

## **Interim Results 2018: John Flint video**

John Flint, HSBC Group Chief Executive

### **Interim Results 2018**

We are executing the strategy that we outlined in June. The results of the second quarter were entirely in line with our expectations. The businesses have got very good revenue momentum, so the combined four businesses generated revenue growth of 7 per cent in the first half over the same period last year.

That revenue growth has given us the capacity to invest in the business, so in the second quarter we invested a further USD400 million in digital, in growth initiatives and in productivity initiatives. And all of that should help to improve the customer experience for all of those that we serve across HSBC.

The increase in operating expenses in the first half is part of the reason that we have a small fall in the adjusted profits, but that is in line with our expectations at this stage of the year and we remain confident in our ability to deliver full-year positive jaws.

### **Investing in technology**

The pace of change driven by technology is only likely to accelerate from here. So our ability to invest thoughtfully and at scale should be a big competitive advantage for HSBC. There are now a growing number of examples that prove this to be the case.

We launched PayMe, a peer-to-peer wallet in Hong Kong, around 18 months ago and we have recently crossed the millionth customer milestone. PayMe is increasingly now just a part of daily life for our customers in Hong Kong.

And in May we participated in the world's first live trade-finance transaction using blockchain technology. So technology and our ability to invest in technology to improve HSBC and what we do for customers is a key pillar in our new strategy.

### **Looking forward**

The outlook for the rest of the year is encouraging and we have some good momentum going into the second half of the year. HSBC enjoys its traditional balance sheet strengths, strong capital ratios, a very good liquidity and funding position, and revenues diversified by geography and by line of business. We've got clear plans to get HSBC growing again, to increase the number of customers that we serve, to take market share, all in the pursuit of creating value for our shareholders.