

The following is a translation of a news release issued by The Saudi British Bank (SABB), a 40 per cent indirectly-held associate of HSBC Holdings plc.

11 December 2007

SABB RECOMMENDS FINAL NET DIVIDEND OF SAR2.22 PER SHARE FOR THE SECOND HALF OF 2007

The Board of Directors of SABB has recommended a final net dividend of SAR2.22 (US\$0.59) per share for the second half of 2007. The total gross dividend for the full financial year 2007 will amount to SAR1,500 million (US\$400 million). This follows the payment earlier in the year of an interim dividend for 2007 of SAR1.535 (US\$0.41) net per share.

The final net dividend of SAR2.22 per share will be distributed to shareholders upon approval of the Board's recommendations at the bank's Annual General Meeting, and the approval of the official authorities.

The SABB Board of Directors has also decided to recommend to an Extraordinary General Meeting, scheduled to be held during the first half of 2008 after obtaining the necessary regulatory approvals, the increase of SABB's paid capital from SAR3,750 million (US\$1,000 million) to SAR6,000 million (US\$1,600 million), by issuing three bonus shares for each five shares held, an increase of 60 per cent.

Media enquiries to Karen Ng on +44 (0)20 7991 0655.

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'.