

HSBC HOLDINGS PLC
FIRST INTERIM DIVIDEND FOR 2008
SCRIP DIVIDEND ALTERNATIVE

On 6 May 2008, the Directors of HSBC Holdings plc declared a first interim dividend for 2008 of US\$0.18 per ordinary share payable on 9 July 2008 to shareholders on the Register on 23 May 2008. 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\$16.8421 for each new share

The "Market Value" is the United States dollar equivalent of £8.519 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 21 May 2008 (the day on which the shares were first quoted ex-dividend).

Dividends payable in cash in sterling or Hong Kong dollars on 9 July 2008 will be converted from United States dollars at the forward exchange rates quoted by HSBC Bank plc in London at or about 11.00 am on 30 June 2008. 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 on or about 3 June 2008, and elections must be received by the Registrars by 25 June 2008.

R G Barber

Group Company Secretary

HSBC Holdings plc

29 May 2008