

31 October 2013

**HSBC BANK OMAN S.A.O.G.
RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013**

HSBC Bank Oman S.A.O.G. ('HBON') announces that at the Board of Directors' (the 'Board') meeting held on Wednesday, 30 October 2013, the Board approved HBON's unaudited financial results for the nine months ended 30 September 2013.

- Net interest income was up by 34.8% to RO36.0m (compared to RO26.7m for the same period in 2012).
- Total other operating income improved by 7% to RO15.9m (compared to RO14.9m for the same period in 2012).
- A net recovery of RO3.8m has been reported for loan impairment charges compared to a net charge of RO2.3m for the same period in 2012. This is due to a recovery of RO2.1m from corporate clients and a general provision release of RO1.7m due to a reduction in corporate loans and advances.
- Operating expenses increased by 51.5% to RO40.5m (compared to RO26.8m for the same period in 2012) reflecting the running costs of the merged bank.
- Net profit was up 20.6% to RO12.7m (compared to RO10.6m for the same period in 2012).
- Loans and advances, net of provisions and reserved interest, decreased by 17% to RO1,016.2m (compared to RO1,224.7m at 30 September 2012), while customer deposits increased by 2.8% to RO1,927.8m (compared to RO1,875.1m at 30 September 2012).
- HBON's capital adequacy ratio stood at 19.0% at 30 September 2013 compared to 15.8% at 30 September 2012, representing a strong capital base.

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HSBC Bank Oman S.A.O.G. Results for the Nine Months Ended 30 September 2013/2

As the merger which created HBON in June 2012 was accounted for as a reverse acquisition under International Financial Reporting Standard 3 ('IFRS 3') 'Business Combinations', the comparative information in HBON's unaudited financial results for the nine months ended 30 September 2013 is comprised of financial results of HSBC Bank Middle East Limited, Oman branches, for nine months ended 30 September 2012 and financial results of Oman International Bank S.A.O.G for four months ended 30 September 2012.

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Note to editors:

The HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,600 offices in 80 countries and territories in Europe, the Asia-Pacific region, North and Latin America, and the Middle East and North Africa. With assets of US\$2,645bn at 30 June 2013, the HSBC Group is one of the world's largest banking and financial services organisations.

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