



May 16, 2008

ANNOUNCEMENT

Pursuant to an HSBC Group internal restructuring exercise and in terms of a Scheme of Amalgamation under Section 48 of the Banking Companies Ordinance 1962, sanctioned by the State Bank of Pakistan by Sanction Order dated 18 April 2008, effective 15 May 2008 ("Proposed Date"), all the branches of The Hongkong and Shanghai Banking Corporation Limited Pakistan Operations incorporated in Hong Kong SAR and operating throughout Pakistan ("branch offices") together with all assets, liabilities, obligations, undertakings, rights and operations of The Hongkong and Shanghai Banking Corporation Limited in Pakistan ("Pakistan operations") stand amalgamated with and into HSBC Bank Middle East Limited incorporated in Jersey, Channel Islands. The Pakistan operations and branch offices of The Hongkong and Shanghai Banking Corporation Limited will from the Proposed Date onwards be conducted and carried out by and under the name of HSBC Bank Middle East Limited.

The above amalgamation and change of legal entity will result in the Pakistan operations and branch offices continuing to operate as part of the HSBC Group and will have no impact on the existing customers and depositors of the branch offices, who will continue to enjoy the same quality of customer service.

The Hongkong and Shanghai Banking Corporation Limited

HSBC Bank Middle East Limited

Ends

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Notes to editors:

HSBC Bank Middle East Limited

HSBC is the largest and most widely represented international bank in the Middle East. HSBC Bank Middle East Limited has 46 branches throughout the United Arab Emirates, Oman, Bahrain, Qatar, Kuwait, Jordan, Lebanon, Pakistan and the Palestinian Autonomous Area. In addition to the branch network the Bank maintains representative office in Tripoli, Libya. This extensive regional coverage is strengthened by another member of the HSBC Group, HSBC Bank Egypt SAE; and by its associated companies; The Saudi British Bank; British Arab Commercial Bank Limited; HSBC Saudi Arabia Limited; Saudi Arabia Limited; SABB Securities Limited; SABB Takaful Co.; and Dar Es Saalam Investment Bank.



HSBC Holdings plc

HSBC Holdings plc serves over 128 million customers worldwide through around 10,000 offices in 83 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of some US\$2,354 billion at 31 December 2007, 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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