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The following is the text of an announcement released to the other stock exchanges on which HSBC Holdings plc is listed.

31 August 2009

**PT BANK EKONOMI RAHARJA TBK
RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2009 -
HIGHLIGHTS**

- Profit before tax for the six months ended 30 June 2009 was IDR230 billion (US\$21 million), 49 per cent higher than the IDR154 billion (US\$17 million) reported for the same period in 2008.
- Operating income of IDR493 billion (US\$44 million) for the six months ended 30 June 2009 increased by IDR146 billion (US\$13 million), or 42 per cent, compared with the corresponding period in 2008.
- Allowance for losses on loans and financing in the first six months of 2009 was IDR58 billion (US\$5 million) compared with IDR33 billion (US\$4 million) in the same period in 2008.
- Cost:efficiency ratio for the first half of 2009 improved to 43 per cent from 46 per cent for the corresponding period in 2008.
- Total assets of IDR19.9 trillion (US\$1.9 billion) were up IDR3.6 trillion (US\$0.2 billion), or 22 per cent, at 30 June 2009 compared with 30 June 2008.
- Increased core capital ratio of 15.3 per cent at 30 June 2009 compared to 13.4 per cent at 30 June 2008.

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Commentary

On 22 May 2009, The Hongkong and Shanghai Banking Corporation Limited, through its wholly-owned subsidiary, HSBC Asia Pacific Holdings (UK) Limited (HAPH), completed its acquisition of 88.89 per cent of PT Bank Ekonomi Raharja Tbk (Bank Ekonomi). A mandatory tender offer for a further 10.11 per cent share holding, as per local regulations, was made in July 2009. Following completion of the mandatory tender offer, 98.96 per cent of Bank Ekonomi is owned by HAPH.

Bank Ekonomi reported profit before tax of IDR230 billion (US\$21 million) for the six months ended 30 June 2009, a rise of 49 per cent on the same period in 2008.

Net interest income for the half year ended 30 June 2009 increased by 42 per cent, or IDR131 billion (US\$12 million), to IDR445 billion (US\$40 million) driven by higher yields. Customer loans and advances, however, fell by IDR505 billion (US\$49 million) or 6 per cent, from 30 June 2008.

Non interest income for the six months ended 30 June 2009 increased to IDR53 billion (US\$5 million), up 54 per cent or IDR19 billion (US\$2 million) compared to the corresponding period in 2008. This mainly resulted from the increase in account service fees and credit facilities commission by IDR7 billion (US\$0.6 million), together with a gain on sale of fixed assets of IDR5 billion (US\$0.5 million).

Operating expenses for the first half of 2009 were IDR268 billion (US\$24 million), an increase of 37 per cent or IDR74 billion (US\$7 million) compared to the same period in 2008. This is mainly due to increased staff costs and allowance for losses made against productive assets and non-productive assets.

The cost:efficiency ratio for the first half of 2009 improved to 43 per cent from 46 per cent in the same period last year as income improved significantly over expense growth. The improvement in income was due to higher interest income as a result of higher yields.

The allowance for losses on loans and financing for the first six months of 2009 increased to IDR58 billion (US\$5 million) compared with IDR33 billion (US\$4 million) for the same period in 2008. The increase was due to the downgrading of a number of customers in June 2009.

Total assets at 30 June 2009 increased by IDR3.6 trillion (US\$0.2 billion), or 22 per cent, compared to 30 June 2008. Customer loans and advances of IDR8.8 trillion (US\$0.9 billion) decreased by IDR0.5 trillion (US\$0.1 billion), or 6 per cent, due to lower trade and working capital financing activities. Customer deposits at 30 June 2009 rose to IDR17.6 trillion (US\$1.7 billion) from IDR14.3 trillion (US\$1.5 billion) last year.

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PT Bank Ekonomi Raharja Tbk Results For The Half Year Ended 30 June 2009/3

Notes to editors:

1. Accounting standards

The figures quoted above have been prepared by PT Bank Ekonomi Raharja Tbk in accordance with the applicable approved accounting standards issued by the Indonesian Accounting Standards Board.

2. PT Bank Ekonomi Raharja Tbk (Bank Ekonomi)

Bank Ekonomi is a provider of commercial banking services in Indonesia with over 2,300 staff, 93 outlets and assets of approximately IDR19,877 billion (US\$1.9 billion) based on Indonesian GAAP at 30 June 2009. Bank Ekonomi was established in 1989 and is listed on the Indonesian stock exchange.

3. HSBC in Indonesia

HSBC has operated in Indonesia since 1884 and has 115 outlets spread across 10 major cities. HSBC is a leading provider of personal financial services, corporate and commercial banking, institutional banking, treasury capital markets and Amanah Syariah services in Indonesia. HSBC in Indonesia delivered profit before tax of US\$80 million in the half year to 30 June 2009.

4. HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 8,500 offices in 86 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of US\$2,422 billion at 30 June 2009, HSBC is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.

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The Board of Directors of HSBC Holdings plc as at the date of this announcement are: S K Green, M F Geoghegan, S A Catz[†], V H C Cheng, M K T Cheung[†], J D Coombe[†], J L Durán[†], R A Fairhead[†], D J Flint, A A Flockhart, W K L Fung*, S T Gulliver, J W J Hughes-Hallett[†], W S H Laidlaw[†], J R Lomax[†], Sir Mark Moody-Stuart[†], G Morgan[†], N R N Murthy[†], S M Robertson[†], J L Thornton[†] and Sir Brian Williamson[†].

[†] Independent non-executive Director

* Non-executive Director

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