy set out in May 2011. Commenting on the transaction, Antonio Losada, CEO of HSBC Latin America, said: “This is the 46th sale/closure globally since the start of 2011, and it demonstrates our commitment to the Group strategy for the region, based on our five-filter approach, to concentrate on our core markets of Brazil, Mexico and Argentina”.

As of 30 September 2012, unaudited estimates show HSBC Bank (Panama) S.A. had approximately US\$7.6bn of assets, US\$5.7bn of loans and US\$5.8bn of deposits, excluding previously announced disposals (*) and other adjustments.

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HSBC to sell HSBC Bank (Panama) to Bancolombia/2

Notes to editors:

(*) Figures are unaudited estimates, excluding the completed disposals of operations in El Salvador, Costa Rica and Honduras and the announced disposal of operations in Colombia.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,900 offices in over 80 countries and territories in Europe, the Asia-Pacific region, North and Latin America, and the Middle East and North Africa. With assets of US\$2,721bn at 30 September 2012, the HSBC Group is one of the world's largest banking and financial services organisations.

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