

22 August 2007

**HSBC HOLDINGS PLC  
SECOND INTERIM DIVIDEND FOR 2007  
SCRIP DIVIDEND ALTERNATIVE**

On 30 July 2007, the Directors of HSBC Holdings plc declared a second interim dividend for 2007 of US\$0.17 per ordinary share payable on 4 October 2007 to shareholders on the Register on 17 August 2007. The dividend is payable in cash in United States dollars, sterling or Hong Kong dollars, or a combination of these currencies, with a scrip dividend alternative. The 'Market Value' for the issue of new shares under the scrip dividend alternative is:

**US\$17.5483 for each new share**

The 'Market Value' is the United States dollar equivalent of £8.874 being the average of the middle market quotations for the ordinary shares on the London Stock Exchange as derived from the Daily Official List for the five business days beginning on 15 August 2007 (the day on which the shares were first quoted ex-dividend).

Dividends payable in cash in sterling or Hong Kong dollars on 4 October 2007 will be converted from United States dollars at the forward exchange rates quoted by HSBC Bank plc in London at or about 11.00am on 24 September 2007. These exchange rates will be announced to the London, Hong Kong, New York, Paris and Bermuda stock exchanges.

Particulars of the dividend arrangements will be mailed to shareholders or made available electronically on or about 29 August 2007, and elections must be received by the Registrars by 19 September 2007.

R G Barber  
Group Company Secretary  
HSBC Holdings plc

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***HSBC Holdings plc***

*HSBC Holdings plc serves over 125 million customers worldwide through around 10,000 offices in 83 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of some US\$2,150 billion at 30 June 2007, HSBC is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.*