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HSBC PARTNERS WITH VIETNAM POSTS TO PROVIDE BANKING SERVICES THROUGH 1,600 OUTLETS

HSBC, the first foreign bank to locally incorporate in Vietnam, is partnering with Vietnam Posts Corporation (VNPOST) to provide HSBC customers with banking services in over 1,600 post offices across the country.

This move significantly expands HSBC's domestic reach for cash-based transactions, the predominant mode of settlement, to around 2,000 collecting points across Vietnam. The relationship combines VNPOST's extensive country-wide network and local market knowledge with HSBC's worldwide network and global expertise.

Thomas Tobin, CEO of HSBC Bank (Vietnam) Ltd., said: "Our partnership with Vietnam Posts will greatly enhance our ability to provide a high level of service and convenience for meeting the banking needs of our customers. Beyond that, our ability to now offer our services to local communities through Vietnam Posts' country-wide network meets our aim to contribute to Vietnam's growth and development – all the more important now that we are a locally incorporated bank."

HSBC retail banking customers will be the first to benefit from this greater level of convenience, with the option to make credit card and other payments at VNPOST counters instead of travelling to the bank. This capability will also allow HSBC's corporate clients to receive cash payments and relevant data from their own customers at VNPOST post offices.

The arrangement complements HSBC's Bills Payment proposition which gives customers access to low-cost alternative channels; such as ATMs and Internet banking for making and receiving payments. Corporations with customers issuing periodic payments, such as those in the utilities, telecoms, property management and insurance industries, are expected to benefit the most from this new capability.

Do Ngoc Binh, General Director of VNPOST, added: "This partnership offers a favourable platform for both parties to expand their businesses by enabling each to diversify their product range and provide more value-added services to both our domestic and international customers. It is a strategic step made by HSBC and VNPOST to

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HSBC partners with Vietnam Posts / 2

develop the retail market and leverage our extensive channels to provide services throughout Vietnam's cities and provinces, including both rural and remote areas.”

HSBC will provide VNPOST with a cash management solution to manage liquidity, receivables, payables and cash flow efficiently. HSBC will also provide VNPOST with staff training, cooperate with VNPOST in the cross-selling of products and services and instigate marketing initiatives.

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HSBC in Vietnam

HSBC has been in Vietnam for 138 years - the Bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. The Bank officially started to operate as HSBC Bank (Vietnam) Ltd. on 1 January 2009 and is headquartered in Ho Chi Minh City. Currently the Bank's network includes one branch and four transaction offices in Ho Chi Minh City, one branch and three transaction offices in Hanoi and one branch in Binh Duong. HSBC is the largest foreign bank in Vietnam in term of investment capital, network, product range, staff and customer base.

The HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 8,500 offices in 86 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of US\$2,422 billion at 30 June 2009, HSBC is one of the world's largest banking and financial services organisations.

The HSBC Group currently holds 20 per cent of the share capital of Vietnam Technological and Commercial Joint Stock Bank (Techcombank), one of the largest joint stock commercial banks in Vietnam, and 10 per cent of the share capital of BaoViet Holdings, the leading financial insurance group in Vietnam.

Euromoney magazine recently named HSBC as its 'Global Bank of the Year' and HSBC is widely regarded as the world's most valuable banking brand.

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