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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.

2 March 2009

HSBC Finance Announces Closure of Consumer Lending Business

HFC and Beneficial branches to close; branch-based loan originations to cease

Mettawa, IL – HSBC Finance Corporation today announced the discontinuation of loan originations of all products by its Consumer Lending business. HSBC will continue to service and collect the existing receivable portfolio as it runs off, while continuing efforts to reach out and assist mortgage customers with their loan repayments and home preservation. The Consumer Lending branch offices, branded in the US as HFC and Beneficial, will cease taking new loan applications as soon as practical and substantially all branch offices will be closed as soon as commitments to customers are satisfied.

HSBC remains committed to the US financial services market, including the remaining businesses in HSBC Finance, as well as its US banking operations under HSBC Bank.

Further details are provided in Form 10-K for the year ended December 31, 2008, as filed with the Securities and Exchange Commission (SEC) by HSBC Finance Corporation on March 2, 2009. The document is available by visiting EDGAR on the SEC Web site at www.sec.gov.

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

Hong Kong Stock Code: 5