



5 March 2010

HSBC BANK PLC PRICES INAUGURAL KANGAROO BOND

HSBC Bank plc, a wholly-owned subsidiary of HSBC Holdings plc, has set the size of its inaugural Kangaroo bond issue at A\$1.5 billion. The issue represents the largest non-AAA rated Kangaroo bond issue in over two years.

The bonds comprise one fixed rate tranche (total size A\$1bn) and one floating rate tranche (total size A\$500m). The fixed rate bonds carry a coupon of 6.75% and were priced at 125bps over s/q coupon matched mid swaps. The floating rate bonds were priced at 125bps over 3-month BBSW. The bonds represent unsecured and unsubordinated obligations of HSBC Bank plc.

Neil Sankoff, head of senior funding, HSBC, said "Our objective was to further diversify our investor base with a transaction focussed specifically on Australia and the Asia-Pacific region. The size and quality of the order book were excellent for such a tightly-focussed regional deal."

Tony Cripps, head of global banking and markets for HSBC in Australia, said: "This inaugural Kangaroo issue is recognition of Australia's significance as a deep and liquid capital market with strong ties to Asia and reconfirms the strong demand for the HSBC name in this region. The quality and granularity of the order book were exceptional, with orders from more than 100 accounts across the two tranches. The book is overwhelmingly real money and the Asian private bank demand is among the strongest we've seen for an A\$ transaction."

Investors by sector were: Fund managers and insurance (61%); banks (19%); private banks (12%); central banks/agency (5%); other (3%).

Investors by geography were: Australia (67%); Hong Kong (17%); Singapore (9%); Asia other (7%).

HSBC Bank plc is rated Aa2 / AA / AA.

HSBC is Sole Bookrunner on the transaction.

Joint Lead Managers are HSBC, ANZ, CBA, NAB and Westpac.

Pricing Date: 5 Mar 2010

Settlement Date: 12 Mar 2010

Maturity Date: 12 Mar 2015

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Notes to editors

HSBC Bank Australia

In Australia, the HSBC Group offers an extensive range of financial services through a network of 35 branches and offices. These services include personal and commercial financial services, financial planning, trade finance, treasury and financial markets, payments and cash management and securities custody. Principal HSBC Group members operating in Australia include HSBC Bank Australia Limited (ABN 48 006 434 162) and The Hongkong and Shanghai Banking Corporation (ABN 65 117 925 970). HSBC is marketed worldwide as 'the world's local bank'.

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