



Connecting customers to opportunities

HSBC aims to be where the growth is, enabling businesses to thrive and economies to prosper, and ultimately helping people to fulfil their hopes and realise their ambitions.

Group Factbook 30 June 2019

Group long-term strategy

Our strategy enables us to connect customers to opportunities. It is supported by our distinct combination of strategic advantages:

- Leading international bank
- Exceptional access to high-growth markets
- Balance sheet strength

Group financial targets

RoTE >11% by 2020

Costs Positive adjusted jaws

Dividend and capital

- Sustain dividend through long-term earnings capacity of the businesses
- Share buy-backs subject to regulatory approval

HSBC at a glance

65

Countries and territories

>50%

Of Group client revenue connected to the network

>90%

Of global GDP, trade and capital flows covered by our footprint

4

Inter-connected global businesses share balance sheets and liquidity in addition to strong commercial links

1H19 Key financial metrics¹

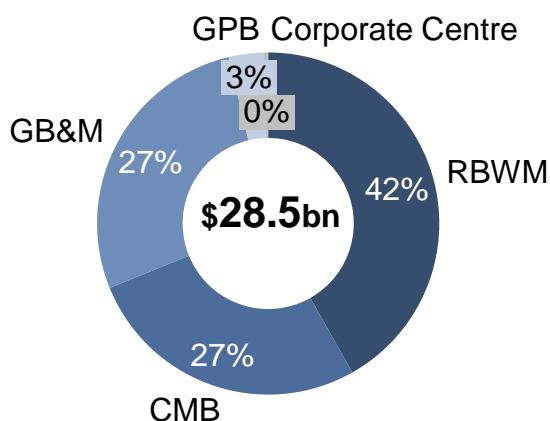
RoTE (annualised) 1H18: 9.7% 11.2%	RoE (annualised) 1H18: 8.7% 10.4%	PBT 1H18: \$11.7bn \$12.5bn	Jaws 1H18: (5.6)% 4.5%	CET1 ratio 1H18: 14.2% 14.3%
EPS 1H18: \$0.36 \$0.42	DPS² 1H18: \$0.20 \$0.20	A/D ratio 1H18: 71.8% 74.0%	NAV per share 1H18: \$8.10 \$8.35	TNAV per share 1H18: \$7.00 \$7.19

Denotes an adjusted measure.

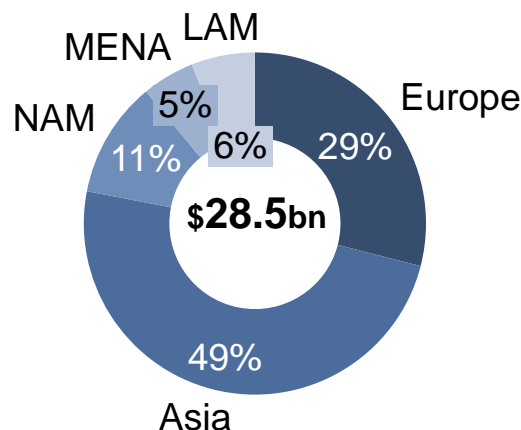
1. A list of definitions can be found in the Interim Report 2019
2. Dividend per share in respect of the period

Key financials (1H19)

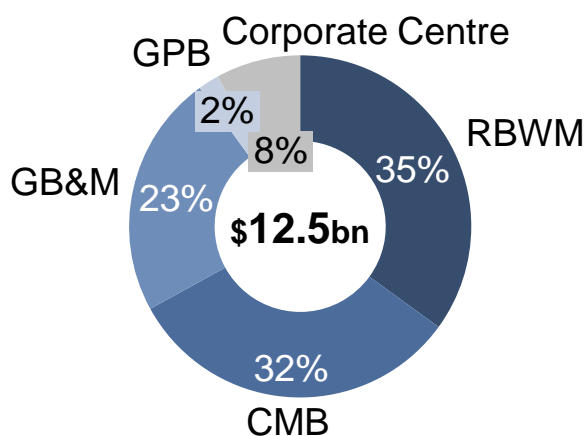
Adjusted revenue by global business



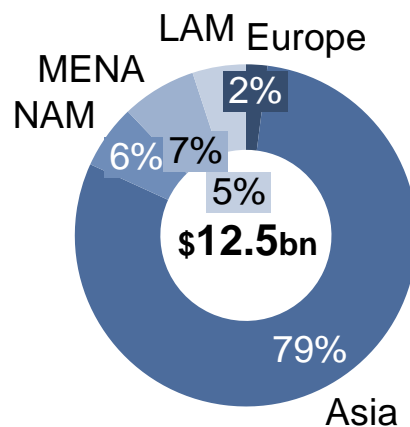
Adjusted revenue by region¹



Adjusted PBT by global business



Adjusted PBT by region



Our strategic priorities (2018-2020)

Growth from areas of strength

- 1 **Accelerate growth from Asia**
 - Build on strength in Hong Kong
 - Invest in Pearl River Delta, ASEAN, and Wealth in Asia

Lead in support of global investment drivers: **China-led Belt & Road Initiative** and the transition to a **low carbon economy**
- 2 **Complete set up of UK ring-fenced bank**; grow mortgage market share and commercial customer base; improve customer service
- 3 **Gain market share and deliver growth from our international network**

Turnaround of low-return businesses

- 4 **Turn around our US business**
- 5 **Improve capital efficiency**; redeploy capital into higher return businesses

Build a bank for the future that puts the customer at the centre

- 6 **Create capacity for increasing investments in growth and technology through efficiency gains**
- 7 **Enhance customer centricity and customer service through investments in technology**

Empower our people

- 8 **Simplify the organisation and invest in future skills**

1. Excludes inter-regional eliminations

Retail Banking and Wealth Management

We help 38 million customers across the world to manage their finances, buy their homes, and save and invest for the future.

Our HSBC Premier and Advance propositions are aimed at mass affluent and emerging affluent customers who value international connectivity. For customers with simpler banking needs, we offer a full range of products and services reflecting local requirements.

Strategic priorities 2019-2020

- ♦ **Deliver growth from areas of strength**
 - Accelerate growth from our Asian businesses
 - Complete the establishment of our UK ring-fenced bank
 - Gain market share and deliver growth from our international network
- ♦ **Turnaround of low return businesses**
 - Improve capital efficiency and redeploy capital into higher-return businesses
- ♦ **Build a bank for the future that puts the customer at the centre**
 - Create the capacity for increasing investments in growth and technology through efficiency gains
 - Improve our customer service by investing further in technology and our digital capabilities
- ♦ **Empower our people**

Management view of adjusted revenue

\$m	FY18 ¹	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
					\$	%	\$	%
Retail banking	15,262	7,130	7,829	7,871	741	10	42	1
Current accounts, savings and deposits	8,534	3,763	4,634	4,646	883	23	12	0
Personal lending	6,728	3,367	3,195	3,225	(142)	(4)	30	1
Mortgages	1,937	1,046	837	840	(206)	(20)	3	0
Credit cards	2,880	1,396	1,426	1,476	80	6	50	4
Other personal lending	1,911	925	932	909	(16)	(2)	(23)	(2)
Wealth management	6,104	3,297	2,711	3,613	316	10	902	33
Investment distribution	3,383	1,864	1,471	1,709	(155)	(8)	238	16
Life insurance manufacturing	1,656	899	732	1,383	484	54	651	89
Asset management	1,065	534	508	521	(13)	(2)	13	3
Other	569	241	294	435	194	80	141	48
Total	21,935	10,668	10,834	11,919	1,251	12	1,085	10

1. FY18 is on an adjusted basis as reported at 31 December 2018 at 2018 average FX rates

Commercial Banking

We support approximately 1.5 million customers in 53 countries and territories, ranging from small enterprises focused primarily on their domestic markets, through to large companies operating globally.

We offer trade and working capital solutions, liquidity and cash management products, access to international financial markets, as well as expertise in mergers and acquisitions.

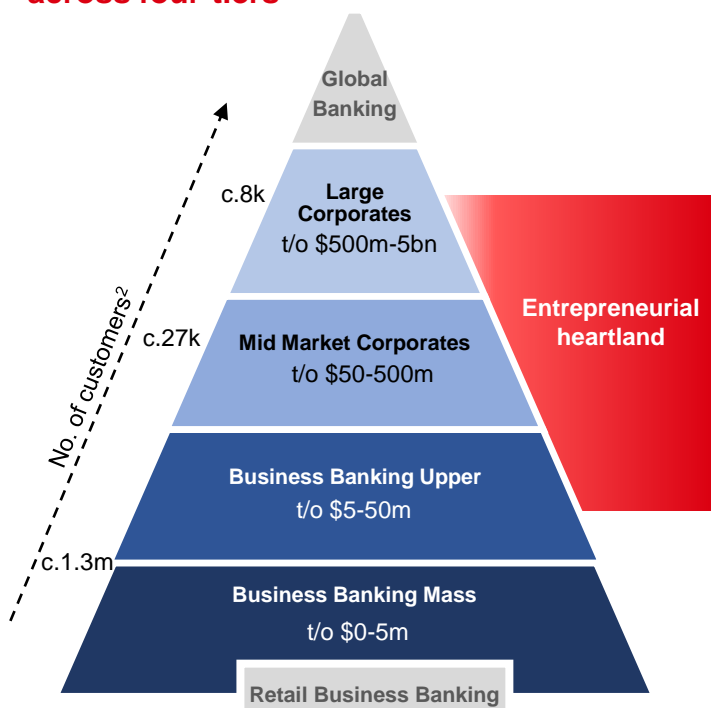
Strategic priorities 2019-2020

- ◆ Continue to lead the market in international transaction banking
- ◆ Create a step-change in customer experience
- ◆ Be the digital international SME bank of choice
- ◆ Re-think the future commercial banking model

Management view of adjusted revenue

\$m	FY18 ¹	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
					\$	%	\$	%
Global Trade and Receivables Finance	1,865	911	921	948	37	4	27	3
Credit and Lending	5,342	2,550	2,654	2,746	196	8	92	3
Global Liquidity and Cash Management	5,802	2,684	2,998	3,048	364	14	50	2
Markets products, Insurance and Investments and other	1,876	995	847	1,074	79	8	227	27
Total	14,885	7,140	7,420	7,816	676	9	396	5

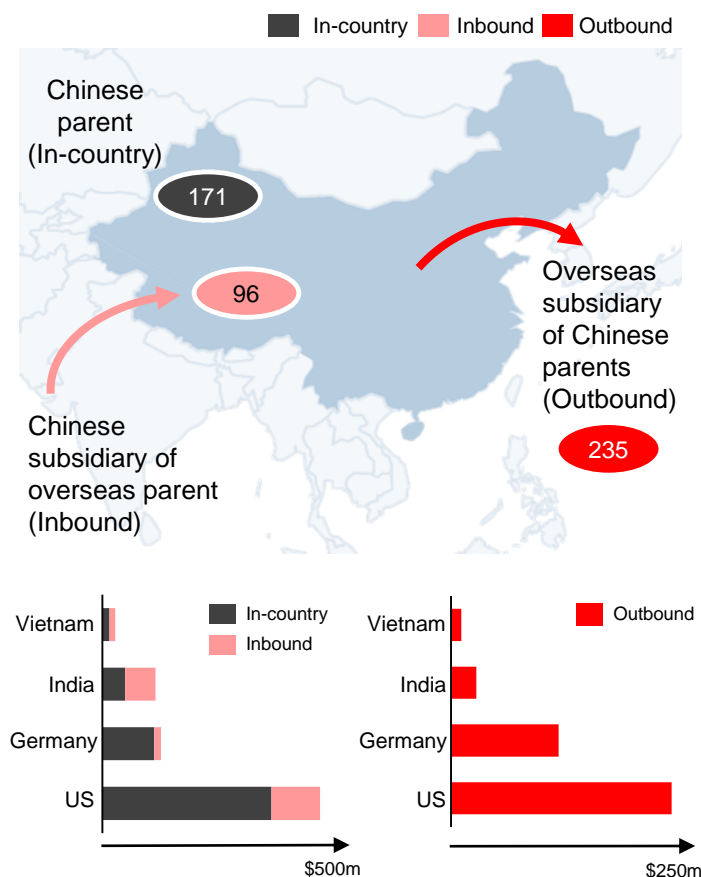
Providing deep international coverage across four-tiers



Our strong competitive position allows us to offer product depth and global connectivity to the entrepreneurial heartland of mid-market corporates, which few of our global competitors can match

Our clients leverage our global network

Corporate customer value³ (\$m)



1. FY18 is on an adjusted basis as reported at 31 December 2018 at 2018 average FX rates 2. As at June 2019. Excludes Hang Seng. Large Corporates includes CRE customers 3. 1H19 data. Analysis relates to corporate client income which includes total income from GB&M synergy products, including Foreign Exchange and Debt Capital Markets. This measure differs from reported revenue in that it excludes Business Banking and Other and cost of funds.

Global Banking and Markets

We serve approximately 4,400 clients in more than 50 countries and territories. We support major government, corporate and institutional clients worldwide.

Our product specialists continue to deliver a comprehensive range of transaction banking, financing, advisory, capital markets and risk management services.

Strategic priorities 2019-2020

- ♦ **Strengthen our emerging markets franchise**
 - Expand our product offering and capabilities from HSBC Qianhai, our securities joint venture in mainland China
 - Target leadership positions in Greater China, South East Asia, Middle East and North Africa and selectively in Latin America
- ♦ **Continue our growth in transaction banking**
 - Leveraging the strength of our global network to provide connected solutions for clients
 - Improve our digital platforms and proposition to capture market share gains
- ♦ **Strengthen our end-to-end financing platform**
 - Build upon our leading DCM platform, leverage our global balance sheet and utilise our Global Markets capabilities for growth in structured finance

Our strategic priorities are enabled by our investments and focus on client service, people and conduct

Management view of adjusted revenue

\$m	FY18 ¹	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
					\$	%	\$	%
Global Markets	6,490	3,435	2,895	3,164	(271)	(8)	269	9
FICC:	5,271	2,750	2,392	2,552	(198)	(7)	160	7
Foreign Exchange	3,022	1,506	1,439	1,308	(198)	(13)	(131)	(9)
Rates	1,482	822	622	889	67	8	267	43
Credit	767	422	331	355	(67)	(16)	24	7
Equities	1,219	685	503	612	(73)	(11)	109	22
Securities Services	1,973	948	985	1,002	54	6	17	2
Global Banking	4,115	2,110	1,920	1,931	(179)	(8)	11	1
Global Liquidity and Cash Management	2,645	1,234	1,363	1,387	153	12	24	2
Global Trade and Receivables Finance	809	382	415	413	31	8	(2)	0
Principal Investments	224	170	50	122	(48)	(28)	72	144
Other revenue	(561)	(323)	(259)	(327)	(4)	(1)	(68)	(26)
Credit and funding valuation adjustments	(183)	(40)	(139)	14	54	135	153	110
Total	15,512	7,916	7,230	7,706	(210)	(3)	476	7

1. FY18 is on an adjusted basis as reported at 31 December 2018 at 2018 average FX rates

Global Private Banking

We serve high net worth and ultra high net worth individuals and families, including those with international banking needs.

Services provided include Investment Management, which includes advisory and brokerage services, and Private Wealth Solutions, which comprises trusts and estate planning.

Strategic priorities 2019-2020

- ♦ **Clients:** In order to improve our clients' experience we are investing in technology, simplifying / digitising our processes to make banking with us easier and building a seamless proposition continuum between the Premier/Jade and High Net Worth customer segments to serve our clients throughout their wealth journey
- ♦ **Connectivity:** We are enhancing connectivity within GPB globally and with other Global Businesses to bring more of HSBC Group's capabilities to GPB clients
- ♦ **Colleagues:** To build the Healthiest Human System, we are encouraging a culture based on diversity of thought, meritocracy and curiosity

Management view of adjusted revenue

\$m	FY18 ¹	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
					\$	%	\$	%
Investment	717	380	327	382	2	1	55	17
Lending	391	196	188	204	8	4	16	9
Deposit	497	241	251	240	(1)	-	(11)	(4)
Other	180	90	88	98	8	9	10	11
Total	1,785	907	854	924	17	2	70	8

Corporate Centre

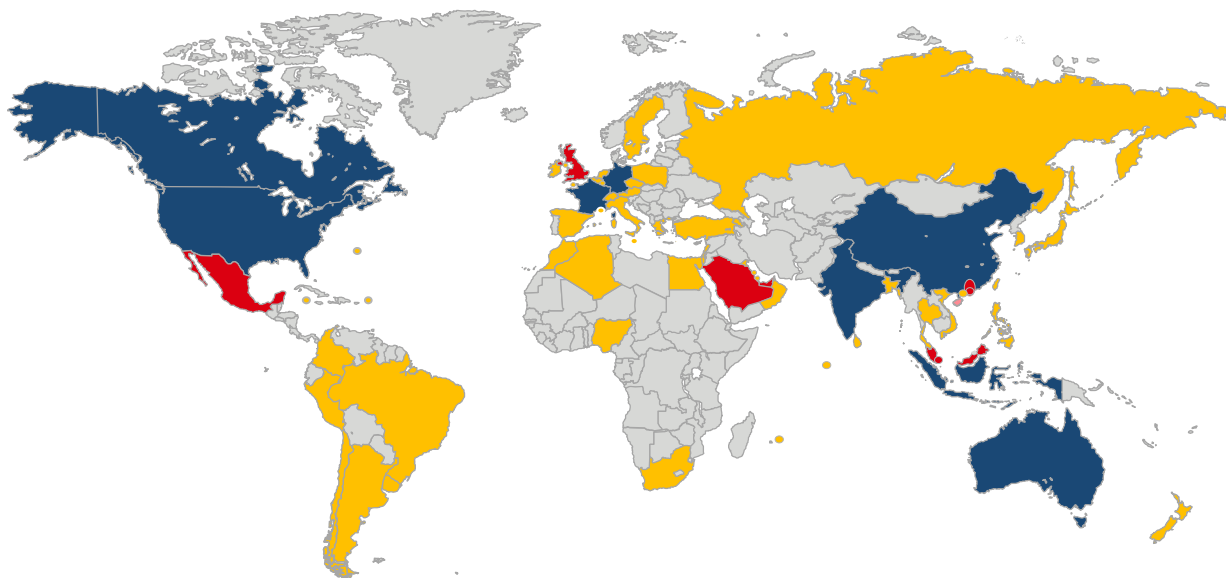
Corporate Centre comprises Central Treasury (including Balance Sheet Management), our legacy businesses, interests in our associates and joint ventures, central stewardship costs and the UK bank levy.

Management view of adjusted revenue

\$m	FY18 ¹	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
					\$	%	\$	%
Central Treasury	662	183	404	605	422	231	201	50
Balance Sheet Management	2,457	1,247	1,163	1,215	(32)	(3)	52	4
Holdings interest expense	(1,267)	(588)	(679)	(645)	(57)	10	34	(5)
Valuation differences on long-term debt and associated swaps	(313)	(365)	51	143	508	>100	92	>100
Other central treasury	(215)	(111)	(131)	(108)	3	3	23	18
Legacy credit	(93)	(103)	13	(84)	19	18	(97)	>(200)
Other	(746)	(330)	(422)	(391)	(61)	(18)	31	7
Total	(177)	(250)	(5)	130	380	>100	135	>200

1. FY18 is on an adjusted basis as reported at 31 December 2018 at 2018 average FX rates

Our network



■ Markets at scale
 ■ Markets where we aspire to be the leading international bank
 ■ Markets to connect the network

Europe	UK Armenia Czech Republic Italy Netherlands Sweden	France Austria Greece Luxembourg Poland Switzerland	Germany Belgium Isle of Man Malta Russia	Channel Islands Israel Monaco Spain
Asia	Hong Kong Australia Bangladesh New Zealand Taiwan	Malaysia India Japan Philippines Thailand	PRD Indonesia Macau South Korea Vietnam	Singapore Mainland China Maldives Sri Lanka
Middle East and North Africa	Saudi Arabia Algeria Lebanon Qatar	UAE Bahrain Morocco South Africa	Egypt Nigeria Turkey	Kuwait Oman
North America	Canada Bermuda	USA British Virgin Islands Cayman Islands		
Latin America	Mexico	Argentina Colombia	Brazil Peru	Chile Uruguay

1H19 Group results¹ (comparison vs. 1H18)

\$bn	RBWM		CMB		GB&M		GPB		Corporate Centre		Group	
Revenue	11.9	12%	7.8	9%	7.7	(3)%	0.9	2%	0.1	>100%	28.5	8%
ECL	(0.5)	(5)%	(0.5)	>(100)%	(0.1)	>(100)%	(0.0)	>(100)%	0.0	(91)%	(1.1)	>(100)%
Costs	(7.0)	(6)%	(3.3)	(5)%	(4.8)	(4)%	(0.7)	2%	(0.4)	34%	(16.2)	(4)%
Associates and JVs	0.0	>100%	-	-	-	-	-	-	1.3	(1)%	1.3	1%
Profit before tax	4.4	24%	4.0	1%	2.8	(18)%	0.2	5%	1.0	90%	12.5	7%
RoTE ² , %	23.5	2.2ppt	14.0	(1.1)ppt	9.9	(2.4)ppt	11.2	-	(4.1)	(0.2)ppt	11.0	(0.5)ppt
Cost efficiency ratio, %	58.6	3.1ppt	42.2	1.6ppt	62.1	(4.2)ppt	76.7	3.1ppt	nm	-	56.7	2.5ppt
Reported RWAs	129.0	4%	327.6	4%	284.5	0%	16.5	(3)%	128.4	3%	886.0	2%
Customer advances	376.1	9%	347.4	7%	250.8	2%	45.8	12%	1.5	(24)%	1,021.6	6%
Customer deposits	660.6	5%	358.7	2%	290.0	1%	62.2	(1)%	8.6	(11)%	1,380.1	3%
A/D ratio, %	56.9	2.0ppt	96.8	4.4ppt	86.5	0.4ppt	73.6	9.0ppt	17.7	(3.1)ppt	74.0	2.4ppt


\$bn	Europe		Asia		MENA		North America		Latin America		Group	
Revenue	9.1	9%	15.5	9%	1.4	7%	3.4	(3)%	1.9	37%	28.5	8%
ECL	(0.5)	>(100)%	(0.3)	>(100)%	(0.0)	46%	(0.1)	>(100)%	(0.2)	(10)%	(1.1)	>(100)%
Costs	(8.4)	(5)%	(6.4)	(8)%	(0.7)	(5)%	(2.5)	4%	(1.0)	(16)%	(16.2)	(4)%
Associates and JVs	0.0	(53)%	1.1	4%	0.2	(12)%	-	-	0.0	100%	1.3	1%
Profit before tax	0.3	(14)%	9.9	8%	0.9	9%	0.8	(28)%	0.7	>100%	12.5	7%
Cost efficiency ratio, %	91.4	3.1ppt	41.6	0.3ppt	48.7	1.3ppt	74.9	0.5ppt	52.2	9.7ppt	56.7	2.5ppt
Reported RWAs ³	309.4	3%	371.7	2%	57.5	(1)%	133.4	0%	40.3	9%	886.0	2%
Customer advances	383.4	6%	473.6	7%	28.5	0%	112.7	8%	23.4	21%	1,021.6	6%
Customer deposits	504.4	3%	677.3	3%	36.6	8%	135.4	0%	26.5	21%	1,380.1	3%
A/D ratio, %	76.0	2.2ppt	69.9	2.3ppt	77.9	(6.6)ppt	83.2	6.3ppt	88.6	(0.1)ppt	74.0	2.4ppt

1. All numbers presented are on an adjusted basis unless otherwise stated


2. Group RoTE and global business RoTEs are annualised. Excl. significant items and UK bank levy

3. RWAs are non-additive across geographical regions due to market risk diversification effects within the Group

HSBC UK Bank plc (RFB) by global business: 1H19 Results¹

\$bn		RBWM	CMB	GB&M	GPB	Corporate Centre	Group
Revenue		2.2	1.8	0.1	0.1	0.1	4.3
ECL		(0.2)	(0.2)	-	(0.0)	-	(0.4)
Costs		(1.5)	(0.7)	(0.1)	(0.1)	0.0	(2.4)
Associates and JVs		-	-	-	-	-	-
Profit before tax		0.5	0.8	0.0	-	0.1	1.5
Cost efficiency ratio, %		67.9	40.8	70.8	79.2	nm	55.7
Customer advances		139.6	83.4	0.0	5.5	0.6	229.1
Customer deposits		167.2	90.5	0.0	7.2	(0.2)	264.7
A/D ratio, %		83.5	92.1	-	76.3	nm	86.6

Hong Kong by global business: 1H19 Results¹ (comparison vs. 1H18)

\$bn		RBWM	CMB	GB&M	GPB	Corporate Centre	Group
Revenue		5.0 12%	2.4 9%	1.7 1%	0.4 8%	0.5 6%	10.0 9%
ECL		0.0 31%	(0.1) >(100)%	0.0 >(100)%	0.0 nm	0.0 >(100)%	(0.1) >(100)%
Costs		(1.6) (13)%	(0.6) (4)%	(0.8) (4)%	(0.2) (11)%	(0.3) 14%	(3.4) (7)%
Associates and JVs		0.0 19%	- -	- -	- -	(0.0) (12)%	0.0 15%
Profit before tax		3.4 13%	1.7 5%	0.9 (3)%	0.2 (2)%	0.2 (21)%	6.5 8%
Cost efficiency ratio, %		30.9 (0.3)ppt	26.1 1.3ppt	46.3 (1.9)ppt	47.3 (1.6)ppt	46.4 13.9ppt	34.0 0.7ppt
Customer advances		102.8 13%	106.6 5%	79.2 2%	15.6 25%	0.2 (18)%	304.4 7%
Customer deposits		300.4 4%	119.3 (3)%	50.6 3%	17.4 6%	0.2 (33)%	487.9 2%
A/D ratio, %		34.2 2.6ppt	89.3 6.9ppt	156.5 (2.1)ppt	89.9 13.5ppt	88.7 38.2ppt	62.4 3.1ppt

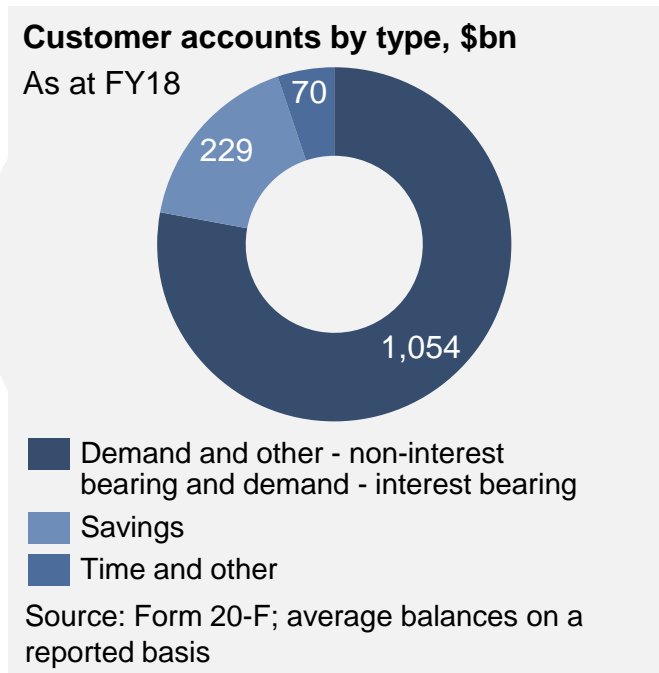
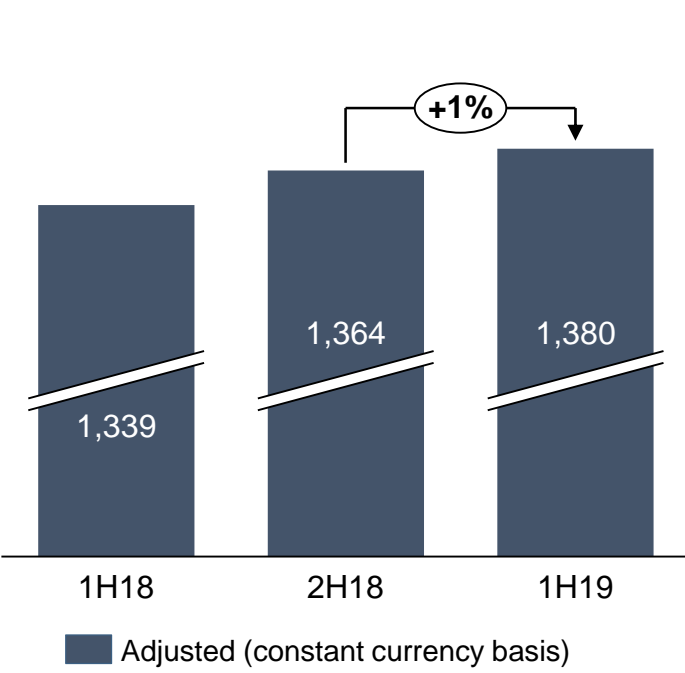
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Balance sheet strength

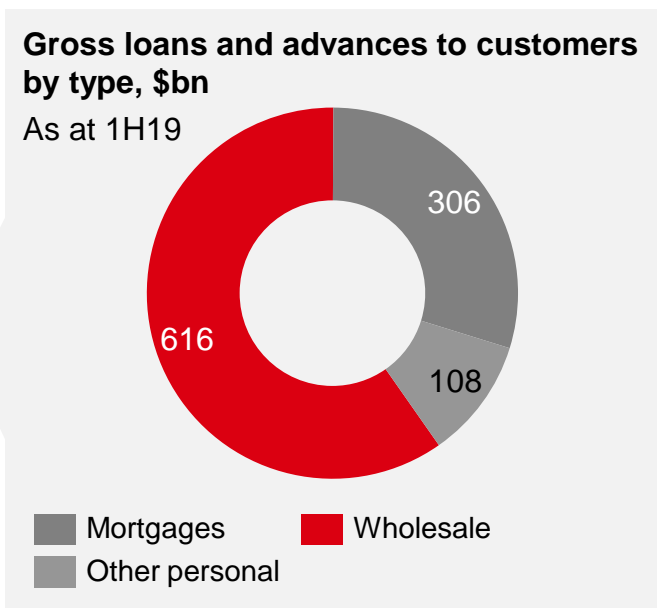
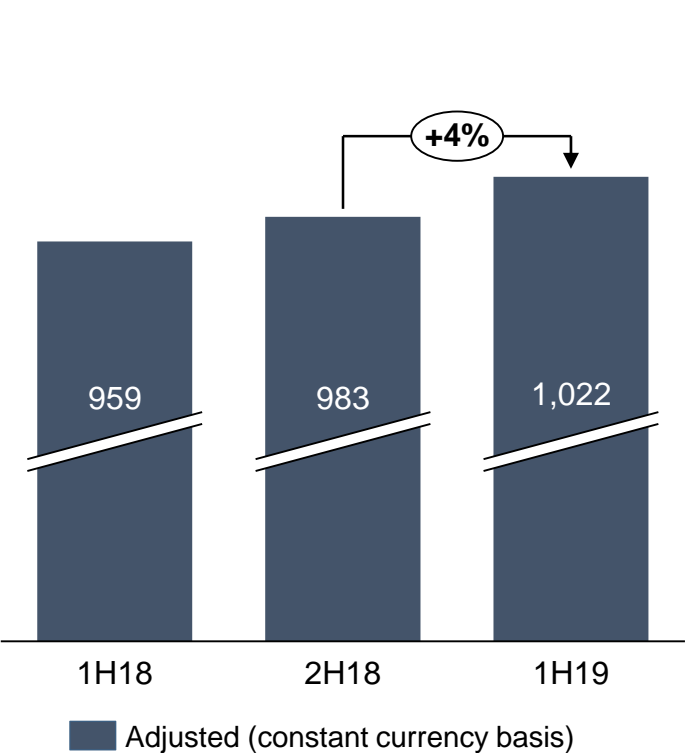
We continue to maintain a strong capital, funding and liquidity position with a diversified business model. We take a conservative approach to credit risk and liquidity management.

CET1 ratio (FY18: 14.0%)	Leverage ratio (FY18: 5.5%)	A/D ratio (FY18: 72.0%)	LCR (FY18: 154%)
14.3%	5.4%	74.0%	136%

Customer accounts - deposits



Net loans and advances to customers



UK \$149bn 50% average LTV	HK \$118bn 38% average LTV
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Issuance strategy and indicative plan

Issuance strategy

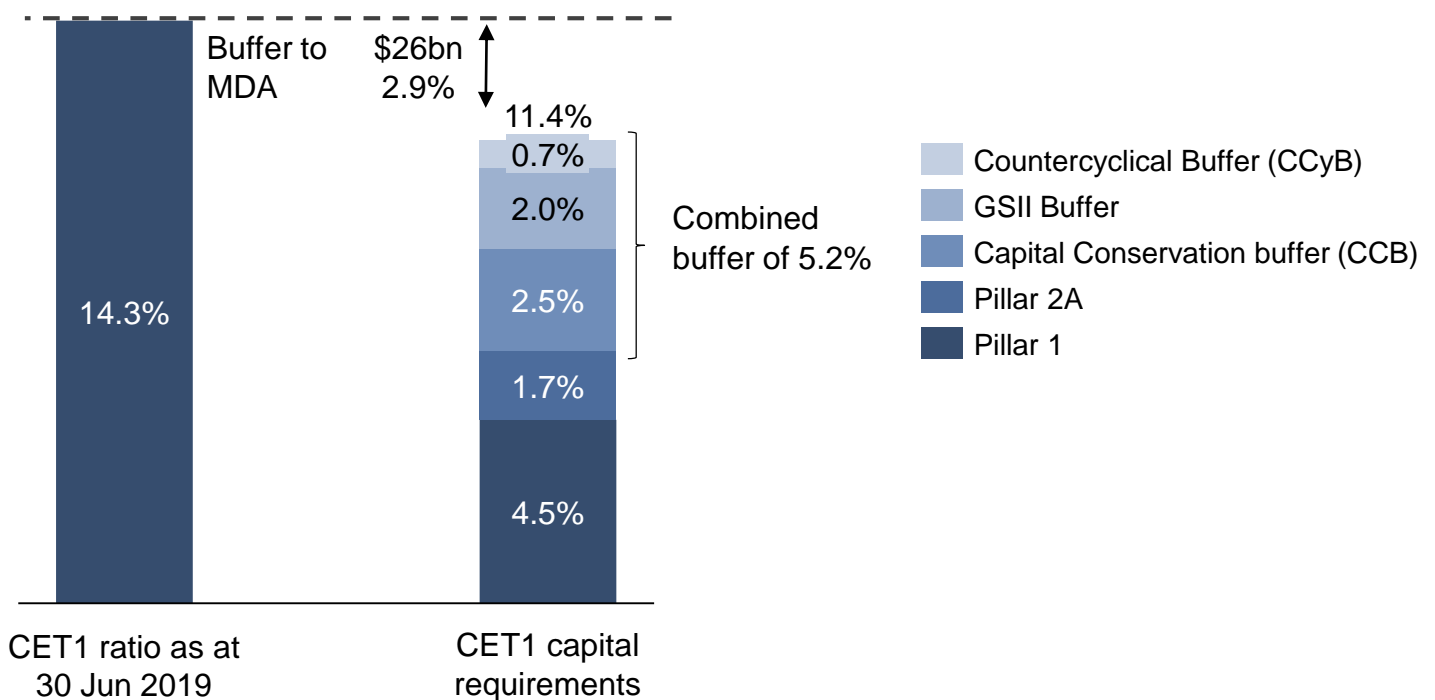
- ◆ Since 2015, HSBC Holdings has been the Group's issuing entity for external AT1, T2 and MREL/TLAC-eligible Senior
- ◆ Issuance over time to broadly match group currency exposures
- ◆ Issuance executed with consideration to our maturity profile
- ◆ We are now comfortable issuing AT1 while conducting an ordinary share buyback following updated legal guidance

Forward-looking issuance plan¹

- ◆ **HoldCo Senior:** expect to issue low / mid-teens USDbn per year
 - Increasing maturities will reduce net issuance toward nil over time
 - \$8.2bn issued in 1H19
 - 2019 issuance largely complete
- ◆ **Tier 2:** no near-term plans
- ◆ **AT1:** expect to issue low single-digit USDbn in 2019
- ◆ **OpCo:** expect certain subsidiaries to issue senior and secured debt in local markets

Group CET1 position versus requirements

Common equity tier 1 ratio versus Maximum Distributable Amount ("MDA")



1. The issuance plan is guidance only; it is a point in time assessment and is subject to change

Appendix: Net interest income sensitivity, \$m

For further commentary and information, refer to pages 72 and 73 the HSBC Holdings plc 2019 Interim report

Sensitivity of NII to a 25bps / 100bps instantaneous change in yield curves (12 months)

Change in Jul 2019 to Jun 2020 (based on balance sheet at 30 June 2019)

	USD	HKD	GBP	EUR	Other	Total
+25bps	56	245	245	98	198	842
-25bps	(129)	(265)	(286)	1	(169)	(848)
+100bps	164	756	967	399	705	2,991
-100bps	(678)	(1,061)	(1,086)	(14)	(724)	(3,563)

NII sensitivity following a 25bps and 100bps instantaneous change in yield curves (5 years)

\$m	Year 1	Year 2	Year 3	Year 4	Year 5	Total
+25bps	842	1,198	1,279	1,360	1,423	6,102
-25bps	(848)	(1,339)	(1,379)	(1,456)	(1,562)	(6,584)
+100bps	2,991	4,269	4,762	5,103	5,290	22,415
-100bps	(3,563)	(5,026)	(5,453)	(5,873)	(6,262)	(26,177)

Key assumptions: static balance sheet; interest rate shocks to current implied market rates; includes assumptions on managed rate pricing and customer behaviour

Appendix: Certain items included in adjusted revenue, \$m

	2Q19	1Q19	2Q18	1H19	1H18
Insurance manufacturing market impacts in RBWM	(33)	184	(52)	152	(92)
Credit and funding valuation adjustments in GB&M	(34)	47	21	14	(40)
Legacy Credit in Corporate Centre	(13)	(71)	(107)	(84)	(103)
Valuation differences on long-term debt and associated swaps in Corporate Centre	93	50	(124)	143	(365)
Argentina hyperinflation	15	(56)	-	(41)	-
RBWM disposal gains in Latin America	-	134	-	133	-
CMB disposal gains in Latin America	-	24	-	24	-
GB&M provision release in Equities	-	106	-	106	-
Total	28	418	(262)	447	(600)

Appendix: Financials

\$m		FY18 ¹	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
						\$	%	\$	%
Net interest income	◆	30,436	14,475	15,332	15,240	765	5%	(92)	(1%)
Other	◆	23,504	11,906	11,001	13,255	1,349	11%	2,254	20%
Total revenue	◆	53,940	26,381	26,333	28,495	2,114	8%	2,162	8%
ECL	◆	(1,767)	(357)	(1,357)	(1,140)	(783)	(>100%)	217	16%
Costs	◆	(32,990)	(15,615)	(16,550)	(16,163)	(548)	(4%)	387	2%
Associates and JVs	◆	2,536	1,314	1,167	1,324	10	1%	157	13%
PBT	◆	21,719	11,723	9,593	12,516	793	7%	2,923	30%
Significant items		(1,829)	(1,418)	(403)	(109)				
Currency translation		-	407	(12)	-				
Reported PBT		19,890	10,712	9,178	12,407	1,695	16%	3,229	35%
Tax		(4,865)	(2,296)	(2,569)	(2,470)	(174)	(8%)	99	4%
PAT		15,025	8,416	6,609	9,937	1,521	18%	3,328	50%
Profit attributable to:									
Non-controlling interests		1,298	668	630	721	53	8%	91	14%
Other equity		1,029	530	499	664	134	25%	165	33%
Preference shareholders		90	45	45	45	0	0%	0	0%
Ordinary shareholders		12,608	7,173	5,435	8,507	1,334	19%	3,072	57%

\$bn		FY18	1H18	2H18	1H19	1H19 vs. 1H18		1H19 vs. 2H18	
						\$	%	\$	%
Net loans and advances to customers	◆	983.1	959.5	983.1	1,021.6	62.2	6%	38.5	4%
Customer accounts	◆	1,364.3	1,339.5	1,364.3	1,380.1	40.6	3%	15.8	1%
Total external assets	◆	2,559.4	2,571.2	2,559.4	2,751.3	180.1	7%	191.9	7%
RWAs		865.3	865.5	865.3	886.0	20.5	2%	20.7	2%
Leverage exposure		2,614.9	2,664.1	2,614.9	2,786.5	122.4	5%	171.6	7%
CET1		121.0	122.8	121.0	126.9	4.1	3%	5.9	5%
Tier 1 capital		143.5	143.5	143.5	149.3	5.8	4%	5.8	4%
Tangible equity		140.1	139.7	140.1	145.4	5.7	4%	5.3	4%
EPS (basic), \$		0.63	0.36	0.27	0.42	0.06	17%	0.15	56%
DPS ² , \$		0.51	0.20	0.31	0.20	0.00	0%	(0.11)	(35%)
RoTE ³ , %		8.6%	9.7%	8.6%	11.2%		1.5ppt		2.6ppt
CET1 ratio, %		14.0%	14.2%	14.0%	14.3%		0.1ppt		6.1ppt
Leverage ratio, %		5.5%	5.4%	5.5%	5.4%		0.0ppt		(0.1)ppt
A/D ratio, %		72.0%	71.8%	72.0%	74.0%		2.2ppt		2.0ppt
Cost efficiency ratio, %	◆	61.2%	59.2%	62.8%	56.7%		2.5ppt		6.1ppt
ECL/average gross loans and advances to customers		0.18%	0.08%	0.27%	0.23%		0.15ppt		(0.04)ppt
TNAV per share, \$		7.01	7.00	7.01	7.19	0.19	3%	0.18	3%
Basic ordinary shares in issue		19.98	19.96	19.98	20.22	0.26	1%	0.24	1%

◆ Denotes an adjusted measure.

1. FY18 P&L is on an adjusted basis as reported at 31 December 2018 at 2018 average FX rates
2. Dividend per share in respect of the period
3. Half-year to 31 December 2018 is calculated on a full-year basis and not a 2H18 basis

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Forward-looking statements

This Presentation may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, strategy and business of the Group which can be identified by the use of forward-looking terminology such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “estimate”, “seek”, “intend”, “target” or “believe” or the negatives thereof or other variations thereon or comparable terminology (together, “forward-looking statements”), including the strategic priorities and any financial, investment and capital targets described herein. Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. Certain of the assumptions and judgements upon which forward-looking statements regarding strategic priorities and targets are based are discussed under “Targeted Outcomes: Basis of Preparation”, available separately from this Presentation at www.hsbc.com. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market conditions or regulatory changes). Any such forward-looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management’s beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, expressed or implied, are given by or on behalf of the Group as to the achievement or reasonableness of any projections, estimates, forecasts, targets, prospects or returns contained herein.

Additional detailed information concerning important factors that could cause actual results to differ materially from this Presentation is available in our Annual Report and Accounts for the fiscal year ended 31 December 2018 filed with the Securities and Exchange Commission (the “SEC”) on Form 20 F on 20 February 2019 (the “2018 Form 20-F”) and in our Interim Report for the six months ended 30 June 2019 furnished to the SEC on Form 6-K on 5 August 2019 (the “2019 Interim Report”).

Non-GAAP financial information

This Presentation contains non-GAAP financial information. The primary non-GAAP financial measures we use are presented on an ‘adjusted performance’ basis which is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons. Significant items are those items which management and investors would ordinarily identify and consider separately when assessing performance in order to better understand the underlying trends in the business.

Reconciliations between non-GAAP financial measurements and the most directly comparable measures under GAAP are provided in our 2018 Form 20-F, our 1Q 2019 Earnings Release furnished to the SEC on Form 6-K on 3 May 2019, the 2019 Interim Report and the corresponding Reconciliations of Non-GAAP Financial Measures document, each of which are available at www.hsbc.com.

Information in this Presentation was prepared as at 23 August 2019.

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