

30 July 2013

HSBC BANK OMAN S.A.O.G. RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2013

HSBC Bank Oman S.A.O.G. ('HBON') announces that at the Board of Directors' (the 'Board') meeting held on Monday, 29 July 2013, the Board approved HBON's unaudited financial results for the six months ended 30 June 2013.

- Net interest income was up by 72.7% to RO23.1m (compared to RO13.4m for the same period in 2012).
- Total other operating income improved to RO10.1m (compared to RO8.9m for the same period in 2012).
- A net recovery of RO3.1m has been reported for loan impairment charges compared to a net charge of RO0.9m for the same period in 2012. This is due to a recovery of RO2.0m from corporate clients and a general provision release of RO1.1m due to a reduction in corporate loans and advances.
- Operating expenses increased by 94% to RO25.4m (compared to RO13.1m for the same period in 2012) reflecting the running costs of the merged bank.
- Net profit was up 28% to RO9.3m (compared to RO7.2m for the same period in 2012).
- Loans and advances, net of provisions and reserved interest, decreased by 10.8% to RO1,083.8m (compared to RO1,214.6m at 30 June 2012), while customer deposits increased by 19% to RO2,146.9m (compared to RO1,806.3m at 30 June 2012).
- The capital adequacy ratio increased to 18.6% (compared to 15.8% at 30 June 2012), representing a strong capital base for future growth.

As the merger which created HBON in June 2012 was accounted for as a reverse acquisition under International Financial Reporting Standard 3 ('IFRS 3') 'Business Combinations', the comparative information in the unaudited financial results for the six months ended 30 June 2013 are those of six months of HSBC Bank Middle East Limited, Oman branches, and one month of Oman International Bank S.A.O.G.

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Note to editors:

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,600 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\$2,681bn at 31 March 2013, the HSBC Group is one of the world's largest banking and financial services organisations.

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