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2 August 2021

(Hong Kong Stock Code: 5)

HSBC Holdings plc

2021 INTERIM RESULTS – HIGHLIGHTS

The attached announcement is being released to all the stock exchanges on which HSBC Holdings plc is listed.

For and on behalf of
HSBC Holdings plc

Aileen Taylor
Group Company Secretary and Chief Governance Officer

The Board of Directors of HSBC Holdings plc as at the date of this announcement comprises: Mark Tucker*, Noel Quinn, James Anthony Forese†, Steven Guggenheimer†, Irene Lee†, José Antonio Meade Kuribreña†, Eileen K Murray†, David Nish†, Ewen Stevenson, Jackson Tai† and Pauline van der Meer Mohr†.

* Non-executive Group Chairman

† Independent non-executive Director

HSBC Holdings plc

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Incorporated in England with limited liability. Registered in England: number 617987

2 AUGUST 2021

HSBC HOLDINGS PLC

2021 INTERIM RESULTS – HIGHLIGHTS

Noel Quinn, Group Chief Executive, said:

“These are good results that reflect the return of growth in our main markets and marked progress in the execution of our strategy. We were profitable in every region in the first half of the year, supported by the release of expected credit loss provisions. Our lending pipeline began to translate into business growth in the second quarter and we further strengthened that pipeline during the half. This performance enables us to pay an interim dividend for the first six months of 2021.

I’m pleased with the momentum generated around our growth and transformation plans, with good delivery against all four pillars of our strategy. In particular, we have taken firm steps to define the future of our US and continental Europe businesses, and further enhanced our global Wealth capabilities.

We are focused on executing the growth and transformation plans we announced in February.”

Financial performance (1H21 vs 1H20)

- **Reported profit after tax increased by \$5.3bn to \$8.4bn and reported profit before tax increased by \$6.5bn to \$10.8bn.** A fall in revenue reflected 2020 interest rate reductions and lower Markets and Securities Services (‘MSS’) revenue relative to a strong 1H20. This was more than offset by releases in our expected credit losses and other credit impairment charges (‘ECL’). Reported profit in 1H20 included an impairment of software intangibles of \$1.2bn, mainly in Europe.
- **All regions profitable in 1H21, notably HSBC UK Bank plc reported profit before tax of over \$2.1bn in the period.** Despite interest rate headwinds, there was continued strength in Asia and a material recovery in profitability in all other regions, reflecting a net release in ECL as the economic outlook improved.
- **Reported revenue down 4% to \$25.6bn**, primarily reflecting 2020 interest rate reductions and lower MSS revenue in Global Banking and Markets (‘GBM’). These reductions were partly offset by net favourable movements in market impacts in life insurance manufacturing and valuation adjustments in GBM.
- **In 1H21, lending increased by \$21.5bn on a reported basis**, reflecting growth in Wealth and Personal Banking (‘WPB’) and Commercial Banking (‘CMB’). **Deposits grew by \$26.3bn on a reported basis**, with increases in all global businesses.
- **Net interest margin (‘NIM’) of 1.21% in 1H21, down 22 basis points (‘bps’) from 1H20.** NIM in 2Q21 of 1.20% remained stable compared with 1Q21.
- **Reported ECL were a net release of \$0.7bn, compared with a \$6.9bn charge in 1H20.** The net release in 1H21 primarily reflected an improvement in the economic outlook since 2020. The reduction also reflected low levels of stage 3 charges in 1H21, as well as the non-recurrence of a large charge in 1H20 related to a corporate exposure in Singapore.
- **Reported and adjusted operating expenses increased 3%**, primarily due to a higher performance-related pay accrual as profitability improved, as well as continued investment, partly offset by the impact of our cost-saving initiatives.
- **Return on average tangible equity (‘RoTE’) (annualised) of 9.4%**, up 5.6 percentage points compared with 1H20.
- **Common equity tier 1 (‘CET1’) ratio of 15.6%, down 0.3 percentage points from 31 December 2020**, reflecting an increase in RWAs from lending growth and a decrease in CET1 capital including the impact of foreseeable dividends.
- The Board has announced an **interim dividend for 1H21 of \$0.07 per ordinary share**, to be paid in cash with no scrip alternative.

Financial performance (2Q21 vs 2Q20)

- **Reported profit after tax up \$3.2bn to \$3.9bn and reported profit before tax up \$4.0bn to \$5.1bn.** Reported revenue was down 4%, mainly due to lower revenue in MSS, as well as the impact of lower interest rates. This was more than offset by net releases in reported ECL and lower reported operating expenses.

Outlook for 2021

- **The execution of our strategy continues at pace**, including the announcement of transactions in relation to our retail operations in France and mass market retail operations in the US.
- **Despite continued revenue headwinds, notably in fixed income markets relative to strong comparative periods, as well as low interest rates and Covid-19 impacts, there are emerging signs of unsecured personal lending and commercial lending growth.** We expect mid-single-digit lending growth for the full year, which is expected to translate into low-single-digit RWA growth as we progress with our RWA reduction actions.
- **Given current consensus economics and default experience, ECL charges for 2021 are expected to be materially lower than our medium-term range of 30bps to 40bps of average loans and possibly a net release for the year.** Uncertainty remains as countries emerge from the pandemic at different speeds, government support measures unwind and new virus strains test the efficacy of vaccination programmes. To reflect this uncertainty, at 30 June 2021 around \$2.4bn remained of the stage 1 and stage 2 ECL allowance uplift we made during 2020.
- **Our cost reduction programme remains on track.** We expect adjusted operating expenses for 2021 to be broadly in line with 2020, excluding the benefit from a reduced bank levy. This remains subject to final decisions on performance-related pay, which will primarily reflect the performance of the Group.
- The Group maintains a strong capital position and is well placed to fund growth and step up capital returns. Reflecting the current improved economic outlook and operating environment in many of our markets, **we now expect to move to within our target dividend payout ratio range of 40% to 55% of reported earnings per ordinary share in 2021.**

Key financial metrics

	Half-year to		
	30 Jun 2021	30 Jun 2020	31 Dec 2020
Reported results			
Reported revenue (\$m)	25,551	26,745	23,684
Reported profit before tax (\$m)	10,839	4,318	4,459
Reported profit after tax (\$m)	8,422	3,125	2,974
Profit attributable to the ordinary shareholders of the parent company (\$m)	7,276	1,977	1,921
Cost efficiency ratio (%)	66.9	61.8	75.6
Basic earnings per share (\$)	0.36	0.10	0.10
Diluted earnings per share (\$)	0.36	0.10	0.09
Net interest margin (%) ¹	1.21	1.43	1.32
Alternative performance measures			
Adjusted revenue (\$m)	25,797	27,597	24,523
Adjusted profit before tax (\$m)	11,950	5,654	6,680
Adjusted cost efficiency ratio (%)	62.9	56.9	69.1
Annualised expected credit losses and other credit impairment charges ('ECL') as a % of average gross loans and advances to customers (%)	(0.14)	1.34	0.38
Return on average ordinary shareholders' equity (annualised) (%)	8.4	2.4	2.3
Return on average tangible equity (annualised) (%) ^{1,2}	9.4	3.8	3.1
		At	
	30 Jun 2021	30 Jun 2020	31 Dec 2020
Balance sheet			
Total assets (\$m)	2,976,005	2,922,798	2,984,164
Net loans and advances to customers (\$m)	1,059,511	1,018,681	1,037,987
Customer accounts (\$m)	1,669,091	1,532,380	1,642,780
Average interest-earning assets (\$m) ¹	2,188,991	2,034,939	2,092,900
Loans and advances to customers as % of customer accounts (%)	63.5	66.5	63.2
Total shareholders' equity (\$m)	198,218	187,036	196,443
Tangible ordinary shareholders' equity (\$m)	157,985	147,879	156,423
Net asset value per ordinary share at period end (\$) ³	8.69	8.17	8.62
Tangible net asset value per ordinary share at period end (\$)	7.81	7.34	7.75
Capital, leverage and liquidity			
Common equity tier 1 capital ratio (%) ⁴	15.6	15.0	15.9
Risk-weighted assets (\$m) ⁴	862,292	854,552	857,520
Total capital ratio (%) ⁴	21.0	20.7	21.5
Leverage ratio (%) ⁴	5.3	5.3	5.5
High-quality liquid assets (liquidity value) (\$bn)	659	654	678
Liquidity coverage ratio (%)	134	148	139
Share count			
Period end basic number of \$0.50 ordinary shares outstanding (millions)	20,223	20,162	20,184
Period end basic number of \$0.50 ordinary shares outstanding and dilutive potential ordinary shares (millions)	20,315	20,198	20,272
Average basic number of \$0.50 ordinary shares outstanding (millions)	20,211	20,162	20,176
Dividend per ordinary share (in respect of the period) (\$)	0.07	—	0.15

For reconciliations of our reported results to an adjusted basis, including lists of significant items, see page 35 of the *Interim report 2021*.

Definitions and calculation of other alternative performance measures are included in our 'Reconciliation of alternative performance measures' on page 52 of the *Interim report 2021*.

- For these metrics, half-year to 31 December 2020 is calculated on a full-year basis and not a 2H20 basis.
- Profit attributable to ordinary shareholders, excluding impairment of goodwill and other intangible assets and changes in present value of in-force insurance contracts ('PVIF') (net of tax), divided by average ordinary shareholders' equity excluding goodwill, PVIF and other intangible assets (net of deferred tax).
- The definition of net asset value per ordinary share is total shareholders' equity less non-cumulative preference shares and capital securities, divided by the number of ordinary shares in issue excluding shares the company has purchased and are held in treasury.
- Unless otherwise stated, regulatory capital ratios and requirements are based on the transitional arrangements of the Capital Requirements Regulation in force at the time. These include the regulatory transitional arrangements for IFRS 9 'Financial Instruments', which are explained further on page 88 of the *Interim Report 2021*. Leverage ratios are calculated using the end point definition of capital and the IFRS 9 regulatory transitional arrangements. Following the end of the transition period after the UK's withdrawal from the EU, any reference to EU regulations and directives (including technical standards) should be read as a reference to the version onshored into UK law under the European Union (Withdrawal) Act 2018, as amended.

Highlights

	Half-year to	
	30 Jun 2021 \$m	30 Jun 2020 \$m
Reported		
Revenue ¹	25,551	26,745
Change in expected credit losses and other credit impairment charges	719	(6,858)
Operating expenses	(17,087)	(16,527)
Share of profit in associates and joint ventures	1,656	958
Profit before tax	10,839	4,318
Adjusted²		
Revenue ¹	25,797	27,597
Change in expected credit losses and other credit impairment charges	719	(7,287)
Operating expenses	(16,222)	(15,705)
Share of profit in associates and joint ventures	1,656	1,049
Profit before tax	11,950	5,654
Significant items affecting adjusted performance		
Revenue		
Customer redress programmes	18	26
Disposals, acquisitions and investment in new businesses	–	(8)
Fair value movements on financial instruments ³	(194)	299
Restructuring and other related costs ⁴	(70)	(49)
Operating expenses		
Customer redress programmes	(17)	(50)
Impairment of goodwill and other intangibles	–	(1,025)
Restructuring and other related costs	(848)	(505)
Settlements and provisions in connection with legal and regulatory matters	–	(5)

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

2 Adjusted performance is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons.

3 Includes fair value movements on non-qualifying hedges and debt valuation adjustments on derivatives.

4 Comprises losses associated with the RWA reduction commitments and gains we made at our business update in February 2020.

Review by Noel Quinn, Group Chief Executive

In February this year, we launched an updated purpose for HSBC. 'Opening up a world of opportunity' was the product of wide consultation with our colleagues and customers around the world. Since then, I have spoken with thousands of my colleagues across HSBC to discuss how we live that purpose every day.

I have been excited by the energy of those conversations. Our purpose and the values that underpin it – we value difference, we succeed together, we take responsibility, and we get it done – have resonated strongly, not just as a means of guiding our behaviour, but in articulating what our people want us to be as a business. Many expressed great pride in our heritage and culture, but also belief in the need to adapt to meet present and future challenges. Above all though, there was a strong desire to learn from and embed the lessons of the past 18 months, which is a conviction that my senior management team and I all share.

This spirit was evident in a good first-half performance. The customer-centricity that characterised our response to the Covid-19 pandemic remained to the fore, driven by increased collaboration and the benefits of our continued digital investment. This enabled us not just to better serve our existing customers, but also to attract new clients, win new mandates and strengthen our lending pipelines. We also generated strong momentum behind our growth and transformation plans, with good delivery against all four pillars – focus on our strengths, digitise at scale, energise for growth, and transition to net zero.

Our biggest challenge has remained the Covid-19 pandemic, which continues to threaten our customers, colleagues and communities. This was especially true in India, where the devastating spread of the Delta variant was a stark reminder of the danger that the virus continues to pose. India is both a growth market and an important service hub for the Group, and around 39,000 of our people are based there. While measures were already in place to enable a large majority of these colleagues to work from home, we took urgent steps to help them and their dependants to receive a vaccine, and provided financial support to local organisations delivering the relief effort on the ground. Operationally, we were able to maintain an unbroken service due to the continuity measures in place since March 2020. This was a testament both to the extraordinary efforts of our people, and the resilience of our systems and processes.

We received a strong endorsement of our recent progress in May, through the upgrade of our MSCI ESG rating from 'average' to 'leader'. Among other things, MSCI recognised the significant increase in our employee engagement and talent development scores during 2020; the extensive involvement of our Board in incorporating climate considerations into our business strategy; our strong performance in customer complaints handling and financial education; and our achievement of the highest possible rating for corporate governance. We will work hard to maintain this rating in the coming quarters.

Financial performance

Recovering economic growth in many of our main markets had a positive impact on our first-half financial performance. The improved economic outlook enabled us to begin releasing expected credit losses, which was the main driver of our improved profitability. The adverse impact of central bank interest rate cuts in 2020 continued to flow through to our interest-rate sensitive business lines, although our net interest income has now stabilised. A combination of increased fee income and cost-programme savings helped to compensate for the resulting reduction in revenue, and we strengthened our lending pipelines in our retail and wholesale businesses in the first half of the year.

As a consequence, the Group delivered \$10.8bn of reported profit before tax, up 151% on the first half of 2020, and \$12bn of adjusted profits, up 111%. We were profitable in every region in the first six months of the year.

Adjusted revenue was 7% lower than the same period last year. This was due mainly to the impact of interest rate cuts during 2020 on our deposit franchises in all three global businesses. However, our lending pipeline began to translate into business growth in the second quarter and we further strengthened that pipeline during the half-year.

Our cost reduction programmes continued to mitigate the cost of increased technology investment, although our adjusted operating expenses rose by 3% due to an increase in performance-related pay. We spent around \$3.0bn on technology in the first half of the year, up 4% on the same period last year.

Our funding, liquidity and capital remain strong. We grew deposits by \$27bn on a constant currency basis, with growth in all three global businesses. Our common equity tier one ratio was 15.6% on 30 June 2021. As a consequence, we are able to pay an interim dividend of \$0.07 per ordinary share for the first half of the year.

Focus on our strengths

We made good progress in restructuring our portfolio of businesses in the first half of the year, investing in businesses that we intend to grow and withdrawing from areas in which we lack the scale to compete.

In particular, we took firm steps to resolve the future of our businesses in the US and continental Europe. In the US, we entered into agreements to sell our mass market retail business in the country, and in continental Europe, we entered into a memorandum of understanding with My Money Group aimed at selling our retail banking activities in France. Both of these followed a period of extensive strategic review, and are important milestones in the transformation of the Group. They will help enable both our US and continental Europe businesses to become more focused, simpler and sustainably profitable, and to better serve the international needs of our wholesale and wealth management customers.

In Asia, we continued to put in place the building blocks for future growth. We further grew our Pinnacle digital wealth management business in mainland China, recruiting more than 350 new wealth managers and accelerating our coverage expansion to five cities – Beijing, Shanghai, Guangzhou, Shenzhen and Hangzhou. We also improved our ability to serve the wealth needs of customers in Asia and the Asian diaspora by expanding our digital wealth capabilities in Hong Kong, Malaysia and Singapore, and reorganising our wealth businesses in continental Europe and the US to better connect international customers to the global wealth opportunity. The benefits of our investment in Asia wealth were evident in the first six months of 2021 through strong customer acquisition, increased fee income and significant growth in wealth balances.

Digitise at scale

Our technology investment continues to improve the experiences of our customers and colleagues, and to boost efficiency while reducing our cost base. In the first half of the year, we launched a number of new, scalable digital capabilities for our customers and rolled out more of our existing capabilities to new markets.

For our personal customers, our digital Global Money Account allows our international customers to hold, manage and send funds in various currencies without paying any fees. Having launched this successfully in the US in 2020, we expanded it successfully into the UAE and Singapore in the first half of the year, with more to follow during 2021.

For our business customers, we launched HSBC Global Wallet, a new multi-currency digital wallet which allows businesses to hold, send and receive cash in multiple currencies using a single global account. Launched initially for customers in Singapore, the UK and the US, we intend to roll out new features and currencies to the platform in the second half of the year.

We also launched HSBC Kinetic for business customers in the UK. Kinetic is designed to be a truly mobile-first banking service, as opposed to a bank account with mobile features. Built on insights from more than 3,000 small business owners, it allows customers to manage their finances entirely through their smartphone. More than 10,000 businesses have now signed up, benefiting from online onboarding in 15 minutes, the ability to apply for lending products with instant lending decisions, and a number of critical insight capabilities.

Energise for growth

We are seeking to energise HSBC for growth through a strong sense of purpose and simpler ways of working, and by equipping our colleagues with the future skills they need. This includes embedding the lessons of the past 18 months to help build a dynamic, entrepreneurial and inclusive culture.

We are moving to a hybrid working model wherever possible, giving our people the flexibility to work in a way that suits both them and their customers. We will need less office space as a result, and we have plans to reduce our global office footprint by more than 3.6 million square feet – or around 20% – by the end of 2021. We are also relocating three of our global business CEOs to Asia on a permanent basis, taking them closer to our customers and to the core of our business.

We continue to simplify the organisation wherever we can. In the first half, we reduced the number of full-time equivalent employees by around 3,500. We also announced changes to our senior leadership bands to help ensure clarity of scope and accountability, and to empower our leaders to make decisions to accelerate our transformation and drive growth.

I am conscious that our current operating environment remains challenging for many colleagues and their families. While our employee engagement scores have remained above pre-pandemic levels, we have continued to see a rise in fatigue and anxiety among employees. To help tackle this, we have provided a variety of well-being resources to support our people, including mindfulness training. This is something that I continue to monitor closely, particularly as our people adapt to our new hybrid working model.

Transition to net zero

We took a number of important steps towards our net zero ambitions in the first half of the year, and strengthened our position as a market leader of sustainable finance.

I was particularly pleased that 99.7% of our shareholders backed our special resolution on climate change at our AGM in May. This was a strong endorsement of our climate strategy, which has at its core a commitment to support our customers on their transitions to a low-carbon future. The resolution commits us to setting out the next steps in our transition, including through short- and medium-term sector-based targets; to phasing out financing of coal power and thermal coal mining by 2030 in EU and OECD countries, and by 2040 globally; and to reporting annually on our progress. Above all, it signals a unity of purpose between our business and our investors, which is vital as we confront the shared challenge of the low-carbon transition.

I have always said that partnership lies at the heart of the low-carbon transition. Part of our approach has been to attempt to forge new partnerships to find new solutions and accelerate progress, whether with our customers, governments or our peers in the banking sector. In April, we became a founding member of the Net-Zero Banking Alliance ('NZBA'), which aims to deliver the banking sector's ambition to align its climate commitments with the Paris Agreement goals in a collaborative, rigorous and transparent way. Through the NZBA, we also joined the Glasgow Financial Alliance for Net Zero, which combines the leading initiatives across the financial system to accelerate the transition to net zero emissions by 2050 at the latest.

In May, we launched a five-year partnership with World Resources Institute and WWF, backed by \$100m of philanthropic funding from HSBC. The Climate Solutions Partnership seeks to unlock barriers to finance for companies and projects that tackle climate change, bringing emerging climate solutions to commercial viability and scale. By combining our resources, knowledge and insight with our partners on the ground, we are aiming to make a real-world impact in a targeted way, with a focus on scaling up climate innovation and nature-based solutions, and helping to transition the energy sector in Asia towards renewables.

We strengthened our position in the ESG bond market in the first half, participating in more issuances than in the whole of 2020. First-half mandates included the world's first sovereign sustainable sukuk bond; the first sovereign green bonds issued by the UK and Canada; and a pioneering sustainability-linked bond for an energy company with the cost of financing tied to the reduction of its entire carbon footprint, including the emissions of products sold.

Our people

None of the achievements of the last six months would have been possible without the commitment and hard work of my colleagues. I do not underestimate the challenges that many still face as a consequence of the Covid-19 pandemic, which remains a presence in all of our lives. I am especially grateful to my colleagues in parts of the world where Covid-19 remains prevalent, and who have continued to go to extraordinary lengths for their customers and colleagues in extremely challenging circumstances.

We have had a good start to the year, but there is much more to do to deliver our ambitions for HSBC. We have a firm platform on which to build over the remainder of 2021.

Financial summary

	Half-year to		
	30 Jun 2021 \$m	30 Jun 2020 \$m	31 Dec 2020 \$m
For the period			
Profit before tax	10,839	4,318	4,459
Profit attributable to:			
– ordinary shareholders of the parent company	7,276	1,977	1,921
Dividends on ordinary shares ¹	3,059	–	–
At the period end			
Total shareholders' equity	198,218	187,036	196,443
Total regulatory capital	181,122	177,242	184,423
Customer accounts	1,669,091	1,532,380	1,642,780
Total assets	2,976,005	2,922,798	2,984,164
Risk-weighted assets	862,292	854,552	857,520
Per ordinary share	\$	\$	\$
Basic earnings	0.36	0.10	0.10
Dividend per ordinary share (paid in the period) ¹	0.15	–	–
Net asset value ²	8.69	8.17	8.62

¹ Interim dividend of \$0.15 per ordinary share in respect of the financial year ending 31 December 2020, paid in April 2021.

² The definition of net asset value per ordinary share is total shareholders equity, less non-cumulative preference shares and capital securities, divided by the number of ordinary shares in issue, excluding own shares held by the company, including those purchased and held in treasury.

Distribution of results by global business

Adjusted profit before tax

	30 Jun 2021		Half-year to 30 Jun 2020		31 Dec 2020	
	\$m	%	\$m	%	\$m	%
Wealth and Personal Banking	3,864	32.3	1,663	29.4	2,478	37.1
Commercial Banking	3,376	28.3	118	2.1	1,732	25.9
Global Banking and Markets	3,307	27.7	2,566	45.4	2,312	34.6
Corporate Centre	1,403	11.7	1,307	23.1	158	2.4
Profit before tax	11,950	100.0	5,654	100.0	6,680	100.0

Distribution of results by geographical region

Reported profit/(loss) before tax

	30 Jun 2021		Half-year to 30 Jun 2020		31 Dec 2020	
	\$m	%	\$m	%	\$m	%
Europe	1,968	18.2	(3,060)	(70.9)	(1,145)	(25.7)
Asia	6,936	64.0	7,369	170.7	5,463	122.5
Middle East and North Africa	723	6.7	(26)	(0.6)	45	1.0
North America	805	7.4	23	0.5	145	3.3
Latin America	407	3.7	12	0.3	(49)	(1.1)
Profit before tax	10,839	100.0	4,318	100.0	4,459	100.0

HSBC adjusted profit before tax and balance sheet data

	Half-year to 30 Jun 2021				
	Wealth and Personal Banking \$m	Commercial Banking \$m	Global Banking and Markets \$m	Corporate Centre \$m	Total \$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges¹	11,401	6,651	7,878	(133)	25,797
– external	11,168	6,626	8,631	(628)	25,797
– inter-segment	233	25	(753)	495	–
<i>of which: net interest income/(expense)</i>	7,067	4,366	2,024	(378)	13,079
Change in expected credit losses and other credit impairment (charges)/recoveries	52	249	414	4	719
Net operating income	11,453	6,900	8,292	(129)	26,516
Total operating expenses	(7,600)	(3,525)	(4,985)	(112)	(16,222)
Operating profit	3,853	3,375	3,307	(241)	10,294
Share of profit in associates and joint ventures	11	1	–	1,644	1,656
Adjusted profit before tax	3,864	3,376	3,307	1,403	11,950
	%	%	%	%	%
Share of HSBC's adjusted profit before tax	32.3	28.3	27.7	11.7	100.0
Adjusted cost efficiency ratio	66.7	53.0	63.3	(84.2)	62.9
Adjusted balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	491,320	350,945	216,098	1,148	1,059,511
Interests in associates and joint ventures	478	15	128	28,088	28,709
Total external assets	912,479	624,042	1,258,694	180,790	2,976,005
Customer accounts	841,257	485,689	341,242	903	1,669,091
Adjusted risk-weighted assets ²	184,973	332,084	255,158	90,077	862,292

Half-year to 30 Jun 2020					
Net operating income before change in expected credit losses and other credit impairment charges ¹	11,694	7,326	8,574	3	27,597
– external	10,071	7,742	10,511	(727)	27,597
– inter-segment	1,623	(416)	(1,937)	730	–
<i>of which: net interest income/(expense)</i>	8,331	5,080	2,435	(804)	15,042
Change in expected credit losses and other credit impairment charges	(2,328)	(3,751)	(1,195)	(13)	(7,287)
Net operating income/(expense)	9,366	3,575	7,379	(10)	20,310
Total operating expenses	(7,695)	(3,457)	(4,813)	260	(15,705)
Operating profit/(loss)	1,671	118	2,566	250	4,605
Share of profit in associates and joint ventures	(8)	–	–	1,057	1,049
Adjusted profit before tax	1,663	118	2,566	1,307	5,654
	%	%	%	%	%
Share of HSBC's adjusted profit before tax	29.4	2.1	45.4	23.1	100.0
Adjusted cost efficiency ratio	65.8	47.2	56.1	(8,666.7)	56.9
Adjusted balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	456,263	362,094	254,126	1,365	1,073,848
Interests in associates and joint ventures	428	15	140	25,659	26,242
Total external assets	856,599	579,865	1,472,925	173,932	3,083,321
Customer accounts	810,137	441,427	357,082	738	1,609,384
Adjusted risk-weighted assets ²	168,309	347,910	286,594	85,332	888,145

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

2 Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

HSBC adjusted profit before tax and balance sheet data (continued)

	Half-year to 31 Dec 2020				
	Wealth and Personal Banking	Commercial Banking	Global Banking and Markets	Corporate Centre	Total
	\$m	\$m	\$m	\$m	\$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges ¹	11,019	6,489	7,323	(308)	24,523
– external	10,534	6,468	8,257	(736)	24,523
– inter-segment	485	21	(934)	428	–
<i>of which: net interest income/(expense)</i>	<i>7,231</i>	<i>4,545</i>	<i>2,184</i>	<i>(533)</i>	<i>13,427</i>
Change in expected credit losses and other credit impairment (charges)/recoveries	(685)	(1,265)	(95)	14	(2,031)
Net operating income/(expense)	10,334	5,224	7,228	(294)	22,492
Total operating expenses	(7,871)	(3,491)	(4,916)	(673)	(16,951)
Operating profit/(loss)	2,463	1,733	2,312	(967)	5,541
Share of profit in associates and joint ventures	15	(1)	–	1,125	1,139
Adjusted profit before tax	2,478	1,732	2,312	158	6,680
	%	%	%	%	%
Share of HSBC's adjusted profit before tax	37.1	25.9	34.6	2.4	100.0
Adjusted cost efficiency ratio	71.4	53.8	67.1	(218.5)	69.1
Adjusted balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	469,218	342,951	223,395	1,254	1,036,818
Interests in associates and joint ventures	446	14	141	26,261	26,862
Total external assets	882,042	570,369	1,342,544	186,633	2,981,588
Customer accounts	834,376	470,686	335,977	609	1,641,648
Adjusted risk-weighted assets ²	172,272	327,025	263,959	91,582	854,838

¹ Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

² Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

Consolidated income statement

	Half-year to		
	30 Jun 2021 \$m	30 Jun 2020 \$m	31 Dec 2020 \$m
Net interest income	13,098	14,509	13,069
– interest income	17,960	23,000	18,756
– interest expense	(4,862)	(8,491)	(5,687)
Net fee income	6,674	5,926	5,948
– fee income	8,458	7,480	7,571
– fee expense	(1,784)	(1,554)	(1,623)
Net income from financial instruments held for trading or managed on a fair value basis	4,184	5,768	3,814
Net income/(expense) from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss	2,795	(1,290)	3,371
Change in fair value of designated debt and related derivatives	(67)	197	34
Changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	548	80	375
Gains less losses from financial investments	433	466	187
Net insurance premium income	5,663	5,020	5,073
Other operating income	155	471	56
Total operating income	33,483	31,147	31,927
Net insurance claims and benefits paid and movement in liabilities to policyholders	(7,932)	(4,402)	(8,243)
Net operating income before change in expected credit losses and other credit impairment charges	25,551	26,745	23,684
Change in expected credit losses and other credit impairment charges	719	(6,858)	(1,959)
Net operating income	26,270	19,887	21,725
Employee compensation and benefits	(9,610)	(8,514)	(9,562)
General and administrative expenses	(5,675)	(4,918)	(6,197)
Depreciation and impairment of property, plant and equipment and right-of-use assets	(1,160)	(1,209)	(1,472)
Amortisation and impairment of intangible assets	(642)	(1,845)	(674)
Goodwill impairment	–	(41)	–
Total operating expenses	(17,087)	(16,527)	(17,905)
Operating profit	9,183	3,360	3,820
Share of profit in associates and joint ventures	1,656	958	639
Profit before tax	10,839	4,318	4,459
Tax expense	(2,417)	(1,193)	(1,485)
Profit for the period	8,422	3,125	2,974
Attributable to:			
– ordinary shareholders of the parent company	7,276	1,977	1,921
– preference shareholders of the parent company	7	45	45
– other equity holders	666	617	624
– non-controlling interests	473	486	384
Profit for the period	8,422	3,125	2,974
	\$	\$	\$
Basic earnings per ordinary share	0.36	0.10	0.10
Diluted earnings per ordinary share	0.36	0.10	0.09

Consolidated statement of comprehensive income

	Half-year to		
	30 Jun 2021 \$m	30 Jun 2020 \$m	31 Dec 2020 \$m
Profit for the period	8,422	3,125	2,974
Other comprehensive income/(expense)			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Debt instruments at fair value through other comprehensive income	(1,368)	1,747	3
– fair value gains/(losses)	(1,392)	2,654	293
– fair value gains transferred to the income statement on disposal	(375)	(454)	(214)
– expected credit recoveries/(losses) recognised in the income statement	(26)	109	(61)
– income taxes	425	(562)	(15)
Cash flow hedges	(238)	476	(5)
– fair value gains/(losses)	877	255	(412)
– fair value losses/(gains) reclassified to the income statement	(1,195)	364	405
– income taxes and other movements	80	(143)	2
Share of other comprehensive income/(expense) of associates and joint ventures	104	(115)	42
– share for the period	104	(115)	42
Exchange differences	(449)	(4,552)	9,407
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit asset/(liability)	(747)	1,182	(348)
– before income taxes	(775)	1,703	(480)
– income taxes	28	(521)	132
Changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	155	2,354	(2,187)
– before income taxes	(2)	2,936	(2,746)
– income taxes	157	(582)	559
Equity instruments designated at fair value through other comprehensive income	(348)	(123)	335
– fair value gains/(losses)	(345)	(122)	334
– income taxes	(3)	(1)	1
Effects of hyperinflation	166	72	121
Other comprehensive income/(expense) for the period, net of tax	(2,725)	1,041	7,368
Total comprehensive income for the period	5,697	4,166	10,342
Attributable to:			
– ordinary shareholders of the parent company	4,612	3,043	9,103
– preference shareholders of the parent company	7	45	45
– other equity holders	666	617	624
– non-controlling interests	412	461	570
Total comprehensive income for the period	5,697	4,166	10,342

Consolidated balance sheet

	At	
	30 Jun 2021 \$m	31 Dec 2020 \$m
Assets		
Cash and balances at central banks	393,559	304,481
Items in the course of collection from other banks	9,406	4,094
Hong Kong Government certificates of indebtedness	41,880	40,420
Trading assets	260,250	231,990
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	49,120	45,553
Derivatives	209,516	307,726
Loans and advances to banks	86,886	81,616
Loans and advances to customers	1,059,511	1,037,987
Reverse repurchase agreements – non-trading	201,714	230,628
Financial investments	434,576	490,693
Prepayments, accrued income and other assets	175,155	156,412
Current tax assets	405	954
Interests in associates and joint ventures	28,709	26,684
Goodwill and intangible assets	20,703	20,443
Deferred tax assets	4,615	4,483
Total assets	2,976,005	2,984,164
Liabilities and equity		
Liabilities		
Hong Kong currency notes in circulation	41,880	40,420
Deposits by banks	100,448	82,080
Customer accounts	1,669,091	1,642,780
Repurchase agreements – non-trading	112,798	111,901
Items in the course of transmission to other banks	15,100	4,343
Trading liabilities	89,637	75,266
Financial liabilities designated at fair value	151,686	157,439
Derivatives	200,156	303,001
Debt securities in issue	84,218	95,492
Accruals, deferred income and other liabilities	164,800	128,624
Current tax liabilities	929	690
Liabilities under insurance contracts	110,572	107,191
Provisions	2,814	3,678
Deferred tax liabilities	4,338	4,313
Subordinated liabilities	20,774	21,951
Total liabilities	2,769,241	2,779,169
Equity		
Called up share capital	10,376	10,347
Share premium account	14,600	14,277
Other equity instruments	22,414	22,414
Other reserves	6,509	8,833
Retained earnings	144,319	140,572
Total shareholders' equity	198,218	196,443
Non-controlling interests	8,546	8,552
Total equity	206,764	204,995
Total liabilities and equity	2,976,005	2,984,164

Consolidated statement of cash flows

	Half-year to		
	30 Jun 2021 \$m	30 Jun 2020 \$m	31 Dec 2020 \$m
Profit before tax	10,839	4,318	4,459
Adjustments for non-cash items:			
Depreciation, amortisation and impairment	1,802	3,095	2,146
Net gain from investing activities	(485)	(405)	(136)
Share of profits in associates and joint ventures	(1,656)	(958)	(639)
Change in expected credit losses gross of recoveries and other credit impairment charges	(484)	6,875	2,221
Provisions including pensions	301	277	887
Share-based payment expense	254	195	238
Other non-cash items included in profit before tax	205	(718)	(188)
Change in operating assets	(3,811)	11,185	(23,788)
Change in operating liabilities	49,015	134,734	68,164
Elimination of exchange differences ¹	5,212	3,775	(29,524)
Dividends received from associates	10	120	641
Contributions paid to defined benefit plans	(342)	(335)	(160)
Tax paid	(997)	(2,373)	(1,886)
Net cash from operating activities	59,863	159,785	22,435
Purchase of financial investments	(263,198)	(271,830)	(224,839)
Proceeds from the sale and maturity of financial investments	298,596	225,733	251,257
Net cash flows from the purchase and sale of property, plant and equipment	(375)	(447)	(999)
Net cash flows from purchase of customer and loan portfolios	1,063	244	1,118
Net investment in intangible assets	(1,011)	(957)	(1,107)
Net cash flow on (purchase)/disposal of subsidiaries, businesses, associates and joint ventures	(84)	(409)	(194)
Net cash from investing activities	34,991	(47,666)	25,236
Issue of ordinary share capital and other equity instruments	1,996	—	1,497
Net sales/(purchases) of own shares for market-making and investment purposes	1	(48)	(133)
Redemption of preference shares and other equity instruments	(3,450)	(398)	—
Subordinated loan capital repaid	(852)	(1,538)	(2,000)
Dividends paid to shareholders of the parent company and non-controlling interests	(4,121)	(1,204)	(819)
Net cash from financing activities	(6,426)	(3,188)	(1,455)
Net increase/(decrease) in cash and cash equivalents	88,428	108,931	46,216
Cash and cash equivalents at the beginning of the period	468,323	293,742	395,218
Exchange differences in respect of cash and cash equivalents	(4,818)	(7,455)	26,889
Cash and cash equivalents at the end of the period	551,933	395,218	468,323

Interest received was \$19,761m (1H20: \$25,159m; 2H20: \$20,419m), interest paid was \$6,552m (1H20: \$10,573m; 2H20: \$7,167m) and dividends received (excluding dividends received from associates, which are presented separately above) were \$801m (1H20: \$447m; 2H20: \$711m).

¹ Adjustments to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.

Consolidated statement of changes in equity

	Other reserves									
	Called up share capital and share premium	Other equity instruments	Retained earnings	Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Total shareholders' equity	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jan 2021	24,624	22,414	140,572	1,816	457	(20,375)	26,935	196,443	8,552	204,995
Profit for the period	–	–	7,949	–	–	–	–	7,949	473	8,422
Other comprehensive income (net of tax)	–	–	(337)	(1,629)	(234)	(464)	–	(2,664)	(61)	(2,725)
– debt instruments at fair value through other comprehensive income	–	–	–	(1,351)	–	–	–	(1,351)	(17)	(1,368)
– equity instruments designated at fair value through other comprehensive income	–	–	–	(278)	–	–	–	(278)	(70)	(348)
– cash flow hedges	–	–	–	–	(234)	–	–	(234)	(4)	(238)
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	–	–	155	–	–	–	–	155	–	155
– remeasurement of defined benefit asset/liability	–	–	(762)	–	–	–	–	(762)	15	(747)
– share of other comprehensive income of associates and joint ventures	–	–	104	–	–	–	–	104	–	104
– effects of hyperinflation	–	–	166	–	–	–	–	166	–	166
– exchange differences	–	–	–	–	–	(464)	–	(464)	15	(449)
Total comprehensive income for the period	–	–	7,612	(1,629)	(234)	(464)	–	5,285	412	5,697
Shares issued under employee remuneration and share plans	352	–	(335)	–	–	–	–	17	–	17
Capital securities issued ¹	–	2,000	(4)	–	–	–	–	1,996	–	1,996
Dividends to shareholders	–	–	(3,732)	–	–	–	–	(3,732)	(389)	(4,121)
Redemption of securities ²	–	(2,000)	–	–	–	–	–	(2,000)	–	(2,000)
Cost of share-based payment arrangements	–	–	254	–	–	–	–	254	–	254
Other movements	–	–	(48)	3	–	–	–	(45)	(29)	(74)
At 30 Jun 2021	24,976	22,414	144,319	190	223	(20,839)	26,935	198,218	8,546	206,764
At 1 Jan 2020	24,278	20,871	136,679	(108)	(2)	(25,133)	27,370	183,955	8,713	192,668
Profit for the period	–	–	2,639	–	–	–	–	2,639	486	3,125
Other comprehensive income (net of tax)	–	–	3,506	1,654	465	(4,559)	–	1,066	(25)	1,041
– debt instruments at fair value through other comprehensive income	–	–	–	1,735	–	–	–	1,735	12	1,747
– equity instruments designated at fair value through other comprehensive income	–	–	–	(81)	–	–	–	(81)	(42)	(123)
– cash flow hedges	–	–	–	–	465	–	–	465	11	476
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	–	–	2,354	–	–	–	–	2,354	–	2,354
– remeasurement of defined benefit asset/liability	–	–	1,195	–	–	–	–	1,195	(13)	1,182
– share of other comprehensive income of associates and joint ventures	–	–	(115)	–	–	–	–	(115)	–	(115)
– effects of hyperinflation	–	–	72	–	–	–	–	72	–	72
– exchange differences	–	–	–	–	–	(4,559)	–	(4,559)	7	(4,552)
Total comprehensive income for the period	–	–	6,145	1,654	465	(4,559)	–	3,705	461	4,166
Shares issued under employee remuneration and share plans	336	–	(329)	–	–	–	–	7	–	7
Dividends to shareholders	–	–	(662)	–	–	–	–	(662)	(542)	(1,204)
Cost of share-based payment arrangements	–	–	195	–	–	–	–	195	–	195
Other movements	–	43	(219)	12	–	–	–	(164)	(447)	(611)
At 30 Jun 2020	24,614	20,914	141,809	1,558	463	(29,692)	27,370	187,036	8,185	195,221

Consolidated statement of changes in equity (continued)

	Called up share capital and share premium		Other equity instruments	Retained earnings	Other reserves				Total shareholders' equity	Non-controlling interests	Total equity
	\$m	\$m			Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves			
At 1 Jul 2020	24,614	20,914	141,809	1,558	463	(29,692)	27,370	187,036	8,185	195,221	
Profit for the period	—	—	2,590	—	—	—	—	2,590	384	2,974	
Other comprehensive income (net of tax)	—	—	(2,388)	259	(6)	9,317	—	7,182	186	7,368	
– debt instruments at fair value through other comprehensive income	—	—	—	11	—	—	—	11	(8)	3	
– equity instruments designated at fair value through other comprehensive income	—	—	—	248	—	—	—	248	87	335	
– cash flow hedges	—	—	—	—	(6)	—	—	(6)	1	(5)	
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	(2,187)	—	—	—	—	(2,187)	—	(2,187)	
– remeasurement of defined benefit asset/liability	—	—	(364)	—	—	—	—	(364)	16	(348)	
– share of other comprehensive income of associates and joint ventures	—	—	42	—	—	—	—	42	—	42	
– effects of hyperinflation	—	—	121	—	—	—	—	121	—	121	
– exchange differences	—	—	—	—	—	9,317	—	9,317	90	9,407	
Total comprehensive income for the period	—	—	202	259	(6)	9,317	—	9,772	570	10,342	
Shares issued under employee remuneration and share plans	10	—	(10)	—	—	—	—	—	—	—	
Capital securities issued ¹	—	1,500	(3)	—	—	—	—	1,497	—	1,497	
Dividends to shareholders	—	—	(669)	—	—	—	—	(669)	(150)	(819)	
Redemption of securities ²	—	—	(1,450)	—	—	—	—	(1,450)	—	(1,450)	
Transfers ³	—	—	435	—	—	—	(435)	—	—	—	
Cost of share-based payment arrangements	—	—	239	—	—	—	—	239	—	239	
Other movements	—	—	19	(1)	—	—	—	18	(53)	(35)	
At 31 Dec 2020	24,624	22,414	140,572	1,816	457	(20,375)	26,935	196,443	8,552	204,995	

1 During 2021, HSBC Holdings issued \$2,000m of Additional Tier1 instruments on which there were \$4m of external issue costs. In 2020, HSBC Holdings issued 1,500m of perpetual subordinated contingent convertible securities.

2 During 2021, HSBC Holdings redeemed \$2,000m 6.875% perpetual subordinated contingent convertible securities. In 2020, HSBC Holdings called and later redeemed 1,450m 6.20% non-cumulative US dollar preference shares.

3 Permitted transfers from the merger reserve to retained earnings were made when the investment in HSBC Overseas Holdings (UK) Limited was previously impaired. In 2020, an additional impairment of \$435m was recognised and a permitted transfer of this amount was made from the merger reserve to retained earnings.

1 Basis of preparation and significant accounting policies

(a) Compliance with International Financial Reporting Standards

Our interim condensed financial statements have been prepared on the basis of the policies set out in the 2020 annual financial statements and in accordance with UK adopted IAS 34 'Interim Financial Reporting', IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB'), IAS 34 'Interim Financial Reporting' as adopted by the EU and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority. Therefore, they include an explanation of events and transactions that are significant to an understanding of the changes in HSBC's financial position and performance since the end of 2020. These financial statements should be read in conjunction with the *Annual Report and Accounts 2020*, which were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union, and International Financial Reporting Standards ('IFRSs') as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee.

At 30 June 2021, there were no unendorsed standards effective for the half-year to 30 June 2021 affecting these financial statements, and there was no difference between IFRSs adopted by the UK, IFRSs as adopted by the EU and IFRSs issued by the IASB in terms of their application to HSBC.

The financial statements for HSBC for the year ended 31 December 2021 will be prepared in accordance with IFRS as adopted by the UK, international financial reporting standards adopted by the EU and IFRSs as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee.

Standards applied during the half-year to 30 June 2021

There were no new standards or amendments to standards that had an effect on these interim condensed financial statements.

(b) Use of estimates and judgements

Management believes that our critical accounting estimates and judgements are those that relate to impairment of amortised cost and FVOCI debt financial assets, the valuation of financial instruments, deferred tax assets, provisions for liabilities, defined benefit obligations, interests in associates, impairment of non-financial assets and post-employment benefits. There were no changes in the current period to the critical accounting estimates and judgements applied in 2020, which are stated on pages 77 and 289 of the *Annual Report and Accounts 2020*.

(c) Composition of the Group

There were no material changes in the composition of the Group in the half-year to 30 June 2021. For further details of future business disposals, see Note 8 'Business disposals'.

(d) Future accounting developments

IFRS 17 'Insurance Contracts' was issued in May 2017, with amendments to the standard issued in June 2020. It has not been adopted for use in the UK or in the EU. The standard sets out the requirements that an entity should apply in accounting for insurance contracts it issues and reinsurance contracts it holds. Following the amendments, IFRS 17 is effective from 1 January 2023. The Group is in the process of implementing IFRS 17. Industry practice and interpretation of the standard are still developing. Therefore, the likely impact of its implementation remains uncertain. However, compared with the Group's current accounting policy for insurance, there will be no PVIF asset recognised; rather the estimated future profit will be included in the measurement of the insurance contract liability as the contractual service margin and gradually recognised in revenue as services are provided over the duration of the insurance contract.

(e) Going concern

The financial statements are prepared on a going concern basis, as the Directors are satisfied that the Group and parent company have the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows, capital requirements and capital resources. These considerations include stressed scenarios that reflect the continuing uncertainty that the global Covid-19 pandemic has had on HSBC's operations, as well as considering potential impacts from other top and emerging risks, and the related impact on profitability, capital and liquidity.

(f) Accounting policies

The accounting policies that we applied for these interim condensed consolidated financial statements are consistent with those described on pages 288 to 299 of the *Annual Report and Accounts 2020*, as are the methods of computation.

2 Dividends

On 2 August 2021, the Directors approved an interim dividend for the 2021 half-year of \$0.07 per ordinary share in respect of the financial year ending 31 December 2021. This distribution amounts to approximately \$1,430m and will be payable on 30 September 2021. No liability is recognised in the financial statements in respect of these dividends.

Dividends paid to shareholders of HSBC Holdings plc

	30 Jun 2021			Half-year to 30 Jun 2020			31 Dec 2020		
	Per share	Total	Settled in scrip	Per share	Total	Settled in scrip	Per share	Total	Settled in scrip
	\$	\$m	\$m	\$	\$m	\$m	\$	\$m	\$m
Dividends paid on ordinary shares									
In respect of previous year:									
– fourth interim dividend	0.15	3,059	–	–	–	–	–	–	–
In respect of current year:									
– first interim dividend	–	–	–	–	–	–	–	–	–
– second interim dividend	–	–	–	–	–	–	–	–	–
– third interim dividend	–	–	–	–	–	–	–	–	–
Total	0.15	3,059	–	–	–	–	–	–	–
Total dividends on preference shares classified as equity (paid quarterly) ¹	4.99	7		31.00	45		31.00	45	
Total coupons on capital securities classified as equity		666			617			624	
Dividends to shareholders		3,732			662			669	

¹ HSBC Holdings called \$1,450m 6.20% non-cumulative US dollar preference shares on 10 December 2020. The security was redeemed and cancelled on 13 January 2021.

Interim dividend for the 2021 half-year

On 2 August 2021, the Directors approved an interim dividend for the 2021 half-year of \$0.07 per ordinary share in respect of the financial year ending 31 December 2021. The dividend will be payable on 30 September 2021 to holders on the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register on 20 August 2021.

The dividend will be payable in US dollars, or in pounds sterling or Hong Kong dollars at the forward exchange rates quoted by HSBC Bank plc in London at or about 11.00am on 20 September 2021, or a combination of these currencies. Particulars of these arrangements will be sent to shareholders on or about 27 August 2021 and changes to currency elections must be received by 16 September 2021. The ordinary shares in London, Hong Kong and Bermuda, and American Depositary Shares ('ADSs') in New York will be quoted ex-dividend on 19 August 2021. As announced on 23 February 2021, the Group has decided to discontinue the scrip dividend option.

The dividend will be payable on ADSs, each of which represents five ordinary shares, on 30 September 2021 to holders of record on 20 August 2021. The dividend of \$0.35 per ADS will be payable by the depositary in US dollars. Alternatively, the cash dividend may be invested in additional ADSs by participants in the dividend reinvestment plan operated by the depositary. Elections must be received by 10 September 2021.

Any person who has acquired ordinary shares registered on the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register but who has not lodged the share transfer with the Principal Registrar in the UK, Hong Kong Overseas Branch Registrar or Bermuda Overseas Branch registrar should do so before 4.00pm local time on 20 August 2021 in order to receive the dividend.

Ordinary shares may not be removed from or transferred to the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register on 20 August 2021. Any person wishing to remove ordinary shares to or from each register must do so before 4.00pm local time on 19 August 2021.

Transfer of ADSs must be lodged with the depositary by 11.00am on 20 August 2021 in order to receive the dividend. ADS holders who receive a cash dividend will be charged a fee, which will be deducted by the depositary, of \$0.005 per ADS per cash dividend.

Dividend on preference share

A quarterly dividend of £0.01 per Series A sterling preference share is payable on 15 March, 15 June, 15 September and 15 December 2021 for the quarter then ended at the sole and absolute discretion of the Board of HSBC Holdings plc. Accordingly, the Board of HSBC Holdings plc has approved a quarterly dividend to be payable on 15 September 2021 to holders of record on 31 August 2021.

3 Earnings per share

Basic earnings per ordinary share is calculated by dividing the profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding, excluding own shares held. Diluted earnings per ordinary share is calculated by dividing the basic earnings, which require no adjustment for the effects of dilutive potential ordinary shares, by the weighted average number of ordinary shares outstanding, excluding own shares held, plus the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

Profit attributable to ordinary shareholders of the parent company

	Half-year to		
	30 Jun 2021 \$m	30 Jun 2020 \$m	31 Dec 2020 \$m
Profit attributable to shareholders of the parent company	7,949	2,639	2,590
Dividend payable on preference shares classified as equity	(7)	(45)	(45)
Coupon payable on capital securities classified as equity	(666)	(617)	(624)
Profit attributable to ordinary shareholders of the parent company	7,276	1,977	1,921

Basic and diluted earnings per share

	30 Jun 2021			Half-year to 30 Jun 2020			31 Dec 2020		
	Profit	Number of shares	Amount per share	Profit	Number of shares	Amount per share	Profit	Number of shares	Amount per share
	\$m	(millions)	\$	\$m	(millions)	\$	\$m	(millions)	\$
Basic ¹	7,276	20,211	0.36	1,977	20,162	0.10	1,921	20,176	0.10
Effect of dilutive potential ordinary shares		97			58			63	
Diluted¹	7,276	20,308	0.36	1,977	20,220	0.10	1,921	20,239	0.09

¹ Weighted average number of ordinary shares outstanding (basic) or assuming dilution (diluted).

4 Adjusted balance sheet reconciliation

	At			
	30 Jun 2021 Reported and adjusted \$m	Adjusted \$m	31 Dec 2020 Currency translation \$m	Reported \$m
Loans and advances to customers (net)	1,059,511	1,036,818	1,169	1,037,987
Interests in associates and joint ventures	28,709	26,862	(178)	26,684
Total external assets	2,976,005	2,981,588	2,576	2,984,164
Customer accounts	1,669,091	1,641,648	1,132	1,642,780

5 Reconciliation of reported and adjusted items

	Half-year to		
	30 Jun 2021 \$m	30 Jun 2020 \$m	31 Dec 2020 \$m
Revenue¹			
Reported	25,551	26,745	23,684
Currency translation		1,117	630
Significant items	246	(265)	209
– customer redress programmes	(18)	(26)	47
– disposals, acquisitions and investment in new businesses	–	8	2
– fair value movements on financial instruments ²	194	(299)	35
– restructuring and other related costs ³	70	49	121
– currency translation on significant items		3	4
Adjusted	25,797	27,597	24,523
ECL			
Reported	719	(6,858)	(1,959)
Currency translation		(429)	(72)
Adjusted	719	(7,287)	(2,031)
Operating expenses			
Reported	(17,087)	(16,527)	(17,905)
Currency translation		(887)	(471)
Significant items	865	1,709	1,425
– customer redress programmes	17	50	(104)
– impairment of goodwill and other intangibles	–	1,025	65
– past service costs of guaranteed minimum pension benefits equalisation	–	–	17
– restructuring and other related costs	848	505	1,403
– settlements and provisions in connection with legal and regulatory matters	–	5	7
– currency translation on significant items	–	124	37
Adjusted	(16,222)	(15,705)	(16,951)
Share of profit in associates and joint ventures			
Reported	1,656	958	639
Currency translation		91	38
Significant items	–	–	462
– impairment of goodwill ⁴	–	–	462
Adjusted	1,656	1,049	1,139
Profit before tax			
Reported	10,839	4,318	4,459
Currency translation		(108)	125
Significant items	1,111	1,444	2,096
– revenue	246	(265)	209
– operating expenses	865	1,709	1,425
– share of profit in associates and joint ventures ⁴	–	–	462
Adjusted	11,950	5,654	6,680

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

2 Includes fair value movements on non-qualifying hedges and debt valuation adjustments on derivatives.

3 Comprises losses associated with the RWA reduction commitments and gains relating to the business update in February 2020.

4 During the six months to 31 December 2020, The Saudi British Bank ('SABB'), an associate of HSBC, impaired the goodwill that arose following the merger with Alawwal bank in 2019. HSBC's post-tax share of the goodwill impairment was \$462m.

6 Contingent liabilities, contractual commitments and guarantees

	At	
	30 Jun 2021 \$m	31 Dec 2020 \$m
Guarantees and contingent liabilities:		
– financial guarantees	27,274	18,384
– performance and other guarantees	80,641	78,114
– other contingent liabilities	838	1,219
At the end of the period	108,753	97,717
Commitments:¹		
– documentary credits and short-term trade-related transactions	9,201	7,178
– forward asset purchases and forward deposits placed	72,916	66,506
– standby facilities, credit lines and other commitments to lend	764,768	771,086
At the end of the period	846,885	844,770

¹ Includes \$661,373m of commitments at 30 June 2021 (31 December 2020: \$659,783m), to which the impairment requirements in IFRS 9 are applied where HSBC has become party to an irrevocable commitment.

Contingent liabilities arising from legal proceedings and regulatory and other matters against Group companies are excluded from this note but are disclosed in Note 7 below and Notes 11 and 13 of the *Interim Report 2021*.

7 Legal proceedings and regulatory matters

HSBC is party to legal proceedings and regulatory matters in a number of jurisdictions arising out of its normal business operations. Apart from the matters described below, HSBC considers that none of these matters are material. The recognition of provisions is determined in accordance with the accounting policies set out in Note 1 of the *Annual Report and Accounts 2020*. While the outcomes of legal proceedings and regulatory matters are inherently uncertain, management believes that, based on the information available to it, appropriate provisions have been made in respect of these matters as at 30 June 2021 (see Note 11). Where an individual provision is material, the fact that a provision has been made is stated and quantified, except to the extent that doing so would be seriously prejudicial. Any provision recognised does not constitute an admission of wrongdoing or legal liability. It is not practicable to provide an aggregate estimate of potential liability for our legal proceedings and regulatory matters as a class of contingent liabilities.

Bernard L. Madoff Investment Securities LLC

Bernard L. Madoff ('Madoff') was arrested in December 2008 and later pleaded guilty to running a Ponzi scheme. His firm, Bernard L. Madoff Investment Securities LLC ('Madoff Securities'), is being liquidated in the US by a trustee (the 'Trustee').

Various non-US HSBC companies provided custodial, administration and similar services to a number of funds incorporated outside the US whose assets were invested with Madoff Securities. Based on information provided by Madoff Securities as at 30 November 2008, the purported aggregate value of these funds was \$8.4bn, including fictitious profits reported by Madoff.

Based on information available to HSBC, the funds' actual transfers to Madoff Securities minus their actual withdrawals from Madoff Securities during the time HSBC serviced the funds are estimated to have totalled approximately \$4bn. Various HSBC companies have been named as defendants in lawsuits arising out of Madoff Securities' fraud.

US litigation: The Trustee has brought lawsuits against various HSBC companies and others in the US Bankruptcy Court for the Southern District of New York (the 'US Bankruptcy Court'), seeking recovery of transfers from Madoff Securities to HSBC in an amount not yet pleaded or determined. HSBC and other parties to the actions have moved to dismiss the Trustee's claims. The US Bankruptcy Court granted HSBC's motion to dismiss with respect to certain of the Trustee's claims in November 2016. In February 2019, the US Court of Appeals for the Second Circuit (the 'Second Circuit Court of Appeals') reversed that dismissal. Following the US Supreme Court's denial of certiorari in June 2020, the cases were remanded to the US Bankruptcy Court, where they are now pending.

Fairfield Sentry Limited, Fairfield Sigma Limited and Fairfield Lambda Limited (together, 'Fairfield') (in liquidation since July 2009) have brought a lawsuit in the US against fund shareholders, including HSBC companies that acted as nominees for clients, seeking restitution of redemption payments. In December 2018, the US Bankruptcy Court issued an opinion, which ruled in favour of the defendants' motion to dismiss in respect of certain claims by the liquidators for Fairfield and granted a motion by the liquidators to file amended complaints. As a result of that opinion, all claims against one of the HSBC companies, and certain claims against the remaining HSBC defendants, were dismissed. In May 2019, the liquidators appealed certain issues from the US Bankruptcy Court to the US District Court for the Southern District of New York (the 'New York District Court') and these appeals remain pending.

In January 2020, the liquidators filed amended complaints on the claims remaining in the US Bankruptcy Court. In December 2020, the US Bankruptcy Court granted in part and denied in part motions filed by the defendants, including HSBC, to dismiss the amended complaints. In March 2021, the liquidators and defendants appealed the US Bankruptcy Court's decision, and these appeals are currently pending. Meanwhile, proceedings before the US Bankruptcy Court with respect to the remaining claims that were not dismissed are ongoing.

UK litigation: The Trustee has filed a claim against various HSBC companies in the High Court of England and Wales, seeking recovery of transfers from Madoff Securities to HSBC in an amount not yet pleaded or determined. The deadline for service of the claim has been extended to September 2021 for UK-based defendants and November 2021 for all other defendants.

Cayman Islands litigation: In February 2013, Primeo Fund ('Primeo') (in liquidation since April 2009) brought an action against HSBC Securities Services Luxembourg ('HSSL') and Bank of Bermuda (Cayman) Limited (now known as HSBC Cayman Limited), alleging breach of contract and breach of fiduciary duty and claiming damages and equitable compensation. The trial concluded in February 2017 and, in August 2017, the court dismissed all claims against the defendants. In September 2017, Primeo appealed to the Court of Appeal of the Cayman Islands and, in June 2019, the Court of Appeal of the Cayman Islands dismissed Primeo's appeal. In August 2019, Primeo

filed a notice of appeal to the UK Privy Council. The first of two possible hearings before the UK Privy Council took place during April 2021, where judgment is pending.

Luxembourg litigation: In April 2009, Herald Fund SPC ('Herald') (in liquidation since July 2013) brought an action against HSSL before the Luxembourg District Court, seeking restitution of cash and securities that Herald purportedly lost because of Madoff Securities' fraud, or money damages. The Luxembourg District Court dismissed Herald's securities restitution claim, but reserved Herald's cash restitution claim and its claim for money damages. Herald has appealed this judgment to the Luxembourg Court of Appeal, where the matter is pending. In late 2018, Herald brought additional claims against HSSL and HSBC Bank plc before the Luxembourg District Court, seeking further restitution and damages.

In October 2009, Alpha Prime Fund Limited ('Alpha Prime') brought an action against HSSL before the Luxembourg District Court, seeking the restitution of securities, or the cash equivalent, or money damages. In December 2018, Alpha Prime brought additional claims before the Luxembourg District Court seeking damages against various HSBC companies. These matters are currently pending before the Luxembourg District Court.

In December 2014, Senator Fund SPC ('Senator') brought an action against HSSL before the Luxembourg District Court, seeking restitution of securities, or the cash equivalent, or money damages. In April 2015, Senator commenced a separate action against the Luxembourg branch of HSBC Bank plc asserting identical claims before the Luxembourg District Court. In December 2018, Senator brought additional claims against HSSL and HSBC Bank plc Luxembourg branch before the Luxembourg District Court, seeking restitution of Senator's securities or money damages. These matters are currently pending before the Luxembourg District Court.

Ireland litigation: In November 2013, Defender Limited brought an action against HSBC Institutional Trust Services (Ireland) Limited ('HTIE') and others, based on allegations of breach of contract and claiming damages and indemnification for fund losses. The trial commenced in October 2018. In December 2018, the Irish High Court issued a judgment in HTIE's favour on a preliminary issue, holding that Defender Limited had no effective claim against HTIE. This judgment concluded the trial without further issues in dispute being heard. In February 2019, Defender Limited appealed the decision. In July 2020, the Irish Supreme Court ruled in part in favour of Defender Limited and returned the case to the High Court for further proceedings. In April 2021, the parties reached an agreement to resolve the dispute and, in May 2021, the action against HTIE was discontinued.

There are many factors that may affect the range of possible outcomes, and any resulting financial impact, of the various Madoff-related proceedings described above, including but not limited to the multiple jurisdictions in which the proceedings have been brought. Based upon the information currently available, management's estimate of the possible aggregate damages that might arise as a result of all claims in the various Madoff-related proceedings is up to or exceeding \$500m, excluding costs and interest. Due to uncertainties and limitations of this estimate, any possible damages that might ultimately arise could differ significantly from this amount.

Anti-money laundering and sanctions-related matters

In December 2012, HSBC Holdings entered into a number of agreements, including an undertaking with the UK Financial Services Authority (replaced with a Direction issued by the UK Financial Conduct Authority ('FCA') in 2013 and again in 2020) as well as a cease-and-desist order with the US Federal Reserve Board ('FRB'), both of which contained certain forward-looking anti-money laundering ('AML') and sanctions-related obligations. HSBC also agreed to retain an independent compliance monitor (who was, for FCA purposes, a 'Skilled Person' under section 166 of the Financial Services and Markets Act and, for FRB purposes, an 'Independent Consultant') to produce periodic assessments of the Group's AML and sanctions compliance programme. In 2020, HSBC's engagement with the independent compliance monitor, acting in his roles as both Skilled Person and Independent Consultant, concluded. The role of FCA Skilled Person was assigned to a new individual in the second quarter of 2020. Separately, in early 2021, a new FRB Independent Consultant was appointed pursuant to the cease-and-desist order. The roles of each of the FCA Skilled Person and the FRB Independent Consultant are discussed on page 188 of the *Annual Report and Accounts 2020*.

The FCA is conducting an investigation into HSBC Bank plc's and HSBC UK Bank plc's compliance with UK money laundering regulations and financial crime systems and controls requirements. HSBC continues to cooperate with the FCA's investigation, which is at or nearing completion.

Since November 2014, a number of lawsuits have been filed in federal courts in the US against various HSBC companies and others on behalf of plaintiffs who are, or are related to, victims of terrorist attacks in the Middle East. In each case, it is alleged that the defendants aided and abetted the unlawful conduct of various sanctioned parties in violation of the US Anti-Terrorism Act. Currently, nine actions remain pending in federal courts in New York or the District of Columbia. The courts have granted HSBC's motions to dismiss in five of these cases. Appeals remain pending in two cases, and the remaining three dismissals are also subject to appeal. The four remaining actions are at a very early stage.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

London interbank offered rates, European interbank offered rates and other benchmark interest rate investigations and litigation

Euro interest rate derivatives: In December 2016, the European Commission ('EC') issued a decision finding that HSBC, among other banks, engaged in anti-competitive practices in connection with the pricing of euro interest rate derivatives in early 2007. The EC imposed a fine on HSBC based on a one-month infringement. HSBC appealed the decision and, in September 2019, the General Court of the European Union (the 'General Court') issued a decision largely upholding the EC's findings on liability but annulling the fine. HSBC and the EC both appealed the General Court's decision to the European Court of Justice (the 'Court of Justice'). In June 2021, the EC adopted a new fining decision for an amount which was 5% less than the previously annulled fine, and subsequently withdrew its appeal to the Court of Justice. HSBC's appeal remains pending.

US dollar Libor: Beginning in 2011, HSBC and other panel banks have been named as defendants in a number of private lawsuits filed in the US with respect to the setting of US dollar Libor. The complaints assert claims under various US laws, including US antitrust and racketeering laws, the US Commodity Exchange Act ('US CEA') and state law. The lawsuits include individual and putative class actions, most of which have been transferred and/or consolidated for pre-trial purposes before the New York District Court. HSBC has reached class settlements with five groups of plaintiffs, and the court has approved these settlements. HSBC has also resolved several of the individual actions, although a number of other US dollar Libor-related actions remain pending against HSBC in the New York District Court and the Second Circuit Court of Appeals.

Intercontinental Exchange ('ICE') Libor: Between January and March 2019, HSBC and other panel banks were named as defendants in three putative class actions filed in the New York District Court on behalf of persons and entities who purchased instruments paying

interest indexed to US dollar ICE Libor from a panel bank. The complaints allege, among other things, misconduct related to the suppression of this benchmark rate in violation of US antitrust and state law. In July 2019, the three putative class actions were consolidated, and the plaintiffs filed a consolidated amended complaint. In March 2020, the court granted the defendants' joint motion to dismiss in its entirety. This matter is on appeal.

Singapore interbank offered rate ('Sibor'), Singapore swap offer rate ('SOR') and Australia bank bill swap rate ('BBSW'):

In July and August 2016, HSBC and other panel banks were named as defendants in two putative class actions filed in the New York District Court on behalf of persons who transacted in products related to the Sibor, SOR and BBSW benchmark rates. The complaints allege, among other things, misconduct related to these benchmark rates in violation of US antitrust, commodities and racketeering laws, and state law.

In the Sibor/SOR litigation, in March 2021, following an appeal by the plaintiffs, the Second Circuit Court of Appeals reversed the dismissal of the plaintiffs' third amended complaint and remanded the case to the New York District Court where it remains pending against the defendants, including The Hongkong and Shanghai Banking Corporation Limited.

In the BBSW litigation, in November 2018, the court dismissed all foreign defendants, including all the HSBC entities, on personal jurisdiction grounds. In April 2019, the plaintiffs filed an amended complaint, which the defendants moved to dismiss. In February 2020, the court again dismissed the plaintiffs' amended complaint against all the HSBC entities.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

Foreign exchange-related investigations and litigation

Since at least 2014, the EC has been conducting an investigation into trading activities by a number of banks, including HSBC, in the foreign exchange spot market. HSBC is cooperating with this investigation.

In January 2018, following the conclusion of the US Department of Justice's ('DoJ') investigation into HSBC's historical foreign exchange activities, HSBC Holdings entered into a three-year deferred prosecution agreement with the Criminal Division of the DoJ (the 'FX DPA'), regarding fraudulent conduct in connection with two particular transactions in 2010 and 2011. In January 2021, the FX DPA expired and, in July 2021, the DoJ filed a motion to dismiss the charges deferred by the FX DPA, which remains pending.

In December 2016, Brazil's Administrative Council of Economic Defense initiated an investigation into the onshore foreign exchange market and identified a number of banks, including HSBC, as subjects of its investigation.

In June 2020, the Competition Commission of South Africa, having initially referred a complaint for proceedings before the South African Competition Tribunal in February 2017, filed a revised complaint against 28 financial institutions, including HSBC Bank plc and HSBC Bank USA, for alleged anti-competitive behaviour in the South African foreign exchange market. In August 2020, HSBC Bank plc and HSBC Bank USA filed an application to dismiss the revised complaint, which remains pending.

Beginning in 2013, various HSBC companies and other banks have been named as defendants in a number of putative class actions filed in, or transferred to, the New York District Court arising from allegations that the defendants conspired to manipulate foreign exchange rates. HSBC has reached class settlements with two groups of plaintiffs, including direct and indirect purchasers of foreign exchange products, and the court has granted final approval of these settlements. A putative class action by a group of retail customers of foreign exchange products remains pending.

In September 2018, various HSBC companies and other banks were named as defendants in two motions for certification of class actions filed in Israel alleging foreign exchange-related misconduct. In July 2019, the Tel Aviv Court allowed the plaintiffs to consolidate their claims and, in September 2019, the plaintiffs filed a motion for certification of the consolidated class action. In August 2020, HSBC Bank plc filed a motion to dismiss and, in January 2021, HSBC Holdings filed a motion seeking to challenge the service of the motion for certification on defendants outside Israel. These motions remain pending.

In November and December 2018, complaints alleging foreign exchange-related misconduct were filed in the New York District Court and the High Court of England and Wales against HSBC and other defendants by certain plaintiffs that opted out of the direct purchaser class action settlement in the US. These matters remain pending. Additionally, in May 2021, two civil actions were filed in Brazil alleging foreign exchange-related misconduct by various banks, including HSBC, for the period from 2007 to 2013. HSBC has not yet been served with these actions. It is possible that additional civil actions will be initiated against HSBC in relation to its historical foreign exchange activities.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

Precious metals fix-related litigation

Gold: Beginning in March 2014, numerous putative class actions were filed in the New York District Court and the US District Courts for the District of New Jersey and the Northern District of California, naming HSBC and other members of The London Gold Market Fixing Limited as defendants. The complaints, which were consolidated in the New York District Court, allege that, from January 2004 to June 2013, the defendants conspired to manipulate the price of gold and gold derivatives for their collective benefit in violation of US antitrust laws, the US CEA and New York state law. In October 2020, HSBC reached a settlement in principle with the plaintiffs to resolve the consolidated action. The settlement remains subject to court approval.

Beginning in December 2015, numerous putative class actions under Canadian law were filed in the Ontario and Quebec Superior Courts of Justice against various HSBC companies and other financial institutions. The plaintiffs allege that, among other things, from January 2004 to March 2014, the defendants conspired to manipulate the price of gold and gold derivatives in violation of the Canadian Competition Act and common law. These actions are ongoing.

Silver: Beginning in July 2014, numerous putative class actions were filed in federal district courts in New York, naming HSBC and other members of The London Silver Market Fixing Limited as defendants. The complaints allege that, from January 2007 to December 2013, the defendants conspired to manipulate the price of silver and silver derivatives for their collective benefit in violation of US antitrust laws, the US CEA and New York state law. The actions were consolidated in the New York District Court, and discovery is proceeding.

In April 2016, two putative class actions under Canadian law were filed in the Ontario and Quebec Superior Courts of Justice against various HSBC companies and other financial institutions. The plaintiffs in both actions allege that, from January 1999 to August 2014, the defendants conspired to manipulate the price of silver and silver derivatives in violation of the Canadian Competition Act and common law. These actions are ongoing.

Platinum and palladium: Between late 2014 and early 2015, numerous putative class actions were filed in the New York District Court, naming HSBC and other members of The London Platinum and Palladium Fixing Company Limited as defendants. The complaints allege that, from January 2008 to November 2014, the defendants conspired to manipulate the price of platinum group metals ('PGM') and PGM-based financial products for their collective benefit in violation of US antitrust laws and the US CEA. In March 2020, the court granted the defendants' motion to dismiss the plaintiffs' third amended complaint but granted the plaintiffs leave to re-plead certain claims. The plaintiffs have filed an appeal.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

Film finance litigation

In July and November 2015, two actions were brought by individuals against HSBC Private Bank (UK) Limited ('PBGB') in the High Court of England and Wales seeking damages on various alleged grounds, including breach of duty to the claimants, in connection with their participation in certain Ingenious film finance schemes. These actions are ongoing.

In December 2018, a separate action was brought against PBGB in the High Court of England and Wales by multiple claimants seeking damages for alleged unlawful means conspiracy and dishonest assistance in connection with lending provided by PBGB to third parties in respect of certain Ingenious film finance schemes in which the claimants participated. In June 2019, a similar claim was issued against PBGB in the High Court of England and Wales by additional claimants. These actions are ongoing.

In June 2020, two separate claims were issued against HSBC UK Bank plc (as successor to PBGB's business) in the High Court of England and Wales by two separate groups of investors in Eclipse film finance schemes in connection with PBGB's role in the development of such schemes. These actions are ongoing.

In April 2021, HSBC UK Bank plc (as successor to PBGB's business) was served with a claim issued in the High Court of England and Wales in connection with PBGB's role in the development of the Zeus film finance schemes. This action is at an early stage.

It is possible that additional actions or investigations will be initiated against HSBC UK Bank plc as a result of PBGB's historical involvement in the provision of certain film finance-related services.

Based on the facts currently known, it is not practicable to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

Other regulatory investigations, reviews and litigation

HSBC Holdings and/or certain of its affiliates are subject to a number of other investigations and reviews by various regulators and competition and law enforcement authorities, as well as litigation, in connection with various matters relating to the firm's businesses and operations, including:

- investigations by tax administration, regulatory and law enforcement authorities in Argentina, India and elsewhere in connection with allegations of tax evasion or tax fraud, money laundering and unlawful cross-border banking solicitation;
- an investigation by the US Commodity Futures Trading Commission regarding interest rate swap transactions related to, among other things, bond issuances;
- an investigation by the FCA in connection with collections and recoveries operations in the UK;
- an investigation by the UK Competition and Markets Authority concerning the financial services sector;
- a putative class action brought in the New York District Court relating to the Mexican government bond market;
- two group actions pending in the US courts and a claim issued in the High Court of England and Wales in connection with HSBC Bank plc's role as a correspondent bank to Stanford International Bank Ltd from 2003 to 2009; and
- litigation brought against various HSBC companies in the US courts relating to residential mortgage-backed securities, based primarily on (a) claims brought against HSBC Bank USA in connection with its role as trustee on behalf of various securitisation trusts; and (b) claims against several HSBC companies seeking that the defendants repurchase various mortgage loans.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

8 Business disposals

In the first half of 2021, we accelerated the pace of execution on our strategic ambition to be the preferred international financial partner for our clients with the announcements of the potential sale of our retail banking businesses in France, as well as the exit of domestic mass market retail banking in the US.

Potential sale of the retail banking business in France

On 18 June 2021, HSBC Continental Europe signed a memorandum of understanding with Promontoria MMB SAS ('My Money Group'), its subsidiary Banque des Caraïbes SA and My Money Bank, regarding the potential sale of HSBC Continental Europe's retail banking business in France.

The potential sale includes: HSBC Continental Europe's French retail banking business; the Crédit Commercial de France ('CCF') brand; and, subject to the satisfaction of relevant conditions, HSBC Continental Europe's 100% ownership interest in HSBC SFH (France) and its 3% ownership interest in Crédit Logement. The sale would generate an estimated loss before tax including related transaction costs for the Group of \$2.3bn, together with an additional \$0.7bn impairment of goodwill.

There would be no immediate tax benefit recognised in respect of the sale loss nor impairment. The vast majority of the estimated loss for the write-down of the disposal group to fair value less costs to sell will be recognised when it is classified as held for sale in accordance with IFRS 5, which is currently anticipated to be in 2022. Subsequently, the disposal group classified as held for sale will be remeasured at the lower of carrying amount and fair value less costs to sell at each reporting period. Any remaining gain or loss not previously recognised shall be recognised at the date of derecognition, which is currently anticipated to be in the first half of 2023.

At 30 June 2021, the value of the total assets of the business to be sold was \$28.2bn, including \$25.6bn of loans and advances to customers, and the value of customer accounts were \$23.5bn.

US retail banking business

On 26 May 2021, we announced that we will exit our US mass market retail banking business, including our Personal and Advance propositions, as well as retail business banking, and will rebrand approximately 20 to 25 of our retail branches into international wealth centres to serve our Premier and Jade customers. In conjunction with the execution of this strategy, HSBC Bank USA, N.A. has entered into definitive sale agreements with Citizens Bank and Cathay Bank to sell approximately 90 of our retail branches along with substantially all residential mortgage, unsecured and retail business banking loans and all deposits in our branch network not associated with our Premier, Jade and Private Banking customers. Certain assets under management associated with our mass market retail banking business will also be transferred. The remaining branches not sold or rebranded will be closed.

The sales are expected to close by the first quarter of 2022, subject to regulatory approval, and are not expected to impact results materially. At 30 June 2021, loans and advances to customers of \$2.6bn and customer accounts of \$9.9bn related to these transactions met the criteria to be classified as held for sale.

9 Events after the balance sheet date

In its assessment of events after the balance sheet date, HSBC has considered and concluded that no material events have occurred resulting in adjustments to the financial statements.

An interim dividend for the 2021 half-year in respect of the financial year ending 31 December 2021 was approved by the Directors on 2 August 2021, as described in Note 2.

10 Capital structure

Capital ratios

	At	
	30 Jun 2021 %	31 Dec 2020 %
Transitional basis		
Common equity tier 1 ratio	15.6	15.9
Tier 1 ratio	18.4	18.7
Total capital ratio	21.0	21.5
End point basis		
Common equity tier 1 ratio	15.6	15.9
Tier 1 ratio	18.2	18.5
Total capital ratio	19.8	20.2

Total regulatory capital and risk-weighted assets

	At	
	30 Jun 2021 \$m	31 Dec 2020 \$m
Transitional basis		
Common equity tier 1 capital	134,606	136,050
Additional tier 1 capital	23,729	24,123
Tier 2 capital	22,787	24,250
Total regulatory capital	181,122	184,423
Risk-weighted assets	862,292	857,520
End point basis		
Common equity tier 1 capital	134,606	136,050
Additional tier 1 capital	22,423	22,411
Tier 2 capital	13,662	14,743
Total regulatory capital	170,691	173,204
Risk-weighted assets	862,292	857,520

Leverage ratio¹

Ref*		At	
		30 Jun 2021 \$bn	31 Dec 2020 \$bn
20	Tier 1 capital	157.0	158.5
21	Total leverage ratio exposure	2,968.5	2,897.1
		%	%
22	Leverage ratio	5.3	5.5
EU-23	Choice of transitional arrangements for the definition of the capital measure	Fully phased-in	Fully phased-in
	UK leverage ratio exposure – quarterly average ²	2,535.1	2,555.5
		%	%
	UK leverage ratio – quarterly average ²	6.3	6.1
	UK leverage ratio – quarter end ²	6.2	6.2

* The references identify the lines prescribed in the EBA template.

1 The CRR II regulatory transitional arrangements for IFRS 9 are applied in both leverage ratio calculations.

2 UK leverage ratio denotes the Group's leverage ratio calculated under the PRA's UK leverage framework. This measure excludes from the calculation of exposure qualifying central bank balances and loans under the UK Bounce Back Loan Scheme.

Unless otherwise stated, all figures are calculated using the EU's regulatory transitional arrangements for IFRS 9 'Financial Instruments' in article 473a of the Capital Requirements Regulation.

11 Statutory accounts

The information in this media release does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2020 have been delivered to the Registrar of Companies in England and Wales in accordance with section 447 of the Companies Act 2006. The Group's auditors, PricewaterhouseCoopers LLP ('PwC'), has reported on those accounts. Its report was unqualified, did not include a reference to any matters to which PwC drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The information in this media release does not constitute the unaudited interim condensed financial statements which are contained in the *Interim Report 2021*. The *Interim Report 2021* was approved by the Board of Directors on 2 August 2021. The unaudited interim condensed financial statements have been reviewed by the Group's auditor, PwC, in accordance with the guidance contained in the International Standard on Review Engagements (UK and Ireland) 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. The full report of its review, which was unmodified, is included in the *Interim Report 2021*.

12 Dealings in HSBC Holdings plc listed securities

HSBC has policies and procedures that, except where permitted by statute and regulation, prohibit it undertaking specified transactions in respect of its securities listed on The Stock Exchange of Hong Kong Limited ('HKEx'). Except for dealings as intermediaries or as trustees by subsidiaries of HSBC Holdings, neither HSBC Holdings nor any of its subsidiaries has purchased, sold or redeemed any of its securities listed on HKEx during the half-year ended 30 June 2021.

13 Earnings release and final results

An earnings release for the three-month period ending 30 September 2021 is expected to be issued on 25 October 2021. The results for the year to 31 December 2021 are expected to be announced on 22 February 2022.

14 Corporate governance

We are subject to corporate governance requirements in both the UK and Hong Kong. Throughout the six months ended 30 June 2021, we complied with the applicable provisions of the UK Corporate Governance Code and also the requirements of the Hong Kong Corporate Governance Code. The UK Corporate Governance Code is available at www.frc.org.uk and the Hong Kong Corporate Governance Code is available at www.hkex.com.hk.

Under the Hong Kong Code, the Group Audit Committee should be responsible for the oversight of all risk management and internal control systems, unless expressly addressed by a separate risk committee. Our Group Risk Committee is responsible for oversight of internal control, other than internal financial controls, and risk management systems.

The Board has codified obligations for transactions in Group securities in accordance with the requirements of the Market Abuse Regulation and the rules governing the listing of securities on the HKEx, save that the HKEx has granted waivers from strict compliance with the rules that take into account accepted practices in the UK, particularly in respect of employee share plans.

Following specific enquiries all Directors have confirmed that they have complied with their obligations in respect of transacting in Group securities throughout the period.

There have been no material changes to the information disclosed in the *Annual Report and Accounts 2020* in respect of the remuneration of employees, remuneration policies, bonus and share option plans and training schemes. Details of the number of employees are provided on page 31 of the *Interim Report 2021*.

The Board of Directors of HSBC Holdings plc as at the date of this announcement comprises:

Mark Tucker*, James Anthony Forese†, Steven Guggenheim†, Irene Lee†, José Antonio Meade Kuribreña†, Eileen K Murray†, David Nisht†, Noel Quinn, Ewen Stevenson, Jackson Tai† and Pauline van der Meer Mohr†.

* Non-executive Group Chairman

† Independent non-executive Director

15 Interim Report 2021

The *Interim Report 2021* will be made available to shareholders on or about 27 August 2021. Copies of the *Interim Report 2021* and this Media Release may be obtained from Global Communications, HSBC Holdings plc, 8 Canada Square, London E14 5HQ, United Kingdom; from Communications (Asia), The Hongkong and Shanghai Banking Corporation Limited, 1 Queen's Road Central, Hong Kong; or from US Communications, HSBC Bank USA, N.A., 1 West 39th Street, 9th Floor, New York, NY 10018, USA. The *Interim Report 2021* and this News Release may also be downloaded from the HSBC website, www.hsbc.com.

A Chinese translation of the *Interim Report 2021* is available upon request from Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.

The *Interim Report 2021* will be available on The Stock Exchange of Hong Kong Limited's website www.hkex.com.hk.

16 Cautionary statement regarding forward-looking statements

This news release may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, strategy and business of the Group which can be identified by the use of forward-looking terminology such as 'may', 'will', 'should', 'expect', 'anticipate', 'project', 'estimate', 'seek', 'intend', 'target' or 'believe' or the negatives thereof or other variations thereon or comparable terminology (together, 'forward-looking statements'), including the strategic priorities and any financial, investment and capital targets and ESG targets/commitments described herein.

Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market conditions, regulatory changes or Covid-19).

Any such forward-looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management's beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, expressed or implied, are given by or on behalf of the Group as to the achievement or reasonableness of any projections, estimates, forecasts, targets, prospects or returns contained herein.

Additional detailed information concerning important factors that could cause actual results to differ materially from this news release is available in our *Annual Report and Accounts 2020* for the fiscal year ended 31 December 2020 filed with the Securities and Exchange Commission (the 'SEC') on Form 20-F on 24 February 2021, our *1Q 2021 Earnings Release* furnished to the SEC on Form 6-K on 27 April 2021, and our *Interim Report 2021* for the six months ended 30 June 2021 which we expect to furnish to the SEC on Form 6-K on or around 2 August 2021.

17 Use of alternative performance measures

This news release contains non-IFRS measures used by management internally that constitute alternative performance measures under European Securities and Markets Authority guidance and non-GAAP financial measures defined in and presented in accordance with SEC rules and regulations ('alternative performance measures'). The primary alternative performance measures we use are presented on an 'adjusted performance' basis which is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons. Significant items are those items which management and investors would ordinarily identify and consider separately when assessing performance in order to better understand the underlying trends in the business. Reconciliations between alternative performance measures and the most directly comparable measures under IFRS are provided in our 2020 Form 20-F, which is available at www.hsbc.com.

18 Certain defined terms

Unless the context requires otherwise, 'HSBC Holdings' means HSBC Holdings plc and 'HSBC', the 'Group', 'we', 'us' and 'our' refer to HSBC Holdings together with its subsidiaries. Within this document the Hong Kong Special Administrative Region of the People's Republic of China is referred to as 'Hong Kong'. When used in the terms 'shareholders' equity' and 'total shareholders' equity', 'shareholders' means holders of HSBC Holdings ordinary shares and those preference shares and capital securities issued by HSBC Holdings classified as equity. The abbreviations '\$m' and '\$bn' represent millions and billions (thousands of millions) of US dollars, respectively.

19 For further information contact:

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Incorporated in England with limited liability

Registered number 617987

HSBC HOLDINGS PLC

Data Pack

2Q 2021

The financial information on which this supplement is based is unaudited and has been prepared in accordance with HSBC's significant accounting policies as described in the *Annual Report and Accounts 2020*. The financial information does not constitute financial statements prepared in accordance with International Financial Reporting Standards ('IFRSs'), is not complete and should be read in conjunction with the *Annual Report and Accounts 2020*, the *Interim Report 2021*, and other reports and financial information published by HSBC.

Unless stated otherwise, all information is on a reported basis. Where disclosed, adjusted performance information is computed by adjusting reported results for the effects of foreign currency translation differences and significant items, which both distort period-on-period comparisons. We consider adjusted performance provides useful information for investors by aligning internal and external reporting, identifying and quantifying items management believes to be significant, and providing insight into how management assesses period-on-period performance. Definitions and calculations of other alternative performance measures are included in our 'Reconciliation of alternative performance measures' on page 52 of our *Interim Report 2021*. All alternative performance measures are reconciled to the closest reported financial measure.

'Significant items' refers collectively to the items that management and investors would ordinarily identify and consider separately to improve the understanding of the underlying trends in the business.

The quarterly comparatives are translated at average 2Q21 exchange rates for the income statement or at the prevailing rates of exchange on 30 June 2021 for the balance sheet. The yearly comparatives are translated at average FY20 exchange rates for the income statement or at the prevailing rates of exchange on 31 December 2020 for the balance sheet. **The income statement for the half-year to 30 June 2020 is translated at the average rate of exchange for the half-year to 30 June 2021.**

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HSBC
HSBC Holdings plc consolidated
Reported (\$m)

	Quarter ended					Year to date	Year to date	Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20	30-Jun-21	30-Jun-20
Net interest income	6,584	6,514	6,619	6,450	6,897	27,578	13,098	14,509
Net fee income	3,211	3,463	2,967	2,981	2,803	11,874	6,674	5,926
Other operating income	2,770	3,009	2,171	2,496	3,359	10,977	5,779	6,310
Net operating income before change in expected credit losses and other credit impairment charges¹	12,565	12,986	11,757	11,927	13,059	50,429	25,551	26,745
Change in expected credit losses and other credit impairment charges	284	435	(1,174)	(785)	(3,832)	(8,817)	719	(6,858)
Total operating expenses ¹	(8,560)	(8,527)	(9,864)	(8,041)	(8,675)	(34,432)	(17,087)	(16,527)
of which: staff expenses	(4,689)	(4,921)	(5,079)	(4,483)	(4,206)	(18,076)	(9,610)	(8,514)
Share of profit in associates and joint ventures	771	885	666	(27)	537	1,597	1,656	958
Profit/(loss) before tax	5,060	5,779	1,385	3,074	1,089	8,777	10,839	4,318
Tax expense	(1,206)	(1,211)	(450)	(1,035)	(472)	(2,678)	(2,417)	(1,193)
Profit/(loss) after tax	3,854	4,568	935	2,039	617	6,099	8,422	3,125
Profit/(loss) attributable to:								
- ordinary shareholders of the parent company ("PAOS")	3,396	3,880	562	1,359	192	3,898	7,276	1,977
- preference shareholders of the parent company	—	7	23	22	23	90	7	45
- other equity holders of the parent company	212	454	175	449	176	1,241	666	617
- non-controlling interests	246	227	175	209	226	870	473	486
(Increase)/decrease in present value of in-force insurance business ("PVIF") (net of tax)	(44)	60	309	(252)	(56)	(253)	16	(310)
Impairment of goodwill and other intangible assets (net of tax)	—	—	(120)	2	1,154	1,036	—	1,154
PAOS net of PVIF and goodwill impairment	3,352	3,940	751	1,109	1,290	4,681	7,292	2,821

Reported significant items - Totals (\$m)

Revenue	41	(287)	(67)	(138)	(91)	63	(246)	268
ECL	—	—	—	—	—	—	—	—
Operating expenses	(541)	(324)	(758)	(630)	(1,413)	(2,973)	(865)	(1,585)
Share of profit in associates and joint ventures	—	—	—	(462)	—	(462)	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges¹	12,524	13,324	12,069	12,499	13,884	50,366	25,797	27,597
of which: net interest income	6,585	6,515	6,736	6,713	7,225	27,599	13,081	15,042
of which: net fee income	3,211	3,470	3,008	3,056	2,938	11,874	6,674	6,164
Change in expected credit losses and other credit impairment charges	284	439	(1,212)	(825)	(4,170)	(8,817)	719	(7,287)
Total operating expenses ¹	(8,019)	(8,238)	(9,288)	(7,692)	(7,722)	(31,459)	(16,222)	(15,705)
Share of profit in associates and joint ventures	771	889	682	459	599	2,059	1,656	1,049
Profit/(loss) before tax	5,560	6,414	2,251	4,441	2,591	12,149	11,950	5,654

HSBC

HSBC Holdings plc consolidated

Earnings metrics

	Quarter ended					Year to date	Year to date	Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20	30-Jun-21	30-Jun-20
Return on average equity (annualised)	7.8 %	9.0 %	1.3 %	3.2 %	0.5 %	2.3 %	8.4 %	2.4 %
Return on average tangible equity (annualised)	8.6 %	10.2 %	1.9 %	2.9 %	3.5 %	3.1 %	9.4 %	3.8 %
Earnings per share (\$)	0.17	0.19	0.03	0.07	0.01	0.19	0.36	0.10
Adjusted ECL / average gross loans (annualised)	(0.11)%	(0.17)%	0.45 %	0.30 %	1.52 %	0.81 %	(0.14)%	1.34 %

Dividends

Dividends per share - declared in respect of the period (\$)	0.07	—	0.15	—	—	0.15	0.07	—
Dividends paid during the period, net of scrip (\$m)	0.15	—	—	—	—	—	0.15	—
Value of scrip issued during period (\$m)	—	—	—	—	—	—	—	—

Revenue significant items (\$m)

Customer redress programmes	—	18	1	(48)	26	(21)	18	26
Disposals, acquisitions and investment in new businesses	—	—	(2)	—	(1)	(10)	—	(8)
Fair value movements on financial instruments	45	(239)	(46)	11	(58)	264	(194)	299
Restructuring and other related costs	(4)	(66)	(20)	(101)	(58)	(170)	(70)	(49)

Cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—	—	—
Customer redress programmes	(27)	10	107	(3)	(49)	54	(17)	(50)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(8)	(57)	(1,025)	(1,090)	—	(1,025)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	(17)	—	—	(17)	—	—
Restructuring and other related costs	(514)	(334)	(836)	(567)	(335)	(1,908)	(848)	(505)
Settlements and provisions in connection with legal and regulatory matters	—	—	(4)	(3)	(4)	(12)	—	(5)

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	(462)	—	(462)	—	—
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Reconciling items - Currency translation on reported items- Totals (\$m)

Revenue		50	248	426	724			1,117
ECL		4	(38)	(40)	(338)			(429)
Operating expenses		(37)	(203)	(298)	(580)			(887)
Share of profit in associates and joint ventures		4	16	24	62			91
Currency translation on revenue significant items		(1)	3	(8)	(10)			(3)
Currency translation on operating expense significant items		(2)	(21)	(17)	(120)			(124)
Currency translation on share of profit in associates and joint ventures significant items		—	—	—	—			—

1 The difference between the consolidated group result and the sum of geographical regions is attributable to inter-segment eliminations and goodwill impairment recognised on the Global Banking and Markets cash-generating unit, which is monitored on a global basis.

	Balance sheet date					Balance sheet date	
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20	
Assets - reported (\$m)							
Cash and balances at central banks	393,559	384,448	304,481	285,508	249,673	304,481	
Items in the course of collection from other banks	9,406	5,162	4,094	6,165	6,289	4,094	
Hong Kong Government certificates of indebtedness	41,880	41,020	40,420	40,086	39,519	40,420	
Trading assets	260,250	249,031	231,990	222,355	208,964	231,990	
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	49,120	46,829	45,553	44,253	41,785	45,553	
Derivatives	209,516	241,048	307,726	294,678	313,781	307,726	
Loans and advances to banks	86,886	83,873	81,616	83,854	77,015	81,616	
Loans and advances to customers (net)	1,059,511	1,040,207	1,037,987	1,041,340	1,018,681	1,037,987	
Reverse repurchase agreements – non-trading	201,714	190,260	230,628	221,179	226,345	230,628	
Financial investments	434,576	451,207	490,693	475,302	494,109	490,693	
Prepayments, accrued income and other assets	175,155	172,708	156,412	191,040	197,425	156,412	
Current tax assets	405	568	954	734	821	954	
Interests in associates and joint ventures	28,709	27,543	26,684	25,087	24,800	26,684	
Goodwill and intangible assets	20,703	20,275	20,443	20,162	19,438	20,443	
Deferred tax assets	4,615	4,450	4,483	4,192	4,153	4,483	
Total assets	2,976,005	2,958,629	2,984,164	2,955,935	2,922,798	2,984,164	
Liabilities - reported (\$m)							
Hong Kong currency notes in circulation	41,880	41,020	40,420	40,086	39,519	40,420	
Deposits by banks	100,448	86,743	82,080	91,739	82,715	82,080	
Customer accounts	1,669,091	1,650,019	1,642,780	1,568,714	1,532,380	1,642,780	
Repurchase agreements - non-trading	112,798	107,896	111,901	118,844	112,799	111,901	
Items in the course of transmission to other banks	15,100	6,540	4,343	14,389	6,296	4,343	
Trading liabilities	89,637	85,755	75,266	80,338	79,612	75,266	
Financial liabilities designated at fair value	151,686	151,673	157,439	156,459	156,608	157,439	
Derivatives	200,156	229,599	303,001	285,239	303,059	303,001	
Debt securities in issue	84,218	96,039	95,492	102,406	110,114	95,492	
Accruals, deferred income and other liabilities	164,800	159,246	128,624	163,912	173,181	128,624	
Current tax liabilities	929	681	690	1,274	1,141	690	
Liabilities under insurance contracts	110,572	107,910	107,191	102,708	98,832	107,191	
Provisions	2,814	3,168	3,678	3,297	3,209	3,678	
Deferred tax liabilities	4,338	3,807	4,313	4,490	4,491	4,313	
Subordinated liabilities	20,774	20,817	21,951	21,779	23,621	21,951	
Total liabilities	2,769,241	2,750,913	2,779,169	2,755,674	2,727,577	2,779,169	

HSBC

HSBC Holdings plc consolidated

Equity - reported (\$m)

Called up share capital	10,376	10,375	10,347	10,346	10,346	10,347
Share premium account	14,600	14,588	14,277	14,274	14,268	14,277
Other equity instruments	22,414	24,414	22,414	20,914	20,914	22,414
Other reserves	6,509	6,016	8,833	3,622	(301)	8,833
Retained earnings	144,319	143,817	140,572	142,748	141,809	140,572
Total shareholders' equity	198,218	199,210	196,443	191,904	187,036	196,443
Non-controlling interests	8,546	8,506	8,552	8,357	8,185	8,552
Total equity	206,764	207,716	204,995	200,261	195,221	204,995
Total liabilities and equity	2,976,005	2,958,629	2,984,164	2,955,935	2,922,798	2,984,164

Other balance sheet data - reported (\$m)

Loans and advances to customers (gross)	1,072,374	1,053,790	1,052,478	1,055,043	1,031,908	1,052,478
Risk-weighted assets ¹	862,292	846,835	857,520	857,024	854,552	857,520
Total shareholders' equity	198,218	199,210	196,443	191,904	187,036	196,443
AT1 capital	(22,414)	(24,414)	(22,414)	(20,914)	(20,914)	(22,414)
Preference shares	—	—	—	(1,405)	(1,405)	—
Perpetual capital securities	—	—	—	—	—	—
Ordinary shareholders' equity ("NAV")	175,804	174,796	174,029	169,585	164,717	174,029
Goodwill, PVIF and other intangibles (net of deferred tax)	(17,819)	(17,439)	(17,606)	(17,325)	(16,838)	(17,606)
Tangible equity ("TNAV")	157,985	157,357	156,423	152,260	147,879	156,423

	Year to date				Year ended	
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Average TNAV	156,412	157,400	150,101	148,700	148,015	150,101
Fair value of own debt, DVA and other adjustments	3,286	1,641	422	(260)	(852)	422
Average TNAV excluding fair value of own debt, DVA and other adjustments (RoTE TNAV)	159,698	159,041	150,523	148,440	147,163	150,523

HSBC

HSBC Holdings plc consolidated

	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Adjusted balance sheet data - at most recent balance sheet FX rates (\$m)						
Loans and advances to customers (net)	1,059,511	1,043,131	1,036,817	1,073,130	1,073,848	1,037,987
Customer accounts	1,669,091	1,654,022	1,641,648	1,613,266	1,609,384	1,642,780
Risk-weighted assets ¹	862,292	848,789	854,838	875,457	888,145	857,520
Regulatory capital - Transitional basis (\$m)						
Common equity tier 1 capital	134,606	134,481	136,050	133,383	128,446	136,050
Additional tier 1 capital	23,729	25,715	24,123	24,027	24,031	24,123
Tier 2 capital	22,787	22,921	24,250	24,424	24,765	24,250
Total regulatory capital	181,122	183,117	184,423	181,834	177,242	184,423
Regulatory capital - end-point basis (\$m)						
Common equity tier 1 capital	134,606	134,481	136,050	133,383	128,446	136,050
Additional tier 1 capital	22,423	24,409	22,411	20,910	20,914	22,411
Tier 2 capital	13,662	13,870	14,743	14,861	15,021	14,743
Total regulatory capital	170,691	172,760	173,204	169,154	164,381	173,204
Capital ratios - transitional basis						
Common equity tier 1 ratio	15.6 %	15.9 %	15.9 %	15.6 %	15.0 %	15.9 %
Tier 1 ratio	18.4 %	18.9 %	18.7 %	18.4 %	17.8 %	18.7 %
Total capital ratio	21.0 %	21.6 %	21.5 %	21.2 %	20.7 %	21.5 %
Capital ratios - end-point basis						
Common equity tier 1 ratio	15.6 %	15.9 %	15.9 %	15.6 %	15.0 %	15.9 %
Tier 1 ratio	18.2 %	18.8 %	18.5 %	18.0 %	17.5 %	18.5 %
Total capital ratio	19.8 %	20.4 %	20.2 %	19.7 %	19.2 %	20.2 %
Leverage exposures (\$m)	2,968,472	2,930,186	2,897,113	2,857,360	2,801,386	2,897,113
Leverage Ratio	5.3 %	5.4 %	5.5 %	5.4 %	5.3 %	5.5 %

HSBC

HSBC Holdings plc consolidated

Balance sheet metrics

NAV / share (\$) at the end of the period	\$	8.69	\$	8.64	\$	8.62	\$	8.41	\$	8.17	\$	8.62
TNAV / share (\$) at the end of the period	\$	7.81	\$	7.78	\$	7.75	\$	7.55	\$	7.34	\$	7.75

Ordinary \$0.50 shares

Basic number of ordinary shares in issue (m)		20,223		20,226		20,184		20,173		20,162		20,184
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	Quarter ended					Year ended
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Ordinary shares issued during the period (m)	3	56	1	1	1	55
<i>of which scrip</i>	—	—	—	—	—	—
Shares bought back during the period (m)	—	—	—	—	—	—
Other movements in basic number of ordinary shares during the period	(6)	(14)	10	10	(11)	(77)
Average basic number of ordinary shares outstanding during the period (m)	20,227	20,191	20,179	20,166	20,190	20,169

Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	—	—	—
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Balance sheet data - currency translation on reported items- Totals (\$m)

Loans and advances to customers (net)		2,924	(1,170)	31,790	55,167
Customer accounts		4,003	(1,132)	44,552	77,004
Risk-weighted assets ¹		1,954	(2,682)	18,433	33,593

¹ Risk-weighted assets figures presented in the data pack are calculated using the regulatory transitional arrangements for IFRS 9 in article 473a of the Capital Requirements Regulation.

HSBC

HSBC Holdings plc

Net Interest Margin

	Quarter to date					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Average balances during period (\$m)						
Short-term funds and loans and advances to banks	451,441	391,270	348,680	332,291	286,614	298,255
Loans and advances to customers	1,065,218	1,062,715	1,051,692	1,051,522	1,047,307	1,046,795
Reverse repurchase agreements – non-trading	191,927	211,034	225,791	217,516	211,848	221,901
Financial investments	438,848	458,435	470,099	481,113	467,079	463,542
Other interest-earning assets	51,519	55,464	62,741	59,012	65,330	62,407
Total interest-earning assets	2,198,953	2,178,918	2,159,003	2,141,454	2,078,178	2,092,900
Interest income during period (\$m)						
Short-term funds and loans and advances to banks	267	240	247	257	277	1,264
Loans and advances to customers	6,524	6,489	6,663	6,750	7,444	29,391
Reverse repurchase agreements – non-trading	224	262	271	256	384	1,819
Financial investments	1,676	1,715	1,797	1,895	2,048	8,143
Other interest-earning assets	283	279	323	297	219	1,139
Total	8,974	8,985	9,301	9,455	10,372	41,756
Average balances during period (\$m)						
Deposits by banks	74,029	72,767	73,622	64,908	66,641	65,536
Customer accounts	1,366,651	1,343,405	1,318,889	1,289,726	1,228,367	1,254,249
Repurchase agreements – non-trading	107,868	108,466	107,666	115,148	122,228	125,376
Debt securities in issue – non-trading	194,612	203,552	210,501	221,507	224,735	219,610
Other interest-bearing liabilities	67,541	69,221	74,224	76,861	80,124	76,395
Total interest-bearing liabilities	1,810,701	1,797,411	1,784,902	1,768,150	1,722,095	1,741,166
Non-interest bearing current accounts	316,041	305,390	294,420	272,658	266,841	267,944
Interest expense during period (\$m)						
Deposits by banks	56	51	57	47	92	330
Customer accounts	1,007	1,015	1,116	1,292	1,670	6,478
Repurchase agreements – non-trading	81	85	106	103	130	963
Debt securities in issue – non-trading	910	953	1,043	1,182	1,257	4,944
Other interest-bearing liabilities	336	367	360	381	326	1,463
Total	2,390	2,471	2,682	3,005	3,475	14,178
Net interest margin (%)	1.20 %	1.21 %	1.22 %	1.20 %	1.33 %	1.32 %

HSBC

Wealth and Personal Banking

Reported (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Net interest income	3,561	3,505	3,550	3,478	3,689	15,085
Net fee income	1,413	1,628	1,326	1,391	1,224	5,408
Other operating income/(expense)	733	560	444	540	743	1,506
Net operating income before change in expected credit losses and other credit impairment charges	5,707	5,693	5,320	5,409	5,656	21,999
Change in expected credit losses and other credit impairment charges	34	18	(310)	(343)	(1,094)	(2,855)
Total operating expenses	(3,943)	(3,874)	(4,006)	(3,871)	(3,745)	(15,446)
<i>of which: staff expenses</i>	<i>(1,516)</i>	<i>(1,576)</i>	<i>(1,588)</i>	<i>(1,438)</i>	<i>(1,322)</i>	<i>(5,801)</i>
Share of profit in associates and joint ventures	3	8	4	10	(4)	6
Profit/(loss) before tax	1,801	1,845	1,008	1,205	813	3,704

Reported Significant items - Totals (\$m)

Revenue	—	(1)	(1)	(32)	26	(14)
ECL	—	—	—	—	—	—
Operating expenses	(149)	(68)	(10)	(189)	(215)	(422)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	5,707	5,714	5,420	5,620	5,922	22,013
<i>of which: net interest income</i>	<i>3,561</i>	<i>3,521</i>	<i>3,617</i>	<i>3,629</i>	<i>3,853</i>	<i>15,090</i>
<i>of which: net fee income</i>	<i>1,414</i>	<i>1,632</i>	<i>1,345</i>	<i>1,422</i>	<i>1,280</i>	<i>5,408</i>
Change in expected credit losses and other credit impairment charges	34	18	(319)	(371)	(1,194)	(2,855)
Total operating expenses	(3,794)	(3,821)	(4,072)	(3,813)	(3,750)	(15,024)
Share of profit in associates and joint ventures	3	8	5	10	(4)	6
Profit/(loss) before tax	1,950	1,919	1,034	1,446	974	4,140

Earnings metrics - adjusted

Return on average tangible equity (annualised, YTD) ¹	17.9 %	18.8 %	9.1 %	7.6 %	6.0 %	9.1 %
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Balance sheet - reported (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Loans and advances to customers (gross)	495,465	478,784	474,088	464,193	434,000	474,088
Loans and advances to customers (net)	491,320	474,260	469,186	459,516	429,487	469,186
Total external assets	912,479	880,152	881,918	851,093	814,719	881,918
Customer accounts	841,257	842,532	834,759	793,612	775,870	834,759
Risk-weighted assets	184,973	171,945	172,787	173,160	161,744	172,787

Adjusted balance sheet data - at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)	491,320	475,554	469,218	475,527	456,263	469,186
Customer accounts	841,257	844,303	834,376	813,740	810,137	834,759
Risk-weighted assets	184,973	172,427	172,272	176,897	168,309	172,787

HSBC

Wealth and Personal Banking

Management View of Adjusted Revenue - at originally reported average FX rates (\$m)²

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Wealth	2,439	2,382	2,053	2,160	2,183	7,818
– investment distribution	826	1,025	736	872	719	3,209
– life insurance manufacturing	871	568	628	601	793	1,816
– Private Banking	446	488	407	418	410	1,746
Net interest income	163	156	156	142	159	670
Non interest income	283	332	251	276	251	1,076
– asset management	296	301	282	269	261	1,047
Personal Banking	3,093	3,051	3,043	2,999	3,063	12,938
Net interest income	2,753	2,703	2,721	2,686	2,818	11,708
Non interest income	340	348	322	313	245	1,230
Other	175	261	225	282	384	1,257
Net operating income	5,707	5,694	5,321	5,441	5,630	22,013

Management View of Adjusted Revenue - at most recent period average FX rates (\$m)²

Wealth	2,439	2,386	2,072	2,198	2,252	7,818
– investment distribution	826	1,026	743	886	738	3,209
– life insurance manufacturing	871	569	630	607	807	1,816
– Private Banking	446	489	412	428	430	1,746
Net interest income	163	157	158	145	167	670
Non interest income	283	332	254	283	263	1,076
– asset management	296	302	287	277	277	1,047
Personal Banking	3,093	3,068	3,120	3,127	3,254	12,938
Net interest income	2,753	2,720	2,790	2,804	2,994	11,708
Non interest income	340	348	330	323	260	1,230
Other	175	260	228	295	416	1,257
Net operating income	5,707	5,714	5,420	5,620	5,922	22,013

HSBC

Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	(1)	(1)	—	(31)	26	(5)
Disposals, acquisitions and investment in new businesses	—	—	(1)	(1)	—	(9)
Fair value movement on financial instruments	1	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(25)	12	109	4	(48)	64
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	15	(224)	(85)	(294)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(124)	(80)	(134)	31	(82)	(192)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reported Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items- Totals (\$m)

Revenue		20	102	177	294	
ECL		—	(9)	(28)	(100)	
Operating expenses		(15)	(75)	(126)	(237)	
Share of profit in associates and joint ventures		—	1	—	—	
Currency translation on revenue significant items		—	3	(2)	2	
Currency translation on operating expense significant items		—	1	5	(17)	
Currency translation on share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		1,294	32	16,011	26,776	
Customer accounts		1,771	(383)	20,128	34,267	
Risk-weighted assets		482	(515)	3,737	6,565	

1 RoTE excluding significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure. Comparative data have not been re-presented.

2 With effect from the first quarter of 2021, certain items within the management view of adjusted revenue have been renamed. 'Wealth Management' has been renamed 'Wealth' and 'Retail Banking' has been renamed 'Personal Banking'.

HSBC Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	2,204	2,182	2,210	2,208	2,287	9,301
Net fee income	898	888	808	787	734	3,225
Other operating income	219	279	128	153	246	768
Net operating income before change in expected credit losses and other credit impairment charges	3,321	3,349	3,146	3,148	3,267	13,294
Change in expected credit losses and other credit impairment charges	19	230	(874)	(354)	(2,151)	(4,754)
Total operating expenses	(1,785)	(1,759)	(1,916)	(1,587)	(1,698)	(6,900)
<i>of which: staff expenses</i>	<i>(659)</i>	<i>(640)</i>	<i>(789)</i>	<i>(619)</i>	<i>(577)</i>	<i>(2,606)</i>
Share of profit in associates and joint ventures	—	1	(1)	—	—	(1)
Profit/(loss) before tax	1,555	1,821	355	1,207	(582)	1,639
Reported Significant items - Totals (\$m)						
Revenue	1	18	(1)	(17)	—	(18)
ECL	—	—	—	—	—	—
Operating expenses	(16)	(3)	(152)	48	(105)	(211)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	3,320	3,346	3,221	3,284	3,468	13,312
<i>of which: net interest income</i>	<i>2,204</i>	<i>2,171</i>	<i>2,254</i>	<i>2,301</i>	<i>2,412</i>	<i>9,317</i>
<i>of which: net fee income</i>	<i>898</i>	<i>893</i>	<i>830</i>	<i>817</i>	<i>783</i>	<i>3,225</i>
Change in expected credit losses and other credit impairment charges	19	232	(901)	(365)	(2,326)	(4,754)
Total operating expenses	(1,769)	(1,763)	(1,802)	(1,696)	(1,696)	(6,689)
Share of profit in associates and joint ventures	—	1	—	—	(1)	(1)
Profit/(loss) before tax	1,570	1,816	518	1,223	(555)	1,868
Earnings metrics - adjusted						
Return on average tangible equity (annualised, YTD) ¹	11.1 %	11.5 %	1.3 %	1.1 %	(1.6)%	1.3 %
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	358,460	351,236	351,098	350,947	351,687	351,098
Loans and advances to customers (net)	350,945	343,623	343,182	343,702	344,567	343,182
Total external assets	624,042	605,417	570,295	555,635	549,530	570,295
Customer accounts	485,689	470,872	470,428	431,021	418,263	470,428
Risk-weighted assets	332,084	326,818	327,734	332,378	330,887	327,734
Adjusted balance sheet data -- at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	350,945	344,717	342,951	353,701	362,094	343,182
Customer accounts	485,689	472,345	470,686	444,698	441,427	470,428
Risk-weighted assets	332,084	327,809	327,025	342,018	347,910	327,734

HSBC

Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Management View of Adjusted Revenue - at originally reported average FX rates (\$m)						
Global Trade and Receivables Finance	478	455	423	429	423	1,744
Credit and Lending	1,497	1,468	1,457	1,442	1,359	5,640
Global Liquidity and Cash Management ²	879	862	898	920	1,003	4,146
Markets products, Insurance and Investments and other	466	546	369	374	482	1,782
– of which: share of revenue from Markets and Securities Services and Banking products	265	259	231	221	211	920
Net operating income	3,320	3,331	3,147	3,165	3,267	13,312
Management View of Adjusted Revenue - at most recent period average FX rates (\$m)						
Global Trade and Receivables Finance	478	456	430	440	443	1,744
Credit and Lending	1,497	1,477	1,499	1,499	1,449	5,640
Global Liquidity and Cash Management ²	879	866	917	952	1,053	4,146
Markets products, Insurance and Investments and other	466	547	375	393	523	1,782
– of which: share of revenue from Markets and Securities Services and Banking products	265	260	236	230	224	920
Net operating income	3,320	3,346	3,221	3,284	3,468	13,312
Reported Revenue significant items (\$m)						
Customer redress programmes	1	19	1	(17)	—	(16)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movement on financial instruments	—	1	(1)	—	—	(1)
Restructuring and other related costs	—	(2)	(1)	—	—	(1)
Reported Cost significant items (\$m)						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	(1)	(1)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(1)	(3)	(41)	(45)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(16)	(3)	(151)	51	(63)	(165)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Commercial Banking

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reported Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	—	—	—
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Reconciling items Currency translation on reported items - Totals (\$m)

Revenue	16	75	118	201
ECL	2	(27)	(11)	(175)
Operating expenses	(7)	(42)	(58)	(114)
Share of profit in associates and joint ventures	—	1	—	(1)
Currency translation on revenue significant items	1	1	(1)	—
Currency translation on operating expense significant items	—	(4)	3	(11)
Currency translation on share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	1,094	(231)	9,999	17,527
Customer accounts	1,473	258	13,677	23,164
Risk-weighted assets	991	(709)	9,640	17,023

1 RoTE excluding significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure. Comparative data have not been re-presented.

2 With effect from January 2021, a change in the transfer pricing methodology resulted in a reduction in revenue for GLCM, offset in Other, leaving CMB quarterly revenue unchanged. All prior quarters have be re-presented on the revised basis.

HSBC
Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	999	1,025	1,106	1,040	1,123	4,518
Net fee income	909	950	841	818	843	3,267
Other operating income	1,580	2,240	1,352	1,652	2,274	7,209
Net operating income before change in expected credit losses and other credit impairment charges	3,488	4,215	3,299	3,510	4,240	14,994
Change in expected credit losses and other credit impairment charges	224	190	9	(100)	(573)	(1,209)
Total operating expenses	(2,482)	(2,576)	(2,604)	(2,412)	(2,801)	(10,169)
<i>of which: staff expenses</i>	<i>(1,048)</i>	<i>(1,042)</i>	<i>(1,179)</i>	<i>(999)</i>	<i>(853)</i>	<i>(3,973)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,230	1,829	704	998	866	3,616
Reported Significant items - Totals (\$m)						
Revenue	(98)	(77)	(212)	(104)	(179)	(309)
ECL	—	—	—	—	—	—
Operating expenses	(44)	(29)	(134)	(130)	(625)	(905)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	3,586	4,308	3,580	3,753	4,680	15,303
<i>of which: net interest income</i>	<i>999</i>	<i>1,023</i>	<i>1,114</i>	<i>1,067</i>	<i>1,165</i>	<i>4,518</i>
<i>of which: net fee income</i>	<i>907</i>	<i>949</i>	<i>843</i>	<i>832</i>	<i>874</i>	<i>3,267</i>
Change in expected credit losses and other credit impairment charges	224	190	7	(102)	(634)	(1,209)
Total operating expenses	(2,438)	(2,560)	(2,540)	(2,390)	(2,352)	(9,264)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,372	1,938	1,047	1,261	1,694	4,830
Earnings metrics - adjusted						
Return on average tangible equity (annualised, YTD) ¹	10.7 %	12.1 %	6.7 %	6.9 %	7.7 %	6.7 %
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	217,292	222,660	226,024	238,670	244,937	226,024
Loans and advances to customers (net)	216,098	221,223	224,364	236,902	243,355	224,364
Total external assets	1,258,694	1,281,710	1,347,440	1,380,766	1,390,006	1,347,440
Customer accounts	341,242	335,823	336,983	343,365	337,573	336,983
Risk-weighted assets	255,158	254,587	265,147	267,162	277,633	265,147
Adjusted balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	216,098	221,759	223,395	242,638	254,126	224,364
Customer accounts	341,242	336,577	335,977	354,077	357,082	336,983
Risk-weighted assets	255,158	255,036	263,959	271,679	286,594	265,147

Management View of Adjusted Revenue - at originally reported average FX rates (\$m)²

Markets and Securities Services

Securities Services	472	452	439	409	434	1,792
Global Debt Markets	317	396	118	300	733	1,415
Global Foreign Exchange	728	952	820	827	1,053	4,046
Equities	223	419	298	226	47	831
Securities Financing	198	240	174	228	300	955
Credit and Funding Valuation Adjustments	3	33	70	32	(9)	(252)

Banking

Global Trade and Receivables Finance	180	178	167	173	180	686
Global Liquidity and Cash Management	448	444	465	454	483	2,005
Credit & Lending	658	654	649	672	652	2,622
Capital Markets & Advisory	320	291	253	278	362	1,033
Other	55	63	37	18	15	253

GBM Other

Principal Investments	64	173	74	52	223	114
Other	(80)	(3)	(53)	(55)	(54)	(197)

Net operating income

Management View of Adjusted Revenue - at most recent period average FX rates (\$m)²

Markets and Securities Services

Securities services	472	452	441	421	457	1,792
Global Debt Markets	317	398	119	308	778	1,415
Global Foreign Exchange	728	953	829	850	1,097	4,046
Equities	223	420	305	236	44	831
Securities Financing	198	241	179	235	317	955
Credit and Funding Valuation Adjustments	3	33	73	35	(12)	(252)

Banking

Global Trade and Receivables Finance	180	178	169	178	191	686
Global Liquidity and Cash Management	448	443	468	464	500	2,005
Credit & Lending	658	656	663	693	684	2,622
Capital Markets & Advisory	320	292	257	289	389	1,033
Other	55	63	33	18	14	253

GBM Other

Principal Investments	64	173	71	54	229	114
Other	(80)	6	(27)	(28)	(8)	(197)

Net operating income

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Management View of Adjusted Revenue - at originally reported average FX rates (\$m)²						
Markets and Securities Services	1,941	2,492	1,919	2,022	2,558	8,787
Securities Services	472	452	439	409	434	1,792
Global Debt Markets	317	396	118	300	733	1,415
Global Foreign Exchange	728	952	820	827	1,053	4,046
Equities	223	419	298	226	47	831
Securities Financing	198	240	174	228	300	955
Credit and Funding Valuation Adjustments	3	33	70	32	(9)	(252)
Banking	1,661	1,630	1,571	1,595	1,692	6,599
Global Trade and Receivables Finance	180	178	167	173	180	686
Global Liquidity and Cash Management	448	444	465	454	483	2,005
Credit & Lending	658	654	649	672	652	2,622
Capital Markets & Advisory	320	291	253	278	362	1,033
Other	55	63	37	18	15	253
GBM Other	(16)	170	21	(3)	169	(83)
Principal Investments	64	173	74	52	223	114
Other	(80)	(3)	(53)	(55)	(54)	(197)
Net operating income	3,586	4,292	3,511	3,614	4,419	15,303
Management View of Adjusted Revenue - at most recent period average FX rates (\$m)²						
Markets and Securities Services	1,941	2,497	1,946	2,085	2,681	8,787
Securities services	472	452	441	421	457	1,792
Global Debt Markets	317	398	119	308	778	1,415
Global Foreign Exchange	728	953	829	850	1,097	4,046
Equities	223	420	305	236	44	831
Securities Financing	198	241	179	235	317	955
Credit and Funding Valuation Adjustments	3	33	73	35	(12)	(252)
Banking	1,661	1,632	1,590	1,642	1,778	6,599
Global Trade and Receivables Finance	180	178	169	178	191	686
Global Liquidity and Cash Management	448	443	468	464	500	2,005
Credit & Lending	658	656	663	693	684	2,622
Capital Markets & Advisory	320	292	257	289	389	1,033
Other	55	63	33	18	14	253
GBM Other	(16)	179	44	26	221	(83)
Principal Investments	64	173	71	54	229	114
Other	(80)	6	(27)	(28)	(8)	(197)
Net operating income	3,586	4,308	3,580	3,753	4,680	15,303

HSBC

Global Banking and Markets

Reported Revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movement on financial instruments	(1)	(12)	(64)	(3)	(121)	(2)
Restructuring and other related costs	(97)	(65)	(148)	(101)	(58)	(307)

Reported Cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	1	(11)	(567)	(577)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(44)	(29)	(135)	(119)	(58)	(326)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	(2)

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reported Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	—	—	—
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Reconciling items Currency translation on reported items - Totals (\$m)

Revenue		14	60	137	247	
ECL		—	(2)	(2)	(61)	
Operating expenses		(13)	(75)	(113)	(250)	
Share of profit in associates and joint ventures		—	—	—	—	
Currency translation on revenue significant items		(2)	(9)	(2)	(14)	
Currency translation on operating expense significant items		—	(5)	(5)	(74)	
Currency translation on share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		536	(969)	5,736	10,771	
Customer accounts		754	(1,006)	10,712	19,509	
Risk-weighted assets		449	(1,188)	4,517	8,961	

1 RoTE excluding significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure. Comparative data have not been re-presented.

2 With effect from the first quarter of 2021, the management view of adjusted revenue has been revised to align with changes to the management responsibilities of the business and how we assess business performance. All prior quarters have been re-presented on the new basis.

HSBC
Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	(180)	(198)	(247)	(276)	(202)	(1,326)
Net fee income	(9)	(3)	(8)	(15)	2	(26)
Other operating income	238	(70)	247	151	96	1,494
Net operating income before change in expected credit losses and other credit impairment charges	49	(271)	(8)	(140)	(104)	142
Change in expected credit losses and other credit impairment charges	7	(3)	1	12	(14)	1
Total operating expenses	(350)	(318)	(1,338)	(171)	(431)	(1,917)
<i>of which: staff expenses</i>	<i>(1,466)</i>	<i>(1,663)</i>	<i>(1,523)</i>	<i>(1,427)</i>	<i>(1,454)</i>	<i>(5,696)</i>
Share of profit in associates and joint ventures	768	876	663	(37)	541	1,592
Profit/(loss) before tax	474	284	(682)	(336)	(8)	(182)
Reported Significant items - Totals (\$m)						
Revenue	138	(227)	147	15	62	404
ECL	—	—	—	—	—	—
Operating expenses	(332)	(224)	(462)	(359)	(468)	(1,435)
Share of profit in associates and joint ventures	—	—	—	(462)	—	(462)
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(89)	(44)	(152)	(158)	(186)	(262)
<i>of which: net interest expense</i>	<i>(179)</i>	<i>(200)</i>	<i>(249)</i>	<i>(284)</i>	<i>(205)</i>	<i>(1,326)</i>
<i>of which: net fee income/(expense)</i>	<i>(8)</i>	<i>(3)</i>	<i>(9)</i>	<i>(15)</i>	<i>2</i>	<i>(26)</i>
Change in expected credit losses and other credit impairment charges	7	(1)	1	13	(16)	1
Total operating expenses	(18)	(94)	(874)	207	76	(482)
Share of profit in associates and joint ventures	768	880	677	449	604	2,054
Profit/(loss) before tax	668	741	(348)	511	478	1,311
Earnings metrics - adjusted						
Return on average tangible equity (annualised, YTD) ¹	5.1 %	7.4 %	3.1 %	4.6 %	4.7 %	3.1 %
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	1,157	1,112	1,268	1,233	1,284	1,268
Loans and advances to customers (net)	1,148	1,101	1,255	1,220	1,272	1,255
Total external assets	180,790	191,350	184,511	168,441	168,543	184,511
Customer accounts	903	792	610	716	674	610
Risk-weighted assets	90,077	93,485	91,852	84,324	84,288	91,852
Adjusted balance sheet data -- at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	1,148	1,101	1,253	1,264	1,365	1,255
Customer accounts	903	797	609	751	738	610
Risk-weighted assets	90,077	93,517	91,582	84,863	85,332	91,852

HSBC Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Management View of Adjusted Revenue - at originally reported average FX rates (\$m)						
Central Treasury	(27)	(28)	(12)	(32)	(64)	156
Legacy Credit	7	9	3	28	43	(17)
Other	(69)	(25)	(146)	(151)	(145)	(401)
Net operating income	(89)	(44)	(155)	(155)	(166)	(262)
Memo						
Markets Treasury previously reported in Corporate Centre - now allocated to global businesses ²	515	805	610	671	772	2,809
Management View of Adjusted Revenue - at most recent period average FX rates (\$m)						
Central Treasury	(27)	(28)	(12)	(32)	(64)	156
Legacy Credit	7	9	3	28	41	(17)
Other	(69)	(25)	(143)	(154)	(163)	(401)
Net operating income	(89)	(44)	(152)	(158)	(186)	(262)
Memo						
Markets Treasury previously reported in Corporate Centre - now allocated to global businesses ²	515	806	609	679	801	2,809
Reported Revenue significant items (\$m)						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	(1)	1	(1)	(1)
Fair value movement on financial instruments	45	(228)	19	14	63	267
Restructuring and other related costs	93	1	129	—	—	138
Reported Cost significant items (\$m)						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(2)	(2)	(2)	(7)	—	(9)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(23)	181	(332)	(174)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	(17)	—	—	(17)
Restructuring and other related costs	(330)	(222)	(416)	(530)	(132)	(1,225)
Settlements and provisions in connection with legal and regulatory matters	—	—	(4)	(3)	(4)	(10)

HSBC Corporate Centre

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	(462)	—	(462)
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Reported Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	—	—	—
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Reconciling items Currency translation on reported items - Totals (\$m)

Revenue		—	11	(6)	(18)	
ECL		2	—	1	(2)	
Operating expenses		(2)	(11)	(1)	21	
Share of profit in associates and joint ventures		4	14	24	63	
Currency translation on revenue significant items		—	8	(3)	2	
Currency translation on operating expense significant items		(2)	(13)	(20)	(18)	
Currency translation on share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		—	(2)	44	93	
Customer accounts		5	(1)	35	64	
Risk-weighted assets		32	(270)	539	1,044	

1 RoTE excluding significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure. Comparative data have not been re-presented.

2 At 4Q20 we renamed our Balance Sheet Management function as Markets Treasury to reflect the activities it undertakes more accurately and its relationship to our Group Treasury function more broadly.

HSBC Europe

Europe - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,749	1,804	1,754	1,608	1,621	6,490
<i>of which: net interest income</i>	<i>1,150</i>	<i>1,075</i>	<i>1,055</i>	<i>1,011</i>	<i>989</i>	<i>4,182</i>
Change in expected credit losses and other credit impairment charges	115	113	(78)	(114)	(497)	(1,167)
Total operating expenses	(1,445)	(1,484)	(1,595)	(1,357)	(1,534)	(6,003)
<i>of which: staff expenses</i>	<i>(513)</i>	<i>(556)</i>	<i>(597)</i>	<i>(482)</i>	<i>(433)</i>	<i>(1,993)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	419	433	81	137	(410)	(680)
Reported Significant items - Totals (\$m)						
Revenue	2	(8)	(8)	(31)	26	(13)
ECL	—	—	—	—	—	—
Operating expenses	(53)	(48)	39	56	(168)	(72)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,747	1,833	1,847	1,760	1,789	6,503
<i>of which: net interest income</i>	<i>1,151</i>	<i>1,091</i>	<i>1,112</i>	<i>1,123</i>	<i>1,086</i>	<i>4,187</i>
Change in expected credit losses and other credit impairment charges	115	115	(86)	(119)	(559)	(1,167)
Total operating expenses	(1,392)	(1,453)	(1,701)	(1,506)	(1,519)	(5,931)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	470	495	60	135	(289)	(595)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	225,163	220,955	220,255	206,497	191,671	220,255
Loans and advances to customers (net)	223,159	218,760	217,870	204,244	189,581	217,870
Total external assets	370,719	357,796	361,385	334,722	313,304	361,385
Customer accounts	310,128	300,962	289,610	267,190	251,921	289,610
Risk-weighted assets	53,678	52,871	54,297	48,065	45,066	54,297
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	223,159	219,520	218,524	216,075	209,784	217,870
Customer accounts	310,128	301,935	290,879	283,037	279,137	289,610

HSBC Europe

Europe - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,200	1,210	1,201	1,134	1,072	4,573
<i>of which: net interest income</i>	<i>747</i>	<i>756</i>	<i>730</i>	<i>701</i>	<i>646</i>	<i>2,766</i>
Change in expected credit losses and other credit impairment charges	161	192	(416)	(233)	(1,154)	(2,022)
Total operating expenses	(691)	(727)	(899)	(638)	(788)	(3,080)
<i>of which: staff expenses</i>	<i>(249)</i>	<i>(249)</i>	<i>(396)</i>	<i>(241)</i>	<i>(221)</i>	<i>(1,094)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	670	675	(114)	263	(870)	(529)
Reported Significant items - Totals (\$m)						
Revenue	1	17	(3)	(16)	—	(19)
ECL	—	—	—	—	—	—
Operating expenses	—	(7)	(140)	55	(103)	(190)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,199	1,212	1,269	1,243	1,216	4,592
<i>of which: net interest income</i>	<i>748</i>	<i>748</i>	<i>774</i>	<i>779</i>	<i>738</i>	<i>2,782</i>
Change in expected credit losses and other credit impairment charges	161	195	(442)	(240)	(1,296)	(2,022)
Total operating expenses	(691)	(732)	(792)	(740)	(762)	(2,890)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	669	675	35	263	(842)	(320)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	124,224	126,733	129,719	126,195	122,473	129,719
Loans and advances to customers (net)	121,356	123,685	126,407	123,250	119,628	126,407
Total external assets	271,509	263,370	233,042	219,598	210,014	233,042
Customer accounts	207,253	202,858	200,647	181,865	169,771	200,647
Risk-weighted assets	112,444	111,942	115,252	118,664	115,515	115,252
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	121,356	124,186	126,644	130,190	132,110	126,407
Customer accounts	207,253	203,716	201,298	192,468	187,894	200,647

HSBC Europe

Europe - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,204	1,506	1,048	1,168	1,353	4,476
<i>of which: net interest income</i>	<i>32</i>	<i>39</i>	<i>94</i>	<i>56</i>	<i>(1)</i>	<i>210</i>
Change in expected credit losses and other credit impairment charges	54	36	(21)	(18)	(357)	(569)
Total operating expenses	(1,326)	(1,357)	(1,400)	(1,289)	(1,746)	(5,717)
<i>of which: staff expenses</i>	<i>(477)</i>	<i>(478)</i>	<i>(599)</i>	<i>(511)</i>	<i>(362)</i>	<i>(1,905)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(68)	185	(373)	(139)	(750)	(1,810)
Reported Significant items - Totals (\$m)						
Revenue	(87)	(63)	(169)	(58)	(92)	(249)
ECL	—	—	—	—	—	—
Operating expenses	(25)	(20)	(124)	(115)	(604)	(855)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,291	1,588	1,280	1,337	1,634	4,725
<i>of which: net interest income</i>	<i>32</i>	<i>41</i>	<i>103</i>	<i>69</i>	<i>15</i>	<i>210</i>
Change in expected credit losses and other credit impairment charges	54	36	(23)	(19)	(401)	(569)
Total operating expenses	(1,301)	(1,351)	(1,341)	(1,268)	(1,291)	(4,862)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	44	273	(84)	50	(58)	(706)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	58,252	63,037	64,135	70,721	69,387	64,135
Loans and advances to customers (net)	57,632	62,420	63,402	69,888	68,652	63,402
Total external assets	596,433	623,448	687,630	699,711	685,382	687,630
Customer accounts	145,714	138,605	138,833	143,456	140,202	138,833
Risk-weighted assets	91,217	94,448	102,616	103,219	106,312	102,616
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	57,632	62,705	63,300	73,620	75,568	63,402
Customer accounts	145,714	139,175	139,221	151,586	154,869	138,833

HSBC Europe

Europe - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,025	533	949	579	510	2,878
<i>of which: net interest income/(expense)</i>	<i>(316)</i>	<i>(343)</i>	<i>(358)</i>	<i>(376)</i>	<i>(297)</i>	<i>(1,462)</i>
Change in expected credit losses and other credit impairment charges	1	(5)	—	13	(9)	6
Total operating expenses	(1,097)	(960)	(1,819)	(775)	(1,071)	(4,073)
<i>of which: staff expenses</i>	<i>(662)</i>	<i>(690)</i>	<i>(702)</i>	<i>(613)</i>	<i>(650)</i>	<i>(2,332)</i>
Share of profit in associates and joint ventures	19	136	46	5	50	1
Profit/(loss) before tax	(52)	(296)	(824)	(178)	(520)	(1,188)
Reported Significant items - Totals (\$m)						
Revenue	241	(179)	283	15	66	524
ECL	—	—	—	—	—	—
Operating expenses	(282)	(207)	(426)	(218)	(401)	(1,087)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	784	716	680	585	462	2,354
<i>of which: net interest expense</i>	<i>(316)</i>	<i>(344)</i>	<i>(359)</i>	<i>(377)</i>	<i>(292)</i>	<i>(1,462)</i>
Change in expected credit losses and other credit impairment charges	1	(4)	1	13	(11)	6
Total operating expenses	(815)	(758)	(1,407)	(561)	(667)	(2,986)
Share of profit in associates and joint ventures	19	137	47	6	58	1
Profit/(loss) before tax	(11)	91	(679)	43	(158)	(625)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	641	639	829	811	879	829
Loans and advances to customers (net)	631	628	816	799	868	816
Total external assets	55,933	57,283	54,951	53,704	53,965	54,951
Customer accounts	902	737	557	661	611	557
Risk-weighted assets	12,534	12,220	12,157	11,275	11,607	12,157
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	631	631	816	842	958	816
Customer accounts	902	740	555	694	673	557

HSBC Europe

SIGNIFICANT ITEMS

Europe - TOTAL	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported revenue significant items (\$m)						
Customer redress programmes	—	18	1	(48)	26	(21)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	48	(236)	(10)	12	22	254
Restructuring and other related costs	108	(17)	111	(54)	(48)	9
Reported cost significant items (\$m)						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(27)	10	107	(3)	(49)	54
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(3)	184	(984)	(803)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	(17)	—	—	(17)
Restructuring and other related costs	(330)	(287)	(731)	(399)	(242)	(1,425)
Settlements and provisions in connection with legal and regulatory matters	—	—	(4)	(6)	(1)	(12)
Share of profit in associates and joint ventures significant items (\$m)						
Impairment of goodwill	—	—	—	—	—	—
Europe - Wealth and Personal Banking						
Reported revenue significant items (\$m)						
Customer redress programmes	—	(1)	—	(31)	26	(5)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	2	(7)	(8)	—	—	(8)
Reported cost significant items (\$m)						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(25)	12	109	3	(47)	64
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(1)	(44)	(45)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(28)	(60)	(70)	54	(77)	(91)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Europe

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Europe - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	20	—	(16)	—	(16)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	(1)	—	—	(1)
Restructuring and other related costs	1	(3)	(2)	—	—	(2)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	(1)	(1)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(3)	—	(41)	(44)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	(7)	(137)	55	(61)	(145)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Europe - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	3	(8)	(29)	(3)	(44)	(6)
Restructuring and other related costs	(90)	(55)	(140)	(55)	(48)	(243)

HSBC Europe

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(6)	(567)	(573)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(25)	(20)	(124)	(109)	(37)	(280)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	(2)

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Europe - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	45	(228)	21	15	66	262
Restructuring and other related costs	196	49	262	—	—	262

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(3)	(3)	(4)	(5)	—	(9)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(1)	191	(332)	(142)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	(17)	—	—	(17)
Restructuring and other related costs	(280)	(205)	(401)	(400)	(65)	(909)
Settlements and provisions in connection with legal and regulatory matters	1	1	(3)	(4)	(4)	(10)

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items- Totals (\$m)

Europe - TOTAL

Revenue		61	231	336	537	
ECL		6	(36)	(11)	(249)	
Operating expenses		(46)	(199)	(258)	(500)	
Share of profit in associates and joint ventures		2	2	—	8	

HSBC
Europe

Revenue significant items	1	7	(9)	(7)
Operating expense significant items	(3)	(25)	(18)	(125)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	1,550	789	22,547	39,692
Customer accounts	2,404	2,306	34,612	60,068
Europe - Wealth and Personal Banking				
Revenue	21	87	118	197
ECL	2	(8)	(5)	(62)
Operating expenses	(18)	(68)	(90)	(171)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	2	(3)	3
Operating expense significant items	(1)	(1)	3	(18)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	760	654	11,831	20,203
Customer accounts	973	1,269	15,847	27,216
Europe - Commercial Banking				
Revenue	19	67	91	144
ECL	3	(26)	(7)	(142)
Operating expenses	(9)	(36)	(45)	(88)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	2	(2)	—
Operating expense significant items	3	(3)	2	(11)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	501	237	6,940	12,482
Customer accounts	858	651	10,603	18,123

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Europe - Global Banking and Markets

Revenue	17	54	107	179
ECL	—	(2)	(1)	(44)
Operating expenses	(15)	(70)	(99)	(223)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	(2)	(9)	(4)	(10)
Operating expense significant items	(1)	(5)	(5)	(74)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	285	(102)	3,732	6,916
Customer accounts	570	388	8,130	14,667

Europe - Corporate Centre

Revenue	4	25	21	18
ECL	1	1	—	(2)
Operating expenses	(4)	(27)	(23)	(19)
Share of profit in associates and joint ventures	1	1	1	8
Revenue significant items	—	11	—	—
Operating expense significant items	1	(13)	(19)	(22)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	3	—	43	90
Customer accounts	3	(2)	33	62

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

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HSBC UK - TOTAL

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	1,625	1,556	1,503	1,433	1,369	5,839
Net fee income	351	313	345	290	278	1,304
Other operating income	152	201	149	134	106	596
Net operating income before change in expected credit losses and other credit impairment charges	2,128	2,070	1,997	1,857	1,753	7,739
Change in expected credit losses and other credit impairment charges	281	288	(499)	(160)	(1,450)	(2,678)
Total operating expenses	(1,350)	(1,280)	(1,291)	(1,170)	(1,160)	(4,815)
<i>of which: staff expenses</i>	(384)	(340)	(412)	(292)	(271)	(1,267)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,059	1,078	207	527	(857)	246
Reported Significant items - Totals (\$m)						
Revenue	—	17	(1)	(47)	26	(22)
ECL	—	—	—	—	—	—
Operating expenses	(121)	(79)	(104)	(33)	(55)	(200)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,128	2,082	2,116	2,063	1,945	7,761
<i>of which: net interest income</i>	1,626	1,561	1,593	1,603	1,513	5,860
Change in expected credit losses and other credit impairment charges	281	294	(526)	(174)	(1,636)	(2,678)
Total operating expenses	(1,229)	(1,222)	(1,258)	(1,232)	(1,245)	(4,615)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,180	1,154	332	657	(936)	468
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	268,872	266,423	265,468	249,187	232,333	265,468
Loans and advances to customers (net)	265,240	262,442	261,109	245,312	228,617	261,109
Total external assets	444,450	424,987	414,816	376,763	352,756	414,816
Customer accounts	378,211	365,650	354,099	319,899	297,598	354,099
Risk-weighted assets	116,868	115,733	116,710	115,539	108,863	116,710
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	265,240	262,889	264,312	262,611	256,251	261,109
Customer accounts	378,211	366,272	358,443	342,458	333,570	354,099

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HSBC UK - Wealth and Personal Banking

Reported (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Reported Significant items - Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Balance sheet -- reported (\$m)

Loans and advances to customers (gross)

Loans and advances to customers (net)

Total external assets

Customer accounts

Risk-weighted assets

Balance sheet data - at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)

Customer accounts

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Net operating income before change in expected credit losses and other credit impairment charges	1,159	1,100	1,062	987	945	4,199
<i>of which: net interest income</i>	<i>982</i>	<i>903</i>	<i>875</i>	<i>833</i>	<i>812</i>	<i>3,463</i>
Change in expected credit losses and other credit impairment charges	112	107	(132)	(45)	(485)	(1,068)
Total operating expenses	(851)	(825)	(744)	(740)	(770)	(3,018)
<i>of which: staff expenses</i>	<i>(238)</i>	<i>(246)</i>	<i>(278)</i>	<i>(205)</i>	<i>(194)</i>	<i>(887)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	420	382	186	202	(310)	113
Reported Significant items - Totals (\$m)						
Revenue	—	(1)	—	(31)	26	(5)
ECL	—	—	—	—	—	—
Operating expenses	(40)	(46)	15	—	(49)	(33)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,159	1,117	1,126	1,103	1,035	4,204
<i>of which: net interest income</i>	<i>982</i>	<i>917</i>	<i>927</i>	<i>935</i>	<i>886</i>	<i>3,468</i>
Change in expected credit losses and other credit impairment charges	112	109	(140)	(49)	(546)	(1,068)
Total operating expenses	(811)	(791)	(806)	(801)	(812)	(2,985)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	460	435	180	253	(323)	151
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Loans and advances to customers (gross)	177,693	173,809	171,377	159,399	147,285	171,377
Loans and advances to customers (net)	176,039	171,970	169,365	157,568	145,530	169,365
Total external assets	252,250	240,884	238,853	216,493	201,081	238,853
Customer accounts	238,324	230,650	218,723	197,377	184,439	218,723
Risk-weighted assets	34,100	33,829	34,218	32,624	30,358	34,218
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	176,039	172,263	171,443	168,680	163,121	169,365
Customer accounts	238,324	231,043	221,406	211,297	206,733	218,723

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HSBC UK - Commercial Banking

Reported (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Reported Significant items - Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Balance sheet - reported (\$m)

Loans and advances to customers (gross)

Loans and advances to customers (net)

Total external assets

Customer accounts

Risk-weighted assets

Balance sheet data - at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)

Customer accounts

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	929	932	881	822	771	3,348
<i>of which: net interest income</i>	<i>643</i>	<i>651</i>	<i>630</i>	<i>603</i>	<i>556</i>	<i>2,384</i>
Change in expected credit losses and other credit impairment charges	171	183	(366)	(115)	(967)	(1,611)
Total operating expenses	(412)	(400)	(422)	(390)	(376)	(1,569)
<i>of which: staff expenses</i>	<i>(125)</i>	<i>(114)</i>	<i>(157)</i>	<i>(117)</i>	<i>(108)</i>	<i>(496)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	688	715	93	317	(572)	168
Reported Significant items - Totals (\$m)						
Revenue	—	18	(1)	(16)	—	(17)
ECL	—	—	—	—	—	—
Operating expenses	(3)	5	(34)	—	(1)	(35)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	929	928	935	909	868	3,365
<i>of which: net interest income</i>	<i>643</i>	<i>641</i>	<i>668</i>	<i>671</i>	<i>627</i>	<i>2,400</i>
Change in expected credit losses and other credit impairment charges	171	186	(388)	(125)	(1,089)	(1,611)
Total operating expenses	(409)	(412)	(410)	(424)	(421)	(1,534)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	691	702	137	360	(642)	220
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	90,826	92,219	93,517	89,228	84,416	93,517
Loans and advances to customers (net)	88,849	90,077	91,169	87,183	82,454	91,169
Total external assets	179,376	171,734	161,864	146,776	138,449	161,864
Customer accounts	139,324	134,629	135,108	122,270	112,829	135,108
Risk-weighted assets	79,698	78,712	79,688	81,081	76,769	79,688
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	88,849	90,230	92,287	93,331	92,421	91,169
Customer accounts	139,324	134,858	136,765	130,892	126,467	135,108

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	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	43	41	56	50	42	200
<i>of which: net interest income</i>	—	—	—	—	—	—
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(10)	(13)	(29)	(26)	(16)	(110)
<i>of which: staff expenses</i>	(5)	(6)	(4)	(3)	(3)	(13)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	33	28	27	24	26	90
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	43	40	59	54	47	200
<i>of which: net interest income</i>	—	—	—	—	—	—
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(10)	(14)	(30)	(28)	(19)	(110)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	33	26	29	26	28	90
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	35	64	79	50	34	79
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	970	864	819	409	414	819
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

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HSBC UK - Corporate Centre

Reported (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Reported Significant items - Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Balance sheet - reported (\$m)

Loans and advances to customers (gross)

Loans and advances to customers (net)

Total external assets

Customer accounts

Risk-weighted assets

Balance sheet data - at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)

Customer accounts

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(1)	(1)	(1)	(2)	(5)	(7)
<i>of which: net interest income/(expense)</i>	<i>2</i>	<i>3</i>	<i>(2)</i>	<i>(3)</i>	<i>1</i>	<i>(8)</i>
Change in expected credit losses and other credit impairment charges	(3)	(3)	(2)	—	2	—
Total operating expenses	(77)	(41)	(96)	(13)	2	(117)
<i>of which: staff expenses</i>	<i>(15)</i>	<i>26</i>	<i>27</i>	<i>33</i>	<i>34</i>	<i>129</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(81)	(45)	(99)	(15)	(1)	(124)
Reported Significant items - Totals (\$m)						
Revenue	—	1	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(77)	(36)	(86)	(32)	(5)	(132)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(1)	(3)	(2)	(2)	(5)	(7)
<i>of which: net interest income/(expense)</i>	<i>2</i>	<i>3</i>	<i>(2)</i>	<i>(3)</i>	—	<i>(8)</i>
Change in expected credit losses and other credit impairment charges	(3)	—	1	—	(1)	—
Total operating expenses	—	(5)	(10)	21	8	15
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(4)	(8)	(11)	19	2	8
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	352	395	574	561	632	574
Loans and advances to customers (net)	352	395	574	561	633	574
Total external assets	12,789	12,305	14,021	13,445	13,192	14,021
Customer accounts	563	371	268	252	330	268
Risk-weighted assets	2,100	2,328	1,985	1,425	1,322	1,985
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	352	396	581	600	709	574
Customer accounts	563	371	271	270	370	268

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SIGNIFICANT ITEMS

HSBC UK - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	18	—	(47)	26	(21)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	(1)	(1)	—	—	(1)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(27)	10	107	(3)	(49)	54
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	(17)	—	—	(17)
Restructuring and other related costs	(94)	(89)	(194)	(30)	(6)	(237)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
------------------------	---	---	---	---	---	---

HSBC UK - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	(1)	—	(31)	26	(5)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(25)	12	109	3	(47)	64
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(15)	(58)	(94)	(3)	(2)	(97)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

HSBC UK

UK ring-fenced bank

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

HSBC UK - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes

— 20 — (16) — (16)

Disposals, acquisitions and investment in new businesses

— — — — — —

Fair value movements on financial instruments

— — — — — —

Restructuring and other related costs

— (2) (1) — — (1)

Reported cost significant items (\$m)

Costs of structural reform

— — — — — —

Customer redress programmes

— — — — (1) (1)

Disposals, acquisitions and investment in new businesses

— — — — — —

Impairment of goodwill and other intangibles

— — — — — —

Past service costs of guaranteed minimum pension benefits equalisation

— — — — — —

Restructuring and other related costs

(3) 5 (34) — — (34)

Settlements and provisions in connection with legal and regulatory matters

— — — — — —

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

HSBC UK - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Fair value movements on financial instruments

— — — — — —

Restructuring and other related costs

— — — — — —

Reported cost significant items (\$m)

Costs of structural reform

— — — — — —

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Impairment of goodwill and other intangibles

— — — — — —

Past service costs of guaranteed minimum pension benefits equalisation

— — — — — —

Restructuring and other related costs

— — — — — —

Settlements and provisions in connection with legal and regulatory matters

— — — — — —

HSBC

HSBC UK

UK ring-fenced bank

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

HSBC UK - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Fair value movements on financial instruments

— — — — — —

Restructuring and other related costs

— 1 — — — —

Reported cost significant items (\$m)

Costs of structural reform

— — — — — —

Customer redress programmes

(3) (3) (4) (5) — (9)

Disposals, acquisitions and investment in new businesses

— — — — — —

Impairment of goodwill and other intangibles

— — — — — —

Past service costs of guaranteed minimum pension benefits equalisation

— — (17) — — (17)

Restructuring and other related costs

(74) (33) (65) (27) (5) (106)

Settlements and provisions in connection with legal and regulatory matters

— — — — — —

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

Reconciling items - Currency translation on reported items- Totals (\$m)

HSBC UK - TOTAL

Revenue

30 119 155 221

ECL

6 (27) (14) (186)

Operating expenses

(21) (79) (97) (146)

Share of profit in associates and joint ventures

— — — —

Revenue significant items

1 1 (4) 3

Operating expense significant items

— (8) (2) (6)

Share of profit in associates and joint ventures significant items

— — — —

Loans and advances to customers (net)

447 3,203 17,299 27,634

Customer accounts

622 4,344 22,559 35,972

HSBC
HSBC UK
UK ring-fenced bank

HSBC UK - Wealth and Personal Banking

Revenue	16	64	82	119
ECL	2	(8)	(4)	(61)
Operating expenses	(12)	(44)	(62)	(97)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	(3)	3
Operating expense significant items	—	3	(1)	(6)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	293	2,078	11,112	17,591
Customer accounts	393	2,683	13,920	22,294

HSBC UK - Commercial Banking

Revenue	14	53	69	97
ECL	3	(22)	(10)	(122)
Operating expenses	(6)	(25)	(33)	(47)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	(2)	—
Operating expense significant items	1	(3)	1	(1)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	153	1,118	6,148	9,967
Customer accounts	229	1,657	8,622	13,638

HSBC UK - Global Banking and Markets

Revenue	(1)	3	4	5
ECL	—	—	—	—
Operating expenses	(1)	(1)	(2)	(3)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC
HSBC UK
UK ring-fenced bank

HSBC UK - Corporate Centre

Revenue		(1)	(1)	—	—
ECL		3	3	—	(3)
Operating expenses		(3)	(7)	(1)	1
Share of profit in associates and joint ventures		—	—	—	—
Revenue significant items		—	—	—	—
Operating expense significant items		(3)	(7)	(3)	—
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		1	7	39	76
Customer accounts		—	3	18	40

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank - TOTAL

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	587	607	660	621	606	2,435
Net fee income	504	530	477	442	438	1,797
Other operating income	1,060	1,374	812	919	1,176	3,325
Net operating income before change in expected credit losses and other credit impairment charges	2,151	2,511	1,949	1,982	2,220	7,557
Change in expected credit losses and other credit impairment charges	52	46	(216)	9	(565)	(1,023)
Total operating expenses	(1,808)	(1,968)	(2,290)	(1,920)	(2,594)	(8,586)
<i>of which: staff expenses</i>	(742)	(751)	(989)	(746)	(593)	(3,013)
Share of profit in associates and joint ventures	17	132	45	4	50	(1)
Profit/(loss) before tax	412	721	(512)	75	(889)	(2,053)
Reported significant items - Totals (\$m)						
Revenue	5	(64)	(46)	(58)	(92)	(124)
ECL	—	—	—	—	—	—
Operating expenses	(110)	(76)	(430)	(258)	(988)	(1,691)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,146	2,593	2,054	2,161	2,545	7,681
<i>of which: net interest income</i>	587	612	679	653	672	2,435
Change in expected credit losses and other credit impairment charges	52	48	(222)	11	(631)	(1,023)
Total operating expenses	(1,698)	(1,908)	(1,930)	(1,760)	(1,783)	(6,895)
Share of profit in associates and joint ventures	17	134	48	4	57	(1)
Profit/(loss) before tax	517	867	(50)	416	188	(238)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	130,193	135,368	139,987	145,681	143,289	139,987
Loans and advances to customers (net)	128,405	133,558	137,981	143,790	141,397	137,981
Total external assets	813,446	834,286	881,616	891,935	869,877	881,616
Customer accounts	270,732	262,475	260,614	257,986	250,312	260,614
Risk-weighted assets	153,099	157,555	167,115	166,744	170,634	167,115
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	128,405	134,510	135,998	149,056	153,188	137,981
Customer accounts	270,732	264,045	259,203	270,012	273,840	260,614

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	438	552	405	393	448	1,326
<i>of which: net interest income</i>	<i>201</i>	<i>208</i>	<i>211</i>	<i>213</i>	<i>211</i>	<i>852</i>
Change in expected credit losses and other credit impairment charges	6	6	(5)	(8)	(13)	(49)
Total operating expenses	(332)	(373)	(423)	(276)	(443)	(1,497)
<i>of which: staff expenses</i>	<i>(138)</i>	<i>(145)</i>	<i>(142)</i>	<i>(118)</i>	<i>(114)</i>	<i>(501)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	112	185	(23)	109	(8)	(220)
Reported significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(6)	(1)	(8)	72	(114)	(50)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	438	554	413	409	491	1,326
<i>of which: net interest income</i>	<i>200</i>	<i>208</i>	<i>215</i>	<i>222</i>	<i>233</i>	<i>852</i>
Change in expected credit losses and other credit impairment charges	6	6	(5)	(9)	(15)	(49)
Total operating expenses	(326)	(373)	(423)	(361)	(362)	(1,447)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	118	187	(15)	39	114	(170)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	38,254	37,573	39,395	37,742	35,598	39,395
Loans and advances to customers (net)	37,987	37,297	39,099	37,456	35,336	39,099
Total external assets	95,856	93,534	97,989	94,102	88,566	97,989
Customer accounts	56,752	55,276	55,952	54,526	52,887	55,952
Risk-weighted assets	16,098	15,373	16,497	12,646	12,123	16,497
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	37,987	37,615	38,106	38,195	37,680	39,099
Customer accounts	56,752	55,644	55,167	56,428	57,242	55,952

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	380	390	356	367	375	1,451
<i>of which: net interest income</i>	<i>220</i>	<i>221</i>	<i>222</i>	<i>223</i>	<i>215</i>	<i>880</i>
Change in expected credit losses and other credit impairment charges	(10)	10	(150)	(17)	(187)	(411)
Total operating expenses	(204)	(259)	(319)	(145)	(308)	(990)
<i>of which: staff expenses</i>	<i>(64)</i>	<i>(83)</i>	<i>(175)</i>	<i>(75)</i>	<i>(66)</i>	<i>(390)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	166	141	(113)	205	(120)	50
Reported Significant items - Totals (\$m)						
Revenue	—	—	(2)	—	—	(2)
ECL	—	—	—	—	—	—
Operating expenses	12	(2)	(101)	57	(101)	(145)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	380	393	364	383	413	1,453
<i>of which: net interest income</i>	<i>220</i>	<i>222</i>	<i>227</i>	<i>233</i>	<i>237</i>	<i>880</i>
Change in expected credit losses and other credit impairment charges	(10)	10	(154)	(15)	(206)	(411)
Total operating expenses	(216)	(260)	(225)	(209)	(227)	(845)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	154	143	(15)	159	(20)	197
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	33,398	34,515	36,202	36,967	38,057	36,202
Loans and advances to customers (net)	32,507	33,608	35,238	36,167	37,174	35,238
Total external assets	93,809	93,310	72,833	74,487	73,060	72,833
Customer accounts	67,929	68,229	65,539	59,595	56,942	65,539
Risk-weighted assets	33,944	34,411	36,761	38,446	39,526	36,761
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	32,507	33,956	34,357	36,958	39,689	35,238
Customer accounts	67,929	68,858	64,533	61,575	61,427	65,539

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,217	1,588	1,104	1,272	1,452	4,842
<i>of which: net interest income</i>	<i>181</i>	<i>187</i>	<i>232</i>	<i>195</i>	<i>139</i>	<i>774</i>
Change in expected credit losses and other credit impairment charges	53	35	(61)	22	(357)	(569)
Total operating expenses	(1,142)	(1,272)	(1,281)	(1,216)	(1,682)	(5,345)
<i>of which: staff expenses</i>	<i>(393)</i>	<i>(381)</i>	<i>(495)</i>	<i>(417)</i>	<i>(286)</i>	<i>(1,547)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	128	351	(238)	78	(587)	(1,072)
Reported Significant items - Totals (\$m)						
Revenue	(86)	(62)	(165)	(58)	(92)	(245)
ECL	—	—	—	—	—	—
Operating expenses	(22)	(24)	(133)	(108)	(604)	(857)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,303	1,668	1,320	1,420	1,703	5,087
<i>of which: net interest income</i>	<i>180</i>	<i>188</i>	<i>241</i>	<i>209</i>	<i>156</i>	<i>774</i>
Change in expected credit losses and other credit impairment charges	53	36	(63)	21	(401)	(569)
Total operating expenses	(1,120)	(1,262)	(1,201)	(1,184)	(1,202)	(4,488)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	236	442	56	257	100	30
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	58,252	63,037	64,135	70,721	69,387	64,135
Loans and advances to customers (net)	57,632	62,420	63,402	69,928	68,652	63,402
Total external assets	597,599	624,583	688,738	700,817	686,410	688,738
Customer accounts	145,713	138,604	138,833	143,456	140,202	138,833
Risk-weighted assets	92,879	97,083	104,566	105,318	107,964	104,566
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	57,632	62,705	63,300	73,660	75,568	63,402
Customer accounts	145,713	139,174	139,220	151,585	154,868	138,833

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - Corporate Centre

Reported (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Reported Significant items - Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Balance sheet - reported (\$m)

Loans and advances to customers (gross)

Loans and advances to customers (net)

Total external assets

Customer accounts

Risk-weighted assets

Balance sheet data - at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)

Customer accounts

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	116	(20)	83	(50)	(55)	(63)
<i>of which: net interest income/(expense)</i>	<i>(13)</i>	<i>(7)</i>	<i>(4)</i>	<i>(10)</i>	<i>41</i>	<i>(70)</i>
Change in expected credit losses and other credit impairment charges	2	(4)	—	12	(8)	6
Total operating expenses	(129)	(64)	(267)	(283)	(161)	(754)
<i>of which: staff expenses</i>	<i>(147)</i>	<i>(143)</i>	<i>(177)</i>	<i>(136)</i>	<i>(127)</i>	<i>(575)</i>
Share of profit in associates and joint ventures	17	132	45	4	50	(1)
Profit/(loss) before tax	6	44	(139)	(317)	(174)	(812)
Reported Significant items - Totals (\$m)						
Revenue	92	—	121	(1)	—	122
ECL	—	—	—	—	—	—
Operating expenses	(96)	(51)	(191)	(278)	(169)	(641)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	24	(22)	(43)	(52)	(61)	(186)
<i>of which: net interest income/(expense)</i>	<i>(13)</i>	<i>(7)</i>	<i>(4)</i>	<i>(11)</i>	<i>46</i>	<i>(70)</i>
Change in expected credit losses and other credit impairment charges	2	(4)	—	13	(9)	6
Total operating expenses	(33)	(14)	(81)	(6)	7	(113)
Share of profit in associates and joint ventures	17	134	48	4	57	(1)
Profit/(loss) before tax	10	94	(76)	(41)	(6)	(293)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	289	243	255	251	247	255
Loans and advances to customers (net)	278	233	242	238	235	242
Total external assets	26,182	22,858	22,057	22,529	21,841	22,057
Customer accounts	337	365	289	409	281	289
Risk-weighted assets	10,178	10,688	9,291	10,334	11,021	9,291
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	278	235	235	242	249	242
Customer accounts	337	369	284	424	303	289

HSBC

HSBC Bank

Non ring-fenced bank

SIGNIFICANT ITEMS

HSBC Bank - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	1	(10)	(30)	(3)	(43)	(4)
Restructuring and other related costs	4	(54)	(16)	(55)	(49)	(120)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(3)	(16)	(784)	(803)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(111)	(77)	(424)	(238)	(200)	(876)
Settlements and provisions in connection with legal and regulatory matters	1	1	(3)	(4)	(4)	(12)

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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HSBC Bank - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(1)	(44)	(45)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(6)	(1)	(8)	73	(70)	(5)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

HSBC Bank

Non ring-fenced bank

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

HSBC Bank - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Fair value movements on financial instruments

— — (1) — — (1)

Restructuring and other related costs

— — (1) — — (1)

Reported cost significant items (\$m)

Costs of structural reform

— — — — — —

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Impairment of goodwill and other intangibles

— — (3) — (41) (44)

Past service costs of guaranteed minimum pension benefits equalisation

— — — — — —

Restructuring and other related costs

12 (2) (98) 57 (60) (101)

Settlements and provisions in connection with legal and regulatory matters

— — — — — —

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

HSBC Bank - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Fair value movements on financial instruments

3 (8) (29) (3) (44) (6)

Restructuring and other related costs

(89) (54) (136) (55) (48) (239)

Reported cost significant items (\$m)

Costs of structural reform

— — — — — —

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Impairment of goodwill and other intangibles

— — — (6) (567) (573)

Past service costs of guaranteed minimum pension benefits equalisation

— — — — — —

Restructuring and other related costs

(22) (24) (133) (102) (37) (282)

Settlements and provisions in connection with legal and regulatory matters

— — — — — (2)

HSBC

HSBC Bank

Non ring-fenced bank

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

HSBC Bank - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Fair value movements on financial instruments

— — 2 (1) — 3

Restructuring and other related costs

92 — 119 — — 119

Reported cost significant items (\$m)

Costs of structural reform

— — — — — —

Customer redress programmes

— — — — — —

Disposals, acquisitions and investment in new businesses

— — — — — —

Impairment of goodwill and other intangibles

— — (1) (9) (132) (142)

Past service costs of guaranteed minimum pension benefits equalisation

— — — — — —

Restructuring and other related costs

(97) (52) (187) (265) (33) (489)

Settlements and provisions in connection with legal and regulatory matters

1 1 (3) (4) (4) (10)

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill

— — — — — —

Reconciling items - Currency translation on reported items - Totals (\$m)

HSBC Bank - TOTAL

Revenue

17 53 116 223

ECL

2 (6) 2 (66)

Operating expenses

(16) (80) (109) (291)

Share of profit in associates and joint ventures

2 3 — 7

Revenue significant items

(1) (6) (5) (10)

Operating expense significant items

— (10) (11) (114)

Share of profit in associates and joint ventures significant items

— — — —

Loans and advances to customers (net)

952 (1,983) 5,266 11,791

Customer accounts

1,570 (1,411) 12,026 23,528

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - Wealth and Personal Banking

Revenue	2	8	16	43
ECL	—	—	(1)	(2)
Operating expenses	(1)	(8)	(11)	(43)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	2	(10)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	318	(993)	739	2,344
Customer accounts	368	(785)	1,902	4,355

HSBC Bank - Commercial Banking

Revenue	3	8	16	38
ECL	—	(4)	2	(19)
Operating expenses	(2)	(7)	(6)	(30)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	2	—	—
Operating expense significant items	1	—	1	(10)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	348	(881)	791	2,515
Customer accounts	629	(1,006)	1,980	4,485

HSBC Bank - Global Banking and Markets

Revenue	16	41	86	149
ECL	1	(2)	(1)	(44)
Operating expenses	(13)	(56)	(81)	(198)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	(2)	(10)	(4)	(10)
Operating expense significant items	1	(3)	(5)	(74)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	285	(102)	3,732	6,916
Customer accounts	570	387	8,129	14,666

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank - Corporate Centre

Revenue		(3)	(3)	(3)	(6)
ECL		—	—	1	(1)
Operating expenses		—	(9)	(12)	(20)
Share of profit in associates and joint ventures		2	3	—	7
Revenue significant items		(1)	2	—	—
Operating expense significant items		1	(4)	(11)	(19)
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		2	(7)	4	14
Customer accounts		4	(5)	15	22

HSBC

Europe - Other

HSBC Europe - Other - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(109)	(112)	(36)	(55)	(74)	(225)
<i>of which: net interest income/(expense)</i>	<i>(116)</i>	<i>(116)</i>	<i>(122)</i>	<i>(125)</i>	<i>(125)</i>	<i>(498)</i>
Change in expected credit losses and other credit impairment charges	—	(1)	100	(101)	—	(1)
Total operating expenses	(75)	(68)	(158)	(103)	(104)	(522)
<i>of which: staff expenses</i>	<i>(60)</i>	<i>(52)</i>	<i>(64)</i>	<i>(49)</i>	<i>(47)</i>	<i>(208)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(184)	(181)	(94)	(259)	(178)	(748)
Reported Significant items - Totals (\$m)						
Revenue	1	(1)	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(9)	(10)	(5)	(2)	(1)	(10)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(110)	(109)	(30)	(49)	(65)	(225)
<i>of which: net interest income/(expense)</i>	<i>(115)</i>	<i>(115)</i>	<i>(121)</i>	<i>(125)</i>	<i>(126)</i>	<i>(498)</i>
Change in expected credit losses and other credit impairment charges	—	(1)	100	(100)	(1)	(1)
Total operating expenses	(66)	(60)	(157)	(107)	(114)	(512)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(176)	(170)	(87)	(256)	(180)	(738)
	Balance sheet date					Balance sheet date
Balance sheet - reported (\$m)	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Loans and advances to customers (gross)	—	(1)	—	—	—	—
Loans and advances to customers (net)	—	—	—	(100)	—	—
Total external assets	(1,676)	(1,674)	(1,655)	(1,665)	(1,495)	(1,655)
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	(1,198)	(1,181)	(1,197)	(863)	(780)	(1,197)
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	(99)	—	—
Customer accounts	—	—	—	1	—	—

HSBC

Europe - Other

HSBC Europe - Other - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	910	554	867	631	570	2,945
<i>of which: net interest income/(expense)</i>	<i>(305)</i>	<i>(339)</i>	<i>(352)</i>	<i>(363)</i>	<i>(339)</i>	<i>(1,384)</i>
Change in expected credit losses and other credit impairment charges	2	2	2	1	(3)	—
Total operating expenses	(891)	(855)	(1,456)	(479)	(912)	(3,199)
<i>of which: staff expenses</i>	<i>(500)</i>	<i>(573)</i>	<i>(552)</i>	<i>(510)</i>	<i>(557)</i>	<i>(1,887)</i>
Share of profit in associates and joint ventures	2	4	1	1	—	2
Profit/(loss) before tax	23	(295)	(586)	154	(345)	(252)
Reported Significant items - Totals (\$m)						
Revenue	149	(180)	162	16	66	402
ECL	—	—	—	—	—	—
Operating expenses	(109)	(120)	(149)	92	(227)	(314)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	761	741	725	639	528	2,543
<i>of which: net interest income/(expense)</i>	<i>(305)</i>	<i>(340)</i>	<i>(353)</i>	<i>(363)</i>	<i>(338)</i>	<i>(1,384)</i>
Change in expected credit losses and other credit impairment charges	2	—	—	—	(1)	—
Total operating expenses	(782)	(739)	(1,316)	(576)	(682)	(2,885)
Share of profit in associates and joint ventures	2	3	(1)	2	1	2
Profit/(loss) before tax	(17)	5	(592)	65	(154)	(340)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	1	—	(1)	—	—
Loans and advances to customers (net)	1	—	—	—	—	—
Total external assets	16,962	22,120	18,873	17,730	18,932	18,873
Customer accounts	2	1	—	—	—	—
Risk-weighted assets	256	(796)	881	(484)	(736)	881
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	1	—	—	—	—	—
Customer accounts	2	—	—	—	—	—

HSBC

Europe - Other

SIGNIFICANT ITEMS

HSBC Europe - Other - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	1	(1)	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	47	(226)	20	15	65	257
Restructuring and other related costs	104	38	128	1	1	130

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	200	(200)	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(125)	(121)	(113)	(131)	(36)	(312)
Settlements and provisions in connection with legal and regulatory matters	(1)	(1)	(1)	(2)	3	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
------------------------	---	---	---	---	---	---

HSBC Europe - Other - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	2	(7)	(8)	—	—	(8)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(7)	(1)	32	(16)	(5)	11
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

Europe - Other

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
------------------------	---	---	---	---	---	---

HSBC Europe - Other - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	1	(1)	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(9)	(10)	(5)	(2)	(1)	(10)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
------------------------	---	---	---	---	---	---

HSBC Europe - Other - Global Banknig and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	(1)
Restructuring and other related costs	(1)	(1)	(4)	—	—	(4)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(3)	4	9	(7)	—	2
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

Europe - Other

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
------------------------	---	---	---	---	---	---

HSBC Europe - Other - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	45	(228)	19	16	66	259
Restructuring and other related costs	104	48	143	—	—	143

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	200	(200)	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(109)	(120)	(149)	(108)	(27)	(314)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
------------------------	---	---	---	---	---	---

Reconciling items - Currency translation on reported items - Totals (\$m)

HSBC Europe - Other - TOTAL

Revenue		14	59	65	93	
ECL		(2)	(3)	1	3	
Operating expenses		(9)	(40)	(52)	(63)	
Share of profit in associates and joint ventures		—	(1)	—	1	
Revenue significant items		1	12	—	—	
Operating expense significant items		(3)	(7)	(5)	(5)	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		151	(431)	(18)	267	
Customer accounts		212	(627)	27	568	

HSBC

Europe - Other

HSBC Europe - Other - Wealth and Personal Banking

Revenue	3	15	20	35
ECL	—	—	—	1
Operating expenses	(5)	(16)	(17)	(31)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	2	—	—
Operating expense significant items	(1)	(4)	2	(2)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	149	(431)	(20)	268
Customer accounts	212	(629)	25	567

HSBC Europe - Other - Commercial Banking

Revenue	2	6	6	9
ECL	—	—	1	(1)
Operating expenses	(1)	(4)	(6)	(11)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	1	—
Customer accounts	—	—	1	—

HSBC Europe - Other - Global Banking and Markets

Revenue	2	10	17	25
ECL	(1)	—	—	—
Operating expenses	(1)	(13)	(16)	(22)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	1	—	—
Operating expense significant items	(2)	(2)	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	1	1	1

HSBC
Europe - Other

HSBC Europe - Other - Corporate Centre

Revenue		8	29	24	24
ECL		(2)	(2)	(1)	2
Operating expenses		(1)	(11)	(10)	—
Share of profit in associates and joint ventures		(1)	(2)	1	1
Revenue significant items		1	9	—	—
Operating expense significant items		3	(2)	(5)	(3)
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		—	—	—	—
Customer accounts		(1)	—	—	—

HSBC Asia

Asia - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,980	2,928	2,777	2,946	3,194	12,036
<i>of which: net interest income</i>	<i>1,618</i>	<i>1,654</i>	<i>1,707</i>	<i>1,705</i>	<i>1,946</i>	<i>7,707</i>
Change in expected credit losses and other credit impairment charges	(6)	(60)	(65)	(79)	(246)	(573)
Total operating expenses	(1,662)	(1,648)	(1,739)	(1,621)	(1,502)	(6,434)
<i>of which: staff expenses</i>	<i>(679)</i>	<i>(699)</i>	<i>(671)</i>	<i>(634)</i>	<i>(588)</i>	<i>(2,521)</i>
Share of profit in associates and joint ventures	—	7	3	9	(6)	1
Profit/(loss) before tax	1,312	1,227	976	1,255	1,440	5,030
Reported Significant items - Totals (\$m)						
Revenue	(2)	7	8	—	—	8
ECL	—	—	—	—	—	—
Operating expenses	(19)	(12)	(36)	(3)	—	(39)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,982	2,918	2,779	2,975	3,244	12,028
<i>of which: net interest income</i>	<i>1,618</i>	<i>1,651</i>	<i>1,714</i>	<i>1,723</i>	<i>1,981</i>	<i>7,707</i>
Change in expected credit losses and other credit impairment charges	(6)	(60)	(64)	(78)	(253)	(573)
Total operating expenses	(1,643)	(1,633)	(1,713)	(1,643)	(1,544)	(6,395)
Share of profit in associates and joint ventures	—	7	3	9	(6)	1
Profit/(loss) before tax	1,333	1,232	1,005	1,263	1,441	5,061
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	205,547	192,707	189,685	196,103	181,905	189,685
Loans and advances to customers (net)	204,738	191,826	188,759	195,190	181,000	188,759
Total external assets	404,637	388,060	392,684	394,055	377,310	392,684
Customer accounts	425,545	426,195	429,911	416,402	412,834	429,911
Risk-weighted assets	90,669	79,774	77,750	86,076	77,923	77,750
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	204,738	191,823	187,561	196,942	184,499	188,759
Customer accounts	425,545	426,442	428,019	417,840	416,273	429,911

HSBC Asia

Asia - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,364	1,428	1,324	1,361	1,537	6,047
<i>of which: net interest income</i>	<i>924</i>	<i>929</i>	<i>966</i>	<i>997</i>	<i>1,118</i>	<i>4,408</i>
Change in expected credit losses and other credit impairment charges	(160)	(20)	(303)	(33)	(488)	(1,565)
Total operating expenses	(701)	(647)	(706)	(620)	(597)	(2,538)
<i>of which: staff expenses</i>	<i>(255)</i>	<i>(242)</i>	<i>(242)</i>	<i>(233)</i>	<i>(221)</i>	<i>(927)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	503	761	315	708	452	1,944
Reported Significant items - Totals (\$m)						
Revenue	(1)	1	1	—	—	1
ECL	—	—	—	—	—	—
Operating expenses	(12)	1	(7)	—	—	(7)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,365	1,423	1,328	1,380	1,576	6,046
<i>of which: net interest income</i>	<i>924</i>	<i>927</i>	<i>970</i>	<i>1,011</i>	<i>1,144</i>	<i>4,408</i>
Change in expected credit losses and other credit impairment charges	(160)	(21)	(303)	(34)	(499)	(1,565)
Total operating expenses	(689)	(647)	(703)	(630)	(615)	(2,531)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	516	755	322	716	462	1,950
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	170,406	161,154	158,099	159,391	160,814	158,099
Loans and advances to customers (net)	167,805	158,672	155,652	157,196	158,573	155,652
Total external assets	247,119	237,138	240,566	238,299	238,331	240,566
Customer accounts	194,835	187,621	189,931	174,484	173,342	189,931
Risk-weighted assets	144,951	140,723	138,541	137,605	136,586	138,541
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	167,805	158,907	154,978	158,441	161,215	155,652
Customer accounts	194,835	187,817	189,159	175,588	175,748	189,931

HSBC Asia

Asia - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,756	2,010	1,663	1,703	1,973	7,491
<i>of which: net interest income</i>	<i>654</i>	<i>668</i>	<i>686</i>	<i>683</i>	<i>754</i>	<i>2,952</i>
Change in expected credit losses and other credit impairment charges	(7)	51	48	(33)	(84)	(145)
Total operating expenses	(938)	(917)	(959)	(813)	(775)	(3,344)
<i>of which: staff expenses</i>	<i>(381)</i>	<i>(370)</i>	<i>(382)</i>	<i>(315)</i>	<i>(304)</i>	<i>(1,315)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	811	1,144	752	857	1,114	4,002
Reported Significant items - Totals (\$m)						
Revenue	(1)	—	(24)	3	(62)	5
ECL	—	—	—	—	—	—
Operating expenses	(9)	(5)	(13)	(4)	(1)	(18)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,757	2,003	1,694	1,732	2,098	7,486
<i>of which: net interest income</i>	<i>654</i>	<i>665</i>	<i>690</i>	<i>699</i>	<i>780</i>	<i>2,952</i>
Change in expected credit losses and other credit impairment charges	(7)	49	48	(33)	(88)	(145)
Total operating expenses	(929)	(909)	(948)	(823)	(799)	(3,326)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	821	1,143	794	876	1,211	4,015
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	129,610	127,820	128,668	131,684	135,097	128,668
Loans and advances to customers (net)	129,299	127,506	128,316	131,318	134,760	128,316
Total external assets	452,681	438,614	436,888	422,024	422,379	436,888
Customer accounts	139,563	142,622	142,506	141,425	136,835	142,506
Risk-weighted assets	118,973	112,338	112,316	112,652	112,695	112,316
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	129,299	127,621	127,556	132,585	137,452	128,316
Customer accounts	139,563	142,714	141,208	143,297	140,783	142,506

HSBC Asia

Asia - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	384	408	254	314	317	1,348
<i>of which: net interest expense</i>	<i>(86)</i>	<i>(94)</i>	<i>(122)</i>	<i>(123)</i>	<i>(127)</i>	<i>(749)</i>
Change in expected credit losses and other credit impairment charges	—	(2)	(2)	1	—	(1)
Total operating expenses	(477)	(482)	(486)	(289)	(272)	(1,347)
<i>of which: staff expenses</i>	<i>(512)</i>	<i>(649)</i>	<i>(515)</i>	<i>(507)</i>	<i>(505)</i>	<i>(2,111)</i>
Share of profit in associates and joint ventures	648	703	467	341	578	1,856
Profit/(loss) before tax	555	627	233	367	623	1,856
Reported Significant items - Totals (\$m)						
Revenue	36	17	15	(2)	(2)	21
ECL	—	—	—	—	—	—
Operating expenses	(102)	(42)	(65)	(25)	(16)	(107)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	348	389	240	323	331	1,327
<i>of which: net interest expense</i>	<i>(86)</i>	<i>(95)</i>	<i>(123)</i>	<i>(125)</i>	<i>(128)</i>	<i>(749)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	1	(1)	(1)
Total operating expenses	(375)	(439)	(422)	(273)	(266)	(1,240)
Share of profit in associates and joint ventures	648	706	479	366	634	1,856
Profit/(loss) before tax	621	656	297	417	698	1,942
	Balance sheet date					Balance sheet date
Balance sheet - reported (\$m)	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Loans and advances to customers (gross)	517	473	439	421	406	439
Loans and advances to customers (net)	517	472	439	421	406	439
Total external assets	111,002	119,742	115,470	101,818	98,594	115,470
Customer accounts	5	60	58	56	61	58
Risk-weighted assets	52,524	54,353	55,621	48,770	47,480	55,621
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	517	473	437	421	407	439
Customer accounts	5	60	58	57	64	58

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Asia

SIGNIFICANT ITEMS

Asia - TOTAL

Revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(3)	(2)	(31)	2	(64)	5
Restructuring and other related costs	33	26	32	—	—	32

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(143)	(59)	(123)	(30)	(17)	(171)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Asia - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	(2)	7	8	—	—	8

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(19)	(12)	(36)	(3)	—	(39)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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Asia

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Asia - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	(1)	1	1	—	—	1

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(12)	1	(7)	—	—	(7)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Asia - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(2)	(1)	(28)	3	(62)	1
Restructuring and other related costs	1	1	4	—	—	4

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(9)	(5)	(13)	(4)	(1)	(18)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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Asia

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Asia - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	(2)	(2)	(2)	4
Restructuring and other related costs	36	17	17	—	—	17

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(102)	(42)	(65)	(25)	(16)	(107)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

Asia - TOTAL

Revenue	(18)	23	86	164
ECL	—	2	—	(24)
Operating expenses	9	(21)	(58)	(93)
Share of profit in associates and joint ventures	2	13	24	56
Revenue significant items	(1)	(1)	—	(1)
Operating expense significant items	1	—	(2)	1
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	348	(2,632)	4,266	8,833
Customer accounts	536	(3,961)	4,415	9,796

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Asia

Asia - Wealth and Personal Banking

Revenue	(3)	10	29	50
ECL	—	1	1	(7)
Operating expenses	3	(10)	(25)	(42)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(3)	(1,198)	1,752	3,499
Customer accounts	247	(1,892)	1,438	3,439

Asia - Commercial Banking

Revenue	(4)	5	19	39
ECL	(1)	—	(1)	(11)
Operating expenses	1	(4)	(10)	(18)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	235	(674)	1,245	2,642
Customer accounts	196	(772)	1,104	2,406

Asia - Global Banking and Markets

Revenue	(8)	6	32	62
ECL	(2)	—	—	(4)
Operating expenses	4	(1)	(14)	(25)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	(1)	(1)	—	(1)
Operating expense significant items	1	1	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	115	(760)	1,267	2,692
Customer accounts	92	(1,298)	1,872	3,948

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Asia

Asia - Corporate Centre

Revenue	(2)	2	7	12
ECL	2	2	—	(1)
Operating expenses	—	(4)	(9)	(8)
Share of profit in associates and joint ventures	3	12	25	56
Revenue significant items	—	1	—	—
Operating expense significant items	(1)	(3)	—	2
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	1	(2)	—	1
Customer accounts	—	—	1	3

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

HSBC Hong Kong

Hong Kong - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,139	2,088	1,995	2,150	2,439	8,961
<i>of which: net interest income</i>	<i>1,142</i>	<i>1,177</i>	<i>1,226</i>	<i>1,230</i>	<i>1,466</i>	<i>5,740</i>
Change in expected credit losses and other credit impairment charges	(6)	(60)	(20)	(53)	(113)	(276)
Total operating expenses	(917)	(939)	(979)	(957)	(885)	(3,748)
<i>of which: staff expenses</i>	<i>(378)</i>	<i>(419)</i>	<i>(405)</i>	<i>(375)</i>	<i>(356)</i>	<i>(1,517)</i>
Share of profit in associates and joint ventures	—	3	(2)	3	(6)	(10)
Profit/(loss) before tax	1,216	1,092	994	1,143	1,435	4,927
Reported Significant items - Totals (\$m)						
Revenue	(4)	5	6	—	—	6
ECL	—	—	—	—	—	—
Operating expenses	(6)	(11)	(27)	(2)	—	(29)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,143	2,081	1,986	2,145	2,435	8,955
<i>of which: net interest income</i>	<i>1,142</i>	<i>1,176</i>	<i>1,224</i>	<i>1,228</i>	<i>1,463</i>	<i>5,740</i>
Change in expected credit losses and other credit impairment charges	(6)	(60)	(20)	(53)	(113)	(276)
Total operating expenses	(911)	(928)	(951)	(953)	(883)	(3,719)
Share of profit in associates and joint ventures	—	4	(1)	3	(6)	(10)
Profit/(loss) before tax	1,226	1,097	1,014	1,142	1,433	4,950
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	141,471	129,239	125,613	135,323	123,235	125,613
Loans and advances to customers (net)	141,106	128,837	125,223	134,925	122,838	125,223
Total external assets	306,813	290,508	295,511	301,800	289,777	295,511
Customer accounts	345,451	346,289	347,855	338,414	337,340	347,855
Risk-weighted assets	65,897	56,775	54,979	63,938	56,110	54,979
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	141,106	128,975	125,029	134,657	122,596	125,223
Customer accounts	345,451	346,659	347,315	337,741	336,675	347,855

HSBC Hong Kong

Hong Kong - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	729	803	747	798	923	3,635
<i>of which: net interest income</i>	<i>481</i>	<i>506</i>	<i>541</i>	<i>576</i>	<i>676</i>	<i>2,645</i>
Change in expected credit losses and other credit impairment charges	2	(51)	(217)	(14)	(239)	(489)
Total operating expenses	(360)	(349)	(358)	(342)	(334)	(1,359)
<i>of which: staff expenses</i>	<i>(124)</i>	<i>(128)</i>	<i>(129)</i>	<i>(128)</i>	<i>(126)</i>	<i>(508)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	371	403	172	442	350	1,787
Reported Significant items - Totals (\$m)						
Revenue	(1)	1	1	—	—	1
ECL	—	—	—	—	—	—
Operating expenses	(9)	(2)	(4)	—	—	(4)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	730	801	745	797	921	3,634
<i>of which: net interest income</i>	<i>481</i>	<i>505</i>	<i>540</i>	<i>575</i>	<i>675</i>	<i>2,645</i>
Change in expected credit losses and other credit impairment charges	2	(51)	(217)	(14)	(239)	(489)
Total operating expenses	(351)	(347)	(353)	(341)	(333)	(1,355)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	381	403	175	442	349	1,790
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	105,992	100,573	100,376	104,706	104,013	100,376
Loans and advances to customers (net)	104,983	99,562	99,400	103,943	103,249	99,400
Total external assets	146,129	139,844	147,163	150,252	150,092	147,163
Customer accounts	131,859	127,290	131,404	121,440	121,474	131,404
Risk-weighted assets	74,265	71,760	72,043	75,446	73,696	72,043
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	104,983	99,669	99,246	103,736	103,046	99,400
Customer accounts	131,859	127,426	131,200	121,199	121,234	131,404

HSBC Hong Kong

Hong Kong - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	756	918	691	742	915	3,382
<i>of which: net interest income</i>	<i>234</i>	<i>228</i>	<i>237</i>	<i>259</i>	<i>335</i>	<i>1,203</i>
Change in expected credit losses and other credit impairment charges	(3)	26	19	(22)	(31)	(58)
Total operating expenses	(462)	(468)	(477)	(398)	(380)	(1,650)
<i>of which: staff expenses</i>	<i>(182)</i>	<i>(183)</i>	<i>(193)</i>	<i>(154)</i>	<i>(155)</i>	<i>(656)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	291	476	233	322	504	1,674
Reported Significant items - Totals (\$m)						
Revenue	(2)	—	(13)	—	(45)	3
ECL	—	—	—	—	—	—
Operating expenses	(4)	(2)	(11)	(3)	(1)	(15)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	758	917	703	741	958	3,379
<i>of which: net interest income</i>	<i>233</i>	<i>226</i>	<i>236</i>	<i>259</i>	<i>335</i>	<i>1,203</i>
Change in expected credit losses and other credit impairment charges	(3)	26	19	(22)	(31)	(58)
Total operating expenses	(458)	(465)	(465)	(394)	(378)	(1,635)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	297	478	257	325	549	1,686
	Balance sheet date					Balance sheet date
Balance sheet - reported (\$m)	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Loans and advances to customers (gross)	82,536	78,567	77,650	80,278	82,562	77,650
Loans and advances to customers (net)	82,346	78,376	77,433	80,047	82,343	77,433
Total external assets	252,487	239,282	240,126	230,783	232,282	240,126
Customer accounts	51,862	53,182	52,211	57,709	55,546	52,211
Risk-weighted assets	56,976	54,256	53,901	55,249	55,600	53,901
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	82,346	78,460	77,313	79,888	82,181	77,433
Customer accounts	51,862	53,239	52,130	57,594	55,437	52,211

HSBC Hong Kong

SIGNIFICANT ITEMS

Hong Kong - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(2)	—	(16)	—	(45)	—
Restructuring and other related costs	(14)	(9)	(15)	—	—	(15)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(61)	(25)	(69)	(21)	(10)	(100)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Hong Kong - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	(4)	5	6	—	—	6

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(6)	(11)	(27)	(2)	—	(29)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Hong Kong

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Hong Kong - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	(1)	1	1	—	—	1

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(9)	(2)	(4)	—	—	(4)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Hong Kong - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(2)	—	(16)	—	(45)	—
Restructuring and other related costs	—	—	3	—	—	3

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(4)	(2)	(11)	(3)	(1)	(15)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Hong Kong

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Hong Kong - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	(9)	(15)	(24)	—	—	(24)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(41)	(9)	(27)	(15)	(9)	(51)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

Hong Kong - TOTAL

Revenue		(4)	(6)	(7)	(8)	
ECL		—	1	—	—	
Operating expenses		2	3	3	4	
Share of profit in associates and joint ventures		—	1	—	—	
Revenue significant items		—	1	—	—	
Operating expense significant items		1	1	—	1	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		328	(469)	(636)	(609)	
Customer accounts		563	(824)	(1,029)	(1,013)	

HSBC Hong Kong

Hong Kong - Wealth and Personal Banking

Revenue	(2)	(3)	(5)	(4)
ECL	—	—	—	—
Operating expenses	1	2	2	2
Share of profit in associates and joint ventures	1	1	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	1	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	138	(194)	(268)	(242)
Customer accounts	370	(540)	(673)	(665)

Hong Kong - Commercial Banking

Revenue	(1)	(1)	(1)	(2)
ECL	—	—	—	—
Operating expenses	—	1	1	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	107	(154)	(207)	(203)
Customer accounts	136	(204)	(241)	(240)

Hong Kong - Global Banking and Markets

Revenue	(1)	(1)	(1)	(2)
ECL	—	—	—	—
Operating expenses	1	1	1	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	84	(120)	(159)	(162)
Customer accounts	57	(81)	(115)	(109)

HSBC Hong Kong

Hong Kong - Corporate Centre

Revenue		1	1	—	—
ECL		—	—	—	—
Operating expenses		(1)	—	(1)	1
Share of profit in associates and joint ventures		—	—	—	—
Revenue significant items		—	—	—	—
Operating expense significant items		(1)	—	—	1
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		1	(1)	(1)	(1)
Customer accounts		—	—	—	—

HSBC
Mainland China

Mainland China - TOTAL

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	414	401	395	366	397	1,556
Net fee income	108	125	77	88	82	337
Other operating income	389	354	299	287	327	1,195
Net operating income before change in expected credit losses and other credit impairment charges	911	880	771	741	806	3,088
Change in expected credit losses and other credit impairment charges	(19)	17	4	(11)	(44)	(114)
Total operating expenses	(680)	(626)	(641)	(554)	(494)	(2,211)
<i>of which: staff expenses</i>	<i>(394)</i>	<i>(386)</i>	<i>(361)</i>	<i>(322)</i>	<i>(280)</i>	<i>(1,287)</i>
Share of profit in associates and joint ventures	646	702	466	339	576	1,849
Profit/(loss) before tax	858	973	600	515	844	2,612
Reported Significant items - Totals (\$m)						
Revenue	11	10	4	1	(2)	5
ECL	—	—	—	—	—	—
Operating expenses	(7)	(4)	(17)	(1)	(1)	(19)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	900	876	788	793	885	3,083
<i>of which: net interest income</i>	<i>415</i>	<i>403</i>	<i>406</i>	<i>392</i>	<i>435</i>	<i>1,556</i>
Change in expected credit losses and other credit impairment charges	(19)	17	4	(12)	(48)	(114)
Total operating expenses	(673)	(624)	(641)	(593)	(542)	(2,192)
Share of profit in associates and joint ventures	646	704	478	364	632	1,849
Profit/(loss) before tax	854	973	629	552	927	2,626
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	51,403	48,973	46,405	43,815	43,675	46,405
Loans and advances to customers (net)	51,123	48,694	46,113	43,535	43,338	46,113
Total external assets	133,742	130,355	130,134	119,696	115,597	130,134
Customer accounts	57,227	54,919	56,826	47,327	47,557	56,826
Risk-weighted assets	83,477	81,693	80,674	76,061	74,611	80,674
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	51,123	49,372	46,646	45,899	47,471	46,113
Customer accounts	57,227	55,684	57,483	49,896	52,093	56,826

HSBC Mainland China

Mainland China - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	197	192	171	172	212	758
<i>of which: net interest income</i>	<i>151</i>	<i>143</i>	<i>143</i>	<i>142</i>	<i>154</i>	<i>597</i>
Change in expected credit losses and other credit impairment charges	(20)	19	(8)	(16)	(16)	(59)
Total operating expenses	(119)	(99)	(118)	(96)	(87)	(404)
<i>of which: staff expenses</i>	<i>(44)</i>	<i>(42)</i>	<i>(40)</i>	<i>(37)</i>	<i>(32)</i>	<i>(148)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	58	112	45	60	109	295
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	3	(3)	—	—	(3)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	197	193	175	184	233	758
<i>of which: net interest income</i>	<i>151</i>	<i>143</i>	<i>147</i>	<i>153</i>	<i>169</i>	<i>597</i>
Change in expected credit losses and other credit impairment charges	(20)	19	(8)	(17)	(18)	(59)
Total operating expenses	(119)	(102)	(118)	(102)	(96)	(401)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	58	110	49	65	119	298
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	23,942	21,922	19,988	17,946	18,662	19,988
Loans and advances to customers (net)	23,763	21,755	19,815	17,800	18,469	19,815
Total external assets	33,388	31,650	30,058	26,881	27,147	30,058
Customer accounts	18,443	16,674	16,875	14,753	15,263	16,875
Risk-weighted assets	25,379	24,429	23,158	20,829	21,423	23,158
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	23,763	22,058	20,043	18,766	20,230	19,815
Customer accounts	18,443	16,906	17,070	15,554	16,719	16,875

HSBC Mainland China

Mainland China - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	266	273	245	223	224	918
<i>of which: net interest income</i>	<i>164</i>	<i>160</i>	<i>159</i>	<i>142</i>	<i>134</i>	<i>589</i>
Change in expected credit losses and other credit impairment charges	4	(1)	22	(2)	(4)	(3)
Total operating expenses	(123)	(116)	(114)	(100)	(94)	(409)
<i>of which: staff expenses</i>	<i>(49)</i>	<i>(47)</i>	<i>(48)</i>	<i>(34)</i>	<i>(30)</i>	<i>(150)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	147	156	153	121	126	506
Reported Significant items - Totals (\$m)						
Revenue	1	1	—	1	(2)	1
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	265	273	251	238	248	917
<i>of which: net interest income</i>	<i>165</i>	<i>161</i>	<i>164</i>	<i>152</i>	<i>147</i>	<i>589</i>
Change in expected credit losses and other credit impairment charges	4	—	24	(2)	(5)	(3)
Total operating expenses	(123)	(116)	(116)	(107)	(103)	(409)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	146	157	159	129	140	505
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	16,343	16,195	15,556	15,431	14,983	15,556
Loans and advances to customers (net)	16,319	16,164	15,525	15,382	14,940	15,525
Total external assets	46,459	46,484	46,022	43,218	41,618	46,022
Customer accounts	25,842	25,468	26,923	20,393	20,391	26,923
Risk-weighted assets	17,633	16,790	17,154	16,530	16,118	17,154
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	16,319	16,389	15,705	16,217	16,365	15,525
Customer accounts	25,842	25,823	27,234	21,501	22,336	26,923

HSBC Mainland China

Mainland China - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	226	200	158	137	174	647
<i>of which: net interest expense</i>	<i>(2)</i>	<i>(2)</i>	<i>(12)</i>	<i>(21)</i>	<i>(1)</i>	<i>(57)</i>
Change in expected credit losses and other credit impairment charges	1	1	1	—	(1)	—
Total operating expenses	(210)	(205)	(185)	(172)	(150)	(651)
<i>of which: staff expenses</i>	<i>(197)</i>	<i>(204)</i>	<i>(188)</i>	<i>(167)</i>	<i>(152)</i>	<i>(678)</i>
Share of profit in associates and joint ventures	648	702	466	339	576	1,849
Profit/(loss) before tax	665	698	440	304	599	1,845
Reported Significant items - Totals (\$m)						
Revenue	12	10	4	—	—	4
ECL	—	—	—	—	—	—
Operating expenses	(8)	(8)	(14)	(1)	(1)	(16)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	214	192	159	147	189	643
<i>of which: net interest expense</i>	<i>(1)</i>	<i>(1)</i>	<i>(11)</i>	<i>(23)</i>	<i>(2)</i>	<i>(57)</i>
Change in expected credit losses and other credit impairment charges	1	—	—	—	—	—
Total operating expenses	(202)	(199)	(178)	(183)	(163)	(635)
Share of profit in associates and joint ventures	648	704	478	364	632	1,849
Profit/(loss) before tax	661	697	459	328	658	1,857
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	26	26	26	25	24	26
Loans and advances to customers (net)	26	26	26	25	23	26
Total external assets	35,696	34,314	36,537	32,994	31,026	36,537
Customer accounts	—	37	34	33	34	34
Risk-weighted assets	34,796	34,932	34,903	33,524	32,096	34,903
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	26	26	26	26	26	26
Customer accounts	—	37	34	35	37	34

HSBC Mainland China

SIGNIFICANT ITEMS

Mainland China - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	1	(2)	1
Restructuring and other related costs	11	10	4	—	—	4

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(7)	(4)	(17)	(1)	(1)	(19)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mainland China - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	(1)	—	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

Mainland China

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mainland China - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	3	(3)	—	—	(3)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mainland China - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	1	1	—	1	(2)	1
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Mainland China

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mainland China - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	12	10	4	—	—	4

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(8)	(8)	(14)	(1)	(1)	(16)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

Mainland China - TOTAL

Revenue		5	21	53	78	
ECL		—	—	(1)	(4)	
Operating expenses		(2)	(17)	(40)	(49)	
Share of profit in associates and joint ventures		2	12	25	56	
Revenue significant items		(1)	—	—	1	
Operating expense significant items		—	—	—	—	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		678	533	2,364	4,133	
Customer accounts		765	657	2,569	4,536	

HSBC Mainland China

Mainland China - Wealth and Personal Banking

Revenue	1	6	15	19
ECL	—	—	1	(2)
Operating expenses	(2)	(7)	(13)	(16)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	150	124	561	944
Customer accounts	178	151	659	1,132

Mainland China - Commercial Banking

Revenue	1	4	12	21
ECL	—	—	(1)	(2)
Operating expenses	—	(3)	(6)	(9)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	303	228	966	1,761
Customer accounts	232	195	801	1,456

Mainland China - Global Banking and Markets

Revenue	—	5	16	23
ECL	1	2	—	(1)
Operating expenses	—	(2)	(7)	(9)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	(1)	(1)	—	1
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	225	180	835	1,425
Customer accounts	355	311	1,108	1,945

HSBC Mainland China

Mainland China - Corporate Centre

Revenue	2	6	10	15
ECL	(1)	(1)	—	1
Operating expenses	(1)	(6)	(12)	(14)
Share of profit in associates and joint ventures	2	12	25	56
Revenue significant items	—	1	—	—
Operating expense significant items	1	1	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	1	3
Customer accounts	—	—	2	3

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Middle East and North Africa

Middle East and North Africa - TOTAL

Reported (\$m)	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Net interest income	320	330	336	352	383	1,465
Net fee income	185	187	179	169	171	695
Other operating income	115	115	111	102	135	468
Net operating income before change in expected credit losses and other credit impairment charges	620	632	626	623	689	2,628
Change in expected credit losses and other credit impairment charges	61	55	(37)	(110)	(278)	(758)
Total operating expenses	(397)	(388)	(394)	(429)	(394)	(1,586)
<i>of which: staff expenses</i>	<i>(189)</i>	<i>(198)</i>	<i>(184)</i>	<i>(192)</i>	<i>(180)</i>	<i>(749)</i>
Share of profit/(loss) in associates and joint ventures	102	38	150	(384)	(87)	(265)
Profit/(loss) before tax	386	337	345	(300)	(70)	19
Reported Significant items - Totals (\$m)						
Revenue	—	—	(1)	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(11)	(11)	(18)	(24)	(41)	(83)
Share of profit in associates and joint ventures	—	—	—	(462)	—	(462)
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	620	623	622	615	678	2,628
<i>of which: net interest income</i>	<i>320</i>	<i>324</i>	<i>333</i>	<i>347</i>	<i>377</i>	<i>1,465</i>
Change in expected credit losses and other credit impairment charges	61	54	(37)	(110)	(277)	(758)
Total operating expenses	(386)	(371)	(373)	(397)	(346)	(1,503)
Share of profit/(loss) in associates and joint ventures	102	38	150	78	(87)	197
Profit/(loss) before tax	397	344	362	186	(32)	564
Balance sheet - reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Loans and advances to customers (gross)	29,211	29,927	30,540	31,126	31,388	30,540
Loans and advances to customers (net)	27,608	28,176	28,700	29,307	29,615	28,700
Total external assets	63,515	65,210	64,733	63,472	64,583	64,733
Customer accounts	41,086	41,916	41,221	40,815	41,197	41,221
Risk-weighted assets ¹	59,476	59,830	60,181	59,361	58,585	60,181
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	27,608	28,025	28,232	28,955	29,077	28,700
Customer accounts	41,086	41,695	40,658	40,410	40,527	41,221

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Middle East and North Africa

Middle East and North Africa - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	153	145	134	141	152	603
<i>of which: net interest income</i>	<i>95</i>	<i>89</i>	<i>85</i>	<i>93</i>	<i>99</i>	<i>390</i>
Change in expected credit losses and other credit impairment charges	(2)	18	(30)	(68)	(147)	(388)
Total operating expenses	(84)	(83)	(83)	(92)	(79)	(335)
<i>of which: staff expenses</i>	<i>(34)</i>	<i>(31)</i>	<i>(31)</i>	<i>(31)</i>	<i>(30)</i>	<i>(123)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	67	80	21	(19)	(74)	(120)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	—	—	(1)	—	(1)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	153	143	134	139	148	603
<i>of which: net interest income</i>	<i>94</i>	<i>86</i>	<i>83</i>	<i>92</i>	<i>97</i>	<i>390</i>
Change in expected credit losses and other credit impairment charges	(2)	16	(31)	(67)	(146)	(388)
Total operating expenses	(82)	(83)	(83)	(88)	(78)	(334)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	69	76	20	(16)	(76)	(119)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	11,765	11,805	12,015	12,377	12,608	12,015
Loans and advances to customers (net)	10,538	10,575	10,747	11,157	11,449	10,747
Total external assets	17,516	17,677	17,158	17,529	17,873	17,158
Customer accounts	8,748	8,970	8,784	8,505	9,079	8,784
Risk-weighted assets	15,736	15,547	15,328	15,893	16,343	15,328
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	10,538	10,489	10,478	10,956	11,137	10,747
Customer accounts	8,748	8,942	8,730	8,448	8,982	8,784

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Middle East and North Africa

Middle East and North Africa - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	262	270	278	274	315	1,131
<i>of which: net interest income</i>	<i>112</i>	<i>105</i>	<i>114</i>	<i>118</i>	<i>129</i>	<i>494</i>
Change in expected credit losses and other credit impairment charges	61	30	(3)	(47)	(29)	(219)
Total operating expenses	(112)	(112)	(117)	(115)	(101)	(434)
<i>of which: staff expenses</i>	<i>(37)</i>	<i>(38)</i>	<i>(39)</i>	<i>(33)</i>	<i>(32)</i>	<i>(135)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	211	188	158	112	185	478
Reported Significant items - Totals (\$m)						
Revenue	—	—	(1)	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	(2)	(1)	—	—	(1)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	262	267	276	271	311	1,131
<i>of which: net interest income</i>	<i>112</i>	<i>103</i>	<i>113</i>	<i>117</i>	<i>128</i>	<i>494</i>
Change in expected credit losses and other credit impairment charges	61	30	(2)	(47)	(29)	(219)
Total operating expenses	(110)	(109)	(116)	(113)	(99)	(433)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	213	188	158	111	183	479
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	12,131	12,642	12,991	13,061	13,018	12,991
Loans and advances to customers (net)	12,019	12,406	12,738	12,804	12,796	12,738
Total external assets	23,773	25,251	24,852	24,054	24,740	24,852
Customer accounts	11,011	11,805	12,143	12,318	12,361	12,143
Risk-weighted assets	15,163	15,669	16,445	15,929	15,019	16,445
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	12,019	12,359	12,594	12,690	12,642	12,738
Customer accounts	11,011	11,766	12,038	12,236	12,250	12,143

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Middle East and North Africa

Middle East and North Africa - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	5	9	9	6	3	19
<i>of which: net interest income/(expense)</i>	(10)	8	6	9	1	7
Change in expected credit losses and other credit impairment charges	—	1	—	—	—	—
Total operating expenses	(30)	(29)	(30)	(26)	(7)	(78)
<i>of which: staff expenses</i>	(62)	(72)	(58)	(69)	(62)	(259)
Share of profit/(loss) in associates and joint ventures	102	38	150	(384)	(87)	(265)
Profit/(loss) before tax	77	19	129	(404)	(91)	(324)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(8)	(9)	(31)	(5)	—	(36)
Share of profit in associates and joint ventures	—	—	—	(462)	—	(462)
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	5	9	10	6	3	19
<i>of which: net interest income/(expense)</i>	(9)	8	7	7	(1)	7
Change in expected credit losses and other credit impairment charges	—	1	—	—	—	—
Total operating expenses	(22)	(21)	1	(21)	(8)	(42)
Share of profit/(loss) in associates and joint ventures	102	38	150	78	(87)	197
Profit/(loss) before tax	85	27	161	63	(92)	174
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	6,231	6,303	6,544	6,065	6,296	6,544
Customer accounts	2	—	—	—	—	—
Risk-weighted assets	20,929	21,160	20,742	19,898	19,819	20,742
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	2	—	—	—	—	—

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Middle East and North Africa

SIGNIFICANT ITEMS

Middle East and North Africa - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	(1)	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(4)	(19)	(41)	(64)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(11)	(11)	(14)	(5)	—	(19)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	(462)	—	(462)
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Middle East and North Africa - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	16	(17)	(41)	(42)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(1)	(2)	(3)	—	—	(3)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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Middle East and North Africa

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Middle East and North Africa - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	1	(1)	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(2)	—	(1)	—	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Middle East and North Africa - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	(1)	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(2)	(2)	(1)	—	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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Middle East and North Africa

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Middle East and North Africa - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(21)	(1)	—	(22)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(8)	(9)	(10)	(4)	—	(14)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	(462)	—	(462)
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Reconciling items - Currency translation on reported items - Totals (\$m)

Middle East and North Africa - TOTAL

Revenue		(9)	(4)	(8)	(11)	
ECL		(1)	—	—	1	
Operating expenses		6	3	10	7	
Share of profit in associates and joint ventures		—	—	—	—	
Revenue significant items		—	1	—	—	
Operating expense significant items		—	—	2	—	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		(151)	(468)	(352)	(538)	
Customer accounts		(221)	(563)	(405)	(670)	

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Middle East and North Africa

Middle East and North Africa - Wealth and Personal Banking

Revenue	(2)	(1)	(3)	(4)
ECL	—	—	(1)	1
Operating expenses	3	1	6	5
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	(1)	2	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(18)	(55)	(36)	(71)
Customer accounts	(155)	(404)	(264)	(462)

Middle East and North Africa - Commercial Banking

Revenue	(2)	—	(2)	(4)
ECL	(2)	(1)	1	1
Operating expenses	—	—	3	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(86)	(269)	(201)	(312)
Customer accounts	(28)	(54)	(57)	(97)

Middle East and North Africa - Global Banking and Markets

Revenue	(3)	(3)	(3)	(4)
ECL	—	1	—	—
Operating expenses	2	1	2	2
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	1	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(47)	(144)	(114)	(154)
Customer accounts	(39)	(105)	(82)	(111)

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Middle East and North Africa

Middle East and North Africa - Corporate Centre

Revenue		—	1	—	—
ECL		—	—	—	—
Operating expenses		—	1	—	(1)
Share of profit in associates and joint ventures		—	—	—	—
Revenue significant items		—	—	—	—
Operating expense significant items		1	1	—	—
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		—	—	—	—
Customer accounts		—	—	—	—

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

HSBC North America

North America - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	483	495	482	486	460	1,929
<i>of which: net interest income</i>	<i>330</i>	<i>327</i>	<i>328</i>	<i>304</i>	<i>294</i>	<i>1,276</i>
Change in expected credit losses and other credit impairment charges	(6)	(1)	(13)	(21)	(44)	(240)
Total operating expenses	(519)	(449)	(476)	(684)	(478)	(2,139)
<i>of which: staff expenses</i>	<i>(170)</i>	<i>(168)</i>	<i>(158)</i>	<i>(173)</i>	<i>(167)</i>	<i>(686)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(42)	45	(7)	(219)	(62)	(450)
Reported Significant items - Totals (\$m)						
Revenue	(1)	(1)	(1)	(1)	(1)	(9)
ECL	—	—	—	—	—	—
Operating expenses	(73)	(5)	(3)	(216)	(3)	(231)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	484	502	494	499	477	1,938
<i>of which: net interest income</i>	<i>330</i>	<i>331</i>	<i>334</i>	<i>312</i>	<i>304</i>	<i>1,276</i>
Change in expected credit losses and other credit impairment charges	(6)	(2)	(14)	(21)	(44)	(240)
Total operating expenses	(446)	(447)	(480)	(480)	(489)	(1,908)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	32	53	—	(2)	(56)	(210)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	50,420	51,328	50,266	48,573	47,667	50,266
Loans and advances to customers (net)	50,074	50,916	49,837	48,144	47,211	49,837
Total external assets	105,818	104,099	97,726	93,647	95,899	97,726
Customer accounts	70,486	81,025	81,278	78,399	79,799	81,278
Risk-weighted assets	22,412	21,989	22,175	21,677	22,295	22,175
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	50,074	51,274	50,527	50,022	49,518	49,837
Customer accounts	70,486	81,447	82,127	80,746	82,795	81,278

HSBC North America

North America - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	473	446	446	443	433	1,803
<i>of which: net interest income</i>	<i>304</i>	<i>285</i>	<i>298</i>	<i>291</i>	<i>301</i>	<i>1,223</i>
Change in expected credit losses and other credit impairment charges	38	45	(7)	22	(291)	(496)
Total operating expenses	(241)	(238)	(238)	(238)	(227)	(941)
<i>of which: staff expenses</i>	<i>(101)</i>	<i>(98)</i>	<i>(101)</i>	<i>(96)</i>	<i>(88)</i>	<i>(385)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	270	253	201	227	(85)	366
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(6)	—	(5)	(4)	(2)	(11)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	473	452	456	458	454	1,803
<i>of which: net interest income</i>	<i>304</i>	<i>289</i>	<i>304</i>	<i>298</i>	<i>313</i>	<i>1,223</i>
Change in expected credit losses and other credit impairment charges	38	46	(6)	22	(304)	(496)
Total operating expenses	(235)	(243)	(238)	(240)	(234)	(930)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	276	255	212	240	(84)	377
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	44,615	44,665	44,324	46,534	49,178	44,324
Loans and advances to customers (net)	44,197	44,208	43,842	45,988	48,603	43,842
Total external assets	77,260	77,268	69,976	71,025	74,105	69,976
Customer accounts	66,303	63,545	62,854	58,387	57,986	62,854
Risk-weighted assets	49,459	49,690	49,049	51,229	53,380	49,049
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	44,197	44,502	44,403	47,581	50,676	43,842
Customer accounts	66,303	63,821	63,405	59,871	59,853	62,854

HSBC North America

North America - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	461	563	497	498	708	2,432
<i>of which: net interest income</i>	<i>91</i>	<i>96</i>	<i>92</i>	<i>91</i>	<i>143</i>	<i>450</i>
Change in expected credit losses and other credit impairment charges	76	60	(7)	13	(45)	(165)
Total operating expenses	(368)	(374)	(383)	(415)	(386)	(1,555)
<i>of which: staff expenses</i>	<i>(142)</i>	<i>(144)</i>	<i>(141)</i>	<i>(129)</i>	<i>(144)</i>	<i>(562)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	169	249	107	96	277	712
Reported Significant items - Totals (\$m)						
Revenue	(7)	(6)	(12)	(48)	(20)	(67)
ECL	—	—	—	—	—	—
Operating expenses	(5)	—	11	(11)	(22)	(26)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	468	571	512	551	737	2,499
<i>of which: net interest income</i>	<i>91</i>	<i>97</i>	<i>94</i>	<i>92</i>	<i>146</i>	<i>450</i>
Change in expected credit losses and other credit impairment charges	76	60	(7)	14	(48)	(165)
Total operating expenses	(363)	(372)	(393)	(406)	(371)	(1,529)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	181	259	112	159	318	805
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	12,209	13,764	14,466	16,445	20,188	14,466
Loans and advances to customers (net)	12,143	13,627	14,290	16,262	19,999	14,290
Total external assets	166,707	175,864	175,159	213,637	233,737	175,159
Customer accounts	39,367	38,011	37,901	40,692	42,704	37,901
Risk-weighted assets	39,576	39,661	42,444	45,239	49,779	42,444
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	12,143	13,663	14,373	16,508	20,346	14,290
Customer accounts	39,367	38,079	38,074	41,283	43,281	37,901

HSBC North America

North America - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	85	45	64	55	100	212
<i>of which: net interest expense</i>	<i>5</i>	<i>(7)</i>	<i>(18)</i>	<i>(33)</i>	<i>(32)</i>	<i>(113)</i>
Change in expected credit losses and other credit impairment charges	—	(1)	(1)	—	1	—
Total operating expenses	(161)	(107)	(211)	(167)	(98)	(672)
<i>of which: staff expenses</i>	<i>(191)</i>	<i>(200)</i>	<i>(194)</i>	<i>(194)</i>	<i>(197)</i>	<i>(801)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(76)	(63)	(148)	(112)	3	(460)
Reported Significant items - Totals (\$m)						
Revenue	3	4	25	—	—	33
ECL	—	—	—	—	—	—
Operating expenses	(67)	(33)	(85)	(103)	(41)	(332)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	82	39	37	55	103	179
<i>of which: net interest expense</i>	<i>5</i>	<i>(7)</i>	<i>(18)</i>	<i>(34)</i>	<i>(34)</i>	<i>(113)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(94)	(76)	(127)	(65)	(58)	(340)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(12)	(37)	(90)	(10)	45	(161)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	4,933	4,698	5,031	4,821	5,687	5,031
Customer accounts	(5)	(5)	(5)	—	—	(5)
Risk-weighted assets	3,761	4,445	4,087	4,807	5,126	4,087
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	(5)	(5)	(5)	—	—	(5)

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SIGNIFICANT ITEMS

North America - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	(2)	—	(1)	(10)
Fair value movements on financial instruments	—	—	1	(2)	(10)	2
Restructuring and other related costs	(3)	—	13	(47)	(10)	(35)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(1)	(222)	—	(223)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(153)	(38)	(83)	(111)	(68)	(378)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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North America - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(1)	(1)	(1)	(1)	(1)	(9)
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(207)	—	(207)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(73)	(5)	(3)	(9)	(3)	(24)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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North America

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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North America - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(1)	—	(1)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(6)	—	(5)	(3)	(2)	(10)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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North America - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	1	(2)	(10)	2
Restructuring and other related costs	(7)	(5)	(13)	(46)	(10)	(69)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(4)	—	(4)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(5)	—	11	(7)	(22)	(22)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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North America

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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North America - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	(1)
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	3	4	25	—	—	34

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(10)	—	(10)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(67)	(33)	(85)	(93)	(41)	(322)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

North America - TOTAL

Revenue		14	25	31	48	
ECL		—	—	—	(17)	
Operating expenses		(9)	(17)	(21)	(30)	
Share of profit in associates and joint ventures		—	—	—	—	
Revenue significant items		—	2	—	—	
Operating expense significant items		(1)	(2)	(1)	1	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		688	1,335	3,717	4,727	
Customer accounts		766	1,573	4,422	5,440	

HSBC North America

North America - Wealth and Personal Banking

Revenue	7	12	12	16
ECL	(1)	(1)	—	—
Operating expenses	(4)	(8)	(11)	(14)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	1	1	—	—
Operating expense significant items	(1)	(1)	1	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	358	690	1,878	2,307
Customer accounts	422	849	2,347	2,996

North America - Commercial Banking

Revenue	6	10	15	21
ECL	1	1	—	(13)
Operating expenses	(4)	(5)	(6)	(9)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	294	561	1,593	2,073
Customer accounts	276	551	1,484	1,867

North America - Global Banking and Markets

Revenue	3	4	5	9
ECL	—	—	1	(3)
Operating expenses	(1)	(2)	(2)	(4)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	1	1	—	—
Operating expense significant items	(3)	(3)	—	3
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	36	83	246	347
Customer accounts	68	173	591	577

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North America

North America - Corporate Centre

Revenue		(2)	(2)	—	3
ECL		1	1	—	(1)
Operating expenses		—	(1)	(2)	(2)
Share of profit in associates and joint ventures		—	—	—	—
Revenue significant items		—	—	—	—
Operating expense significant items		2	—	(1)	(1)
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		—	—	—	—
Customer accounts		—	—	—	—

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

US - TOTAL

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net interest income	464	461	472	453	502	1,922
Net fee income	329	343	292	300	319	1,218
Other operating income	191	260	273	308	445	1,450
Net operating income before change in expected credit losses and other credit impairment charges	984	1,064	1,037	1,061	1,266	4,590
Change in expected credit losses and other credit impairment charges	83	91	(22)	15	(237)	(622)
Total operating expenses	(973)	(876)	(996)	(1,241)	(932)	(4,194)
of which: staff expenses	(449)	(451)	(441)	(448)	(463)	(1,847)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	94	279	19	(165)	97	(226)
Reported Significant items - Totals (\$m)						
Revenue	(2)	(2)	14	(49)	(19)	(41)
ECL	—	—	—	—	—	—
Operating expenses	(121)	(32)	(57)	(322)	(65)	(556)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	986	1,064	1,020	1,110	1,286	4,631
of which: net interest income	464	461	472	453	502	1,922
Change in expected credit losses and other credit impairment charges	83	91	(22)	15	(237)	(622)
Total operating expenses	(852)	(844)	(940)	(919)	(867)	(3,638)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	217	311	58	206	182	371
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	52,387	57,641	58,703	62,888	68,751	58,703
Loans and advances to customers (net)	51,985	57,090	58,082	62,242	68,036	58,082
Total external assets	260,185	268,289	254,085	288,538	317,121	254,085
Customer accounts	110,579	119,416	117,485	114,695	120,236	117,485
Risk-weighted assets	81,866	82,790	84,939	90,171	97,347	84,939
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	51,985	57,090	58,082	62,242	68,036	58,082
Customer accounts	110,579	119,416	117,485	114,695	120,236	117,485

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US**

HSBC US - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	278	298	295	309	295	1,210
<i>of which: net interest income</i>	<i>199</i>	<i>202</i>	<i>203</i>	<i>195</i>	<i>191</i>	<i>817</i>
Change in expected credit losses and other credit impairment charges	—	2	(2)	(11)	(37)	(189)
Total operating expenses	(367)	(298)	(322)	(542)	(345)	(1,568)
<i>of which: staff expenses</i>	<i>(112)</i>	<i>(109)</i>	<i>(105)</i>	<i>(123)</i>	<i>(119)</i>	<i>(480)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(89)	2	(29)	(244)	(87)	(547)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	(1)	(1)	(9)
ECL	—	—	—	—	—	—
Operating expenses	(70)	(4)	(1)	(215)	(3)	(228)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	278	300	297	310	296	1,219
<i>of which: net interest income</i>	<i>200</i>	<i>203</i>	<i>204</i>	<i>195</i>	<i>191</i>	<i>817</i>
Change in expected credit losses and other credit impairment charges	—	2	(2)	(11)	(37)	(189)
Total operating expenses	(297)	(294)	(321)	(327)	(342)	(1,340)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(19)	8	(26)	(28)	(83)	(310)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	21,565	24,068	24,056	23,812	24,034	24,056
Loans and advances to customers (net)	21,395	23,831	23,802	23,550	23,739	23,802
Total external assets	63,640	62,768	58,725	56,260	60,033	58,725
Customer accounts	37,160	47,757	48,241	46,706	48,484	48,241
Risk-weighted assets	16,097	15,717	16,134	16,001	16,525	16,134
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	21,395	23,831	23,802	23,550	23,739	23,802
Customer accounts	37,160	47,757	48,241	46,706	48,484	48,241

HSBC
US

HSBC US - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	253	244	255	260	246	1,022
<i>of which: net interest income</i>	<i>183</i>	<i>179</i>	<i>198</i>	<i>195</i>	<i>194</i>	<i>787</i>
Change in expected credit losses and other credit impairment charges	11	37	(10)	21	(181)	(293)
Total operating expenses	(152)	(150)	(146)	(152)	(144)	(590)
<i>of which: staff expenses</i>	<i>(66)</i>	<i>(65)</i>	<i>(64)</i>	<i>(65)</i>	<i>(58)</i>	<i>(252)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	112	131	99	129	(79)	139
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(5)	(1)	(1)	(4)	(2)	(7)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	253	244	255	260	245	1,022
<i>of which: net interest income</i>	<i>182</i>	<i>178</i>	<i>197</i>	<i>195</i>	<i>194</i>	<i>787</i>
Change in expected credit losses and other credit impairment charges	11	38	(9)	21	(181)	(293)
Total operating expenses	(147)	(151)	(146)	(148)	(142)	(583)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	117	131	100	133	(78)	146
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	21,471	22,684	23,435	25,897	28,210	23,435
Loans and advances to customers (net)	21,290	22,491	23,222	25,670	27,947	23,222
Total external assets	43,057	43,654	36,147	37,905	41,032	36,147
Customer accounts	41,716	40,299	39,577	36,999	37,091	39,577
Risk-weighted assets	27,937	28,953	28,770	30,879	32,654	28,770
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	21,290	22,491	23,222	25,670	27,947	23,222
Customer accounts	41,716	40,299	39,577	36,999	37,091	39,577

**HSBC
US**

HSBC US - Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	384	486	430	433	623	2,149
<i>of which: net interest income</i>	<i>79</i>	<i>87</i>	<i>84</i>	<i>87</i>	<i>135</i>	<i>394</i>
Change in expected credit losses and other credit impairment charges	73	52	(10)	6	(19)	(139)
Total operating expenses	(337)	(342)	(351)	(398)	(354)	(1,437)
<i>of which: staff expenses</i>	<i>(131)</i>	<i>(133)</i>	<i>(129)</i>	<i>(120)</i>	<i>(134)</i>	<i>(516)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	120	196	69	41	250	573
Reported Significant items - Totals (\$m)						
Revenue	(7)	(6)	(9)	(48)	(18)	(65)
ECL	—	—	—	—	—	—
Operating expenses	(7)	(2)	11	(11)	(19)	(20)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	391	492	439	481	641	2,214
<i>of which: net interest income</i>	<i>79</i>	<i>87</i>	<i>84</i>	<i>87</i>	<i>135</i>	<i>394</i>
Change in expected credit losses and other credit impairment charges	73	51	(11)	6	(19)	(139)
Total operating expenses	(330)	(339)	(361)	(386)	(335)	(1,417)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	134	204	67	101	287	658
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	9,351	10,889	11,212	13,179	16,508	11,212
Loans and advances to customers (net)	9,301	10,767	11,057	13,021	16,351	11,057
Total external assets	148,763	157,376	154,456	189,909	210,734	154,456
Customer accounts	31,708	31,366	29,672	30,990	34,660	29,672
Risk-weighted assets	34,275	33,713	36,140	38,867	43,285	36,140
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	9,301	10,767	11,057	13,021	16,351	11,057
Customer accounts	31,708	31,366	29,672	30,990	34,660	29,672

**HSBC
US**

HSBC US - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	66	33	55	58	102	206
<i>of which: net interest expense</i>	<i>2</i>	<i>(9)</i>	<i>(16)</i>	<i>(22)</i>	<i>(18)</i>	<i>(77)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(113)	(85)	(176)	(149)	(89)	(598)
<i>of which: staff expenses</i>	<i>(139)</i>	<i>(143)</i>	<i>(141)</i>	<i>(141)</i>	<i>(152)</i>	<i>(598)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(47)	(52)	(121)	(91)	13	(392)
Reported Significant items - Totals (\$m)						
Revenue	1	1	23	—	—	33
ECL	—	—	—	—	—	—
Operating expenses	(37)	(24)	(65)	(91)	(41)	(299)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	65	29	29	58	103	173
<i>of which: net interest expense</i>	<i>4</i>	<i>(7)</i>	<i>(14)</i>	<i>(22)</i>	<i>(19)</i>	<i>(77)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(76)	(60)	(111)	(58)	(47)	(299)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(11)	(31)	(82)	—	56	(126)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	(1)	—
Loans and advances to customers (net)	—	—	—	—	(1)	—
Total external assets	4,725	4,492	4,757	4,463	5,322	4,757
Customer accounts	(5)	(5)	(5)	—	1	(5)
Risk-weighted assets	3,557	4,407	3,895	4,424	4,883	3,895
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	(5)	(5)	(5)	—	—	(5)

**HSBC
US**

SIGNIFICANT ITEMS

HSBC US - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	(1)	(1)	(1)	(10)
Fair value movements on financial instruments	1	(1)	1	(2)	(7)	2
Restructuring and other related costs	(3)	(1)	14	(46)	(11)	(33)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(1)	(222)	—	(223)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(121)	(32)	(56)	(100)	(65)	(333)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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HSBC US - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	(1)	(1)	(9)
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(207)	—	(207)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(70)	(4)	(1)	(8)	(3)	(21)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

**HSBC
US**

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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HSBC US - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(1)	—	(1)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(5)	(1)	(1)	(3)	(2)	(6)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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HSBC US - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	2	(2)	(8)	2
Restructuring and other related costs	(7)	(5)	(11)	(46)	(10)	(67)

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(4)	—	(4)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(7)	(2)	11	(7)	(19)	(16)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

**HSBC
US**

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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HSBC US - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(1)	(1)	(1)	—	—	(1)
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	2	2	24	—	—	34

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	(10)	—	(10)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(37)	(24)	(65)	(81)	(41)	(289)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

HSBC US - TOTAL

Revenue		(1)	(1)	—	1	
ECL		—	—	—	—	
Operating expenses		(1)	(1)	—	—	
Share of profit in associates and joint ventures		—	—	—	—	
Revenue significant items		1	2	—	—	
Operating expense significant items		(1)	—	—	—	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		—	—	—	—	
Customer accounts		—	—	—	—	

HSBC US

HSBC US - Wealth and Personal Banking

Revenue	2	2	—	—
ECL	—	—	—	—
Operating expenses	(1)	(1)	—	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	(1)	(1)	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC US - Commercial Banking

Revenue	—	—	—	(1)
ECL	1	1	—	—
Operating expenses	(1)	(1)	—	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC US - Global Banking and Markets

Revenue	1	1	—	—
ECL	(1)	(1)	—	—
Operating expenses	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	1	1	—	—
Operating expense significant items	(1)	(1)	(1)	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC
US

HSBC US - Corporate Centre

Revenue		(1)	(1)	—	1
ECL		—	—	—	—
Operating expenses		—	—	—	1
Share of profit in associates and joint ventures		—	—	—	—
Revenue significant items		2	2	—	—
Operating expense significant items		(1)	—	—	—
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		—	—	—	1
Customer accounts		—	—	—	(1)

HSBC Latin America

Latin America - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	483	431	426	450	420	1,796
<i>of which: net interest income</i>	<i>340</i>	<i>320</i>	<i>329</i>	<i>326</i>	<i>306</i>	<i>1,346</i>
Change in expected credit losses and other credit impairment charges	(71)	(41)	(148)	(136)	(207)	(725)
Total operating expenses	(338)	(303)	(360)	(296)	(280)	(1,260)
<i>of which: staff expenses</i>	<i>(94)</i>	<i>(94)</i>	<i>(104)</i>	<i>(90)</i>	<i>(78)</i>	<i>(369)</i>
Share of profit in associates and joint ventures	2	2	3	1	1	6
Profit/(loss) before tax	76	89	(79)	19	(66)	(183)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(3)	(1)	(22)	(12)	(1)	(35)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	483	434	427	470	453	1,796
<i>of which: net interest income</i>	<i>340</i>	<i>322</i>	<i>327</i>	<i>341</i>	<i>330</i>	<i>1,346</i>
Change in expected credit losses and other credit impairment charges	(71)	(42)	(150)	(159)	(237)	(725)
Total operating expenses	(335)	(304)	(333)	(290)	(292)	(1,225)
Share of profit in associates and joint ventures	2	1	2	1	1	6
Profit/(loss) before tax	79	89	(54)	22	(75)	(148)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	9,020	8,314	8,348	7,333	6,994	8,348
Loans and advances to customers (net)	8,299	7,562	7,507	6,592	6,324	7,507
Total external assets	17,049	15,947	15,703	14,579	14,238	15,703
Customer accounts	13,773	13,209	13,666	11,631	11,560	13,666
Risk-weighted assets	11,695	10,610	11,497	10,294	9,875	11,497
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	8,299	7,757	7,446	7,178	7,163	7,507
Customer accounts	13,773	13,492	13,462	12,391	12,637	13,666

HSBC Latin America

Latin America - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	152	142	148	149	145	606
<i>of which: net interest income</i>	<i>134</i>	<i>122</i>	<i>131</i>	<i>127</i>	<i>122</i>	<i>515</i>
Change in expected credit losses and other credit impairment charges	(14)	(4)	(116)	(42)	(71)	(282)
Total operating expenses	(91)	(84)	(97)	(82)	(78)	(345)
<i>of which: staff expenses</i>	<i>(22)</i>	<i>(22)</i>	<i>(20)</i>	<i>(18)</i>	<i>(17)</i>	<i>(77)</i>
Share of profit in associates and joint ventures	—	1	—	—	(1)	(1)
Profit/(loss) before tax	47	55	(65)	25	(5)	(22)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(1)	—	(1)	—	—	(1)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	152	141	142	146	143	606
<i>of which: net interest income</i>	<i>134</i>	<i>120</i>	<i>123</i>	<i>122</i>	<i>121</i>	<i>515</i>
Change in expected credit losses and other credit impairment charges	(14)	(4)	(118)	(46)	(80)	(282)
Total operating expenses	(90)	(83)	(92)	(81)	(78)	(344)
Share of profit in associates and joint ventures	—	1	—	—	(1)	(1)
Profit/(loss) before tax	48	55	(68)	19	(16)	(21)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	7,450	6,879	6,940	6,451	6,614	6,940
Loans and advances to customers (net)	7,047	6,483	6,534	6,111	6,314	6,534
Total external assets	10,990	10,310	9,925	9,532	9,531	9,925
Customer accounts	8,550	7,878	8,212	7,779	8,086	8,212
Risk-weighted assets	10,427	9,607	10,008	9,390	9,549	10,008
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	7,047	6,633	6,447	6,532	6,956	6,534
Customer accounts	8,550	8,049	8,094	8,324	8,950	8,212

HSBC Latin America

Latin America - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	4	28	(20)	7	(2)	29
<i>of which: net interest expense</i>	<i>(50)</i>	<i>(59)</i>	<i>(51)</i>	<i>(43)</i>	<i>(46)</i>	<i>(225)</i>
Change in expected credit losses and other credit impairment charges	4	1	—	—	(4)	(4)
Total operating expenses	(36)	(34)	(52)	(14)	(19)	(90)
<i>of which: staff expenses</i>	<i>(39)</i>	<i>(53)</i>	<i>(55)</i>	<i>(43)</i>	<i>(40)</i>	<i>(192)</i>
Share of profit in associates and joint ventures	—	(1)	(1)	—	1	—
Profit/(loss) before tax	(28)	(6)	(73)	(7)	(24)	(65)
Reported Significant items - Totals (\$m)						
Revenue	—	(1)	(1)	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(15)	(5)	(32)	(7)	(10)	(49)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	4	28	(19)	7	—	29
<i>of which: net interest expense</i>	<i>(50)</i>	<i>(60)</i>	<i>(51)</i>	<i>(46)</i>	<i>(52)</i>	<i>(225)</i>
Change in expected credit losses and other credit impairment charges	4	1	—	—	(4)	(4)
Total operating expenses	(21)	(29)	(19)	(8)	(8)	(41)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(13)	—	(38)	(1)	(12)	(16)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	150	213	241	244	276	241
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	794	1,385	764	558	808	764
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

HSBC

Latin America

SIGNIFICANT ITEMS

Latin America - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	(5)	(1)	(7)	3
Restructuring and other related costs	(1)	(5)	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(18)	(9)	(61)	(19)	(11)	(91)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Latin America - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(3)	(1)	(22)	(12)	(1)	(35)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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Latin America

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Latin America - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(1)	—	(1)	—	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Latin America - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	(6)	—	(7)	2
Restructuring and other related costs	—	(6)	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	(1)	(6)	—	—	(6)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Latin America

Latin America - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	(1)	—	—
Restructuring and other related costs	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—
Customer redress programmes	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—
Restructuring and other related costs	(15)	(5)	(32)	(7)	(49)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

Latin America - TOTAL

Revenue	4	(11)	16	35
ECL	(1)	(3)	(30)	(49)
Operating expenses	(1)	14	(6)	(12)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	(1)	1	(2)
Operating expense significant items	1	3	2	2
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	491	(193)	1,612	2,452
Customer accounts	517	(487)	1,508	2,370
Revenue	3	1	20	33
ECL	(1)	(2)	(23)	(30)
Operating expenses	(1)	8	(4)	(13)
Share of profit in associates and joint ventures	(1)	(1)	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	3	2	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	195	(61)	586	839
Customer accounts	283	(204)	760	1,077

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Latin America

Latin America - Commercial Banking

Revenue	(1)	(6)	(3)	(2)
ECL	—	(2)	(4)	(9)
Operating expenses	1	4	1	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	150	(87)	421	642
Customer accounts	171	(118)	545	864

Latin America - Global Banking and Markets

Revenue	1	(6)	(1)	2
ECL	—	—	(2)	(10)
Operating expenses	1	2	(1)	(2)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	(2)
Operating expense significant items	(1)	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	146	(46)	605	970
Customer accounts	62	(163)	204	429

Latin America - Corporate Centre

Revenue	—	1	—	2
ECL	—	—	—	—
Operating expenses	(2)	—	(1)	3
Share of profit in associates and joint ventures	1	1	—	(1)
Revenue significant items	1	1	—	—
Operating expense significant items	(2)	(1)	—	2
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

1 Losses due to the impacts of hyperinflation on monetary items in Argentina. The total impact of applying IAS 29 and the hyperinflation provisions of IAS 21 in the current quarter is a decrease in the Group's profit before tax of \$46.8m, comprising a decrease in revenue of \$46.5m, an increase in ECL of \$0.2m and an increase in operating expenses of \$0.1m.

2 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

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Mexico

Mexico - Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	416	364	378	373	342	1,522
<i>of which: net interest income</i>	<i>285</i>	<i>273</i>	<i>277</i>	<i>270</i>	<i>247</i>	<i>1,112</i>
Change in expected credit losses and other credit impairment charges	(62)	(41)	(140)	(166)	(199)	(688)
Total operating expenses	(265)	(236)	(275)	(220)	(213)	(955)
<i>of which: staff expenses</i>	<i>(72)</i>	<i>(70)</i>	<i>(65)</i>	<i>(58)</i>	<i>(54)</i>	<i>(247)</i>
Share of profit in associates and joint ventures	2	2	3	1	1	6
Profit/(loss) before tax	91	89	(34)	(12)	(69)	(115)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	—	(5)	—	—	(5)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	416	370	388	412	399	1,522
<i>of which: net interest income</i>	<i>285</i>	<i>278</i>	<i>285</i>	<i>298</i>	<i>287</i>	<i>1,112</i>
Change in expected credit losses and other credit impairment charges	(62)	(41)	(144)	(183)	(232)	(688)
Total operating expenses	(263)	(242)	(278)	(243)	(247)	(950)
Share of profit in associates and joint ventures	2	1	2	1	1	6
Profit/(loss) before tax	93	88	(32)	(13)	(79)	(110)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	8,334	7,659	7,674	6,688	6,357	7,674
Loans and advances to customers (net)	7,648	6,940	6,871	5,983	5,728	6,871
Total external assets	14,159	13,204	12,765	11,577	11,207	12,765
Customer accounts	11,661	11,138	11,651	9,584	9,316	11,651
Risk-weighted assets	9,312	8,706	9,177	7,979	7,763	9,177
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	7,648	7,147	6,865	6,652	6,674	6,871
Customer accounts	11,661	11,470	11,642	10,656	10,853	11,651

HSBC
Mexico

Mexico - Commercial Banking

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	99	98	96	92	85	374
<i>of which: net interest income</i>	<i>79</i>	<i>73</i>	<i>76</i>	<i>73</i>	<i>72</i>	<i>301</i>
Change in expected credit losses and other credit impairment charges	(11)	(7)	(109)	(39)	(64)	(261)
Total operating expenses	(56)	(50)	(62)	(53)	(49)	(219)
<i>of which: staff expenses</i>	<i>(14)</i>	<i>(13)</i>	<i>(13)</i>	<i>(11)</i>	<i>(10)</i>	<i>(47)</i>
Share of profit in associates and joint ventures	—	1	—	—	(1)	(1)
Profit/(loss) before tax	32	42	(75)	—	(29)	(107)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	(1)	(1)	—	—	(1)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	99	99	99	102	99	374
<i>of which: net interest income</i>	<i>79</i>	<i>74</i>	<i>78</i>	<i>81</i>	<i>84</i>	<i>301</i>
Change in expected credit losses and other credit impairment charges	(11)	(7)	(112)	(43)	(75)	(261)
Total operating expenses	(54)	(52)	(64)	(58)	(57)	(218)
Share of profit/(loss) in associates and joint ventures	—	1	—	—	(1)	(1)
Profit/(loss) before tax	34	41	(77)	1	(34)	(106)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	6,192	5,695	5,793	5,240	5,332	5,793
Loans and advances to customers (net)	5,826	5,335	5,436	4,994	5,129	5,436
Total external assets	8,666	8,096	7,803	7,267	7,201	7,803
Customer accounts	7,221	6,579	6,916	6,464	6,747	6,916
Risk-weighted assets	7,744	7,219	7,539	6,891	6,976	7,539
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	5,826	5,495	5,431	5,553	5,975	5,436
Customer accounts	7,221	6,775	6,911	7,187	7,861	6,916

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Mexico

Mexico - Corporate Centre

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	5	18	—	(3)	—	43
<i>of which: net interest expense</i>	<i>(42)</i>	<i>(50)</i>	<i>(45)</i>	<i>(41)</i>	<i>(42)</i>	<i>(173)</i>
Change in expected credit losses and other credit impairment charges	—	(1)	(1)	1	—	—
Total operating expenses	(24)	(25)	(33)	(14)	(14)	(68)
<i>of which: staff expenses</i>	<i>(34)</i>	<i>(27)</i>	<i>(48)</i>	<i>(37)</i>	<i>(32)</i>	<i>(160)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(19)	(8)	(34)	(16)	(14)	(25)
Reported Significant items - Totals (\$m)						
Revenue	(1)	(10)	8	—	—	9
ECL	—	—	—	—	—	—
Operating expenses	(9)	4	(22)	(6)	(2)	(30)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	6	28	(8)	(3)	—	34
<i>of which: net interest expense</i>	<i>(42)</i>	<i>(52)</i>	<i>(47)</i>	<i>(45)</i>	<i>(49)</i>	<i>(173)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(15)	(26)	(9)	(9)	(14)	(38)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(9)	2	(17)	(12)	(14)	(4)
	Balance sheet date					Balance sheet date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	1	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	83	114	150	152	126	150
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	283	456	195	160	267	195
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

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Mexico

SIGNIFICANT ITEMS

	Quarter ended					Year to date
	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Dec-20
Mexico - TOTAL						
Reported revenue significant items (\$m)						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	(5)	—	(6)	1
Restructuring and other related costs	—	(15)	12	—	—	12
Reported cost significant items (\$m)						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(12)	2	(34)	(6)	(2)	(42)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Share of profit in associates and joint ventures significant items (\$m)						
Impairment of goodwill	—	—	—	—	—	—
Mexico - Wealth and Personal Banking						
Reported revenue significant items (\$m)						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—
Reported cost significant items (\$m)						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(2)	—	(5)	—	—	(5)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC
Mexico

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mexico - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(2)	(1)	(1)	—	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mexico - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	(5)	—	(6)	—
Restructuring and other related costs	—	(6)	3	—	—	3

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	(5)	—	—	(5)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Mexico

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Mexico - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(1)	(1)	(1)	—	—	—
Restructuring and other related costs	—	(9)	9	—	—	9

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(9)	4	(22)	(6)	(2)	(30)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reconciling items - Currency translation on reported items - Totals (\$m)

Mexico - TOTAL

Revenue		10	16	56	83	
ECL		(1)	(8)	(23)	(52)	
Operating expenses		(6)	(12)	(33)	(50)	
Share of profit in associates and joint ventures		—	—	—	—	
Revenue significant items		—	—	—	(1)	
Operating expense significant items		—	(1)	—	—	
Share of profit in associates and joint ventures significant items		—	—	—	—	
Loans and advances to customers (net)		506	(14)	1,887	2,843	
Customer accounts		625	(18)	2,184	3,262	

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Mexico - Wealth and Personal Banking

Revenue	6	10	39	57
ECL	—	(4)	(17)	(33)
Operating expenses	(6)	(8)	(23)	(35)
Share of profit in associates and joint ventures	(1)	(1)	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	(1)
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	207	(6)	669	946
Customer accounts	332	(9)	1,072	1,537

Mexico - Commercial Banking

Revenue	1	3	10	14
ECL	—	(3)	(4)	(11)
Operating expenses	(2)	(2)	(5)	(8)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	1	1	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	160	(5)	559	846
Customer accounts	196	(5)	723	1,114

Mexico - Global Banking and Markets

Revenue	1	2	8	12
ECL	1	—	(1)	(9)
Operating expenses	—	(1)	(3)	(5)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	1	—	—	(1)
Operating expense significant items	—	—	—	—
Share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	138	(4)	659	1,051
Customer accounts	96	(3)	389	610

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Mexico - Corporate Centre

Revenue		1	1	—	—
ECL		1	1	(1)	—
Operating expenses		1	—	(1)	(2)
Share of profit in associates and joint ventures		—	—	—	—
Revenue significant items		1	1	—	—
Operating expense significant items		(2)	(2)	—	—
Share of profit in associates and joint ventures significant items		—	—	—	—
Loans and advances to customers (net)		—	—	—	—
Customer accounts		—	—	—	—

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Credit risk

Summary of credit risk (excluding debt instruments measured at FVOCI) by stage distribution and ECL coverage by industry sector at 30 June 2021

	Gross carrying/nominal amount ¹					Allowance for ECL					ECL coverage %				
	Stage 1	Stage 2	Stage 3	POCI ²	Total	Stage 1	Stage 2	Stage 3	POCI ²	Total	Stage 1	Stage 2	Stage 3	POCI ²	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%	%	%	%	%
Loans and advances to customers at amortised cost	895,546	157,544	19,069	216	1,072,375	(1,770)	(3,888)	(7,131)	(75)	(12,864)	0.2%	2.5%	37.4%	34.7%	1.2%
– personal	455,646	21,338	5,463	–	482,447	(747)	(1,850)	(1,409)	–	(4,006)	0.2%	8.7%	25.8%	–	0.8%
– corporate and commercial	378,700	128,212	13,073	216	520,201	(983)	(1,970)	(5,612)	(75)	(8,640)	0.3%	1.5%	42.9%	34.7%	1.7%
– non-bank financial institutions	61,200	7,994	533	–	69,727	(40)	(68)	(110)	–	(218)	0.1%	0.9%	20.6%	–	0.3%
Loans and advances to banks at amortised cost	85,486	1,419	–	–	86,905	(16)	(3)	–	–	(19)	–	0.2%	–	–	–
Other financial assets measured at amortised cost	848,978	5,200	284	42	854,504	(130)	(38)	(47)	(9)	(224)	–	0.7%	16.5%	21.4%	–
Loans and other credit-related commitments	612,969	47,658	744	2	661,373	(184)	(266)	(80)	–	(530)	–	0.6%	10.8%	–	0.1%
– personal	236,485	1,927	147	–	238,559	(21)	(1)	(1)	–	(23)	–	0.1%	0.7%	–	–
– corporate and commercial	246,462	41,389	561	2	288,414	(151)	(249)	(75)	–	(475)	0.1%	0.6%	13.4%	–	0.2%
– financial	130,022	4,342	36	–	134,400	(12)	(16)	(4)	–	(32)	–	0.4%	11.1%	–	–
Financial guarantees	23,169	3,883	221	1	27,274	(17)	(30)	(17)	–	(64)	0.1%	0.8%	7.7%	–	0.2%
– personal	892	26	1	–	919	–	(1)	–	–	(1)	–	3.8%	–	–	0.1%
– corporate and commercial	18,489	2,984	205	1	21,679	(14)	(28)	(16)	–	(58)	0.1%	0.9%	7.8%	–	0.3%
– financial	3,788	873	15	–	4,676	(3)	(1)	(1)	–	(5)	0.1%	0.1%	6.7%	–	0.1%
At 30 Jun 2021	2,466,148	215,704	20,318	261	2,702,431	(2,117)	(4,225)	(7,275)	(84)	(13,701)	0.1%	2.0%	35.8%	32.2%	0.5%

1 Represents the maximum amount at risk should the contracts be fully drawn upon and clients default.

2 Purchased or originated credit impaired ("POCI").

Stage 2 days past due analysis at 30 June 2021

	Gross carrying amount				Allowance for ECL				ECL coverage %			
	Stage 2	Up-to-date	1 to 29 DPD ^{1,2}	30 and > DPD ^{1,2}	Stage 2	Up-to-date	1 to 29 DPD ^{1,2}	30 and > DPD ^{1,2}	Stage 2	Up-to-date	1 to 29 DPD ^{1,2}	30 and > DPD ^{1,2}
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%	%	%	%
Loans and advances to customers at amortised cost	157,544	154,354	1,901	1,289	(3,888)	(3,413)	(217)	(258)	2.5%	2.2%	11.4%	20.0%
– personal	21,338	19,014	1,349	975	(1,850)	(1,437)	(187)	(226)	8.7%	7.6%	13.9%	23.2%
– corporate and commercial	128,212	127,461	437	314	(1,970)	(1,910)	(28)	(32)	1.5%	1.5%	6.4%	10.2%
– non-bank financial institutions	7,994	7,879	115	–	(68)	(66)	(2)	–	0.9%	0.8%	1.7%	–
Loans and advances to banks at amortised cost	1,419	1,419	–	–	(3)	(3)	–	–	0.2%	0.2%	–	–
Other financial assets measured at amortised cost	5,200	5,082	34	84	(38)	(35)	(2)	(1)	0.7%	0.7%	5.9%	1.2%

1 Days past due ("DPD").

2 The days past due amounts presented above are on a contractual basis and include the benefit of any customer relief payment holidays granted.

Total personal lending for loans and advances to customers by stage distribution

By portfolio	Gross carrying amount				Allowance for ECL			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
First lien residential mortgages	349,840	10,482	3,300	363,622	(119)	(191)	(439)	(749)
– of which:								
– interest only (including offset)	28,978	2,490	315	31,783	(8)	(33)	(86)	(127)
– affordability (including US adjustable rate mortgages)	12,991	1,257	496	14,744	(13)	(7)	(4)	(24)
Other personal lending	105,806	10,856	2,163	118,825	(628)	(1,659)	(970)	(3,257)
– other	86,715	6,229	1,678	94,622	(272)	(685)	(650)	(1,607)
– credit cards	17,373	4,415	440	22,228	(346)	(962)	(307)	(1,615)
– second lien residential mortgages	318	67	39	424	(2)	(6)	(8)	(16)
– motor vehicle finance	1,400	145	6	1,551	(8)	(6)	(5)	(19)
At 30 Jun 2021	455,646	21,338	5,463	482,447	(747)	(1,850)	(1,409)	(4,006)
By geography								
Europe	208,712	8,089	2,482	219,283	(260)	(963)	(746)	(1,969)
– of which: UK	172,498	7,090	1,587	181,175	(235)	(928)	(483)	(1,646)
Asia	192,257	9,425	1,350	203,032	(157)	(396)	(253)	(806)
– of which: Hong Kong	132,928	6,015	205	139,148	(58)	(250)	(50)	(358)
MENA	4,856	235	225	5,316	(45)	(81)	(136)	(262)
North America	42,427	2,685	1,080	46,192	(55)	(163)	(126)	(344)
Latin America	7,394	904	326	8,624	(230)	(247)	(148)	(625)
At 30 Jun 2021	455,646	21,338	5,463	482,447	(747)	(1,850)	(1,409)	(4,006)

Total wholesale lending for loans and advances to banks and customers by stage distribution

	Gross carrying amount					Allowance for ECL				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Corporate and commercial	378,700	128,212	13,073	216	520,201	(983)	(1,970)	(5,612)	(75)	(8,640)
– agriculture, forestry and fishing	6,575	954	359	1	7,889	(24)	(33)	(120)	(1)	(178)
– mining and quarrying	7,144	3,248	589	16	10,997	(29)	(71)	(175)	(12)	(287)
– manufacturing	68,031	20,393	2,094	77	90,595	(169)	(298)	(972)	(35)	(1,474)
– electricity, gas, steam and air-conditioning supply	12,931	1,945	65	—	14,941	(19)	(22)	(25)	—	(66)
– water supply, sewerage, waste management and remediation	2,702	437	50	—	3,189	(7)	(7)	(26)	—	(40)
– construction	9,099	4,947	747	1	14,794	(41)	(82)	(413)	(1)	(537)
– wholesale and retail trade, repair of motor vehicles and motorcycles	68,476	23,002	3,147	8	94,633	(150)	(273)	(2,012)	(2)	(2,437)
– transportation and storage	19,833	9,305	770	11	29,919	(56)	(138)	(220)	—	(414)
– accommodation and food	8,319	16,565	833	1	25,718	(98)	(340)	(129)	(1)	(568)
– publishing, audiovisual and broadcasting	17,760	2,778	151	26	20,715	(29)	(64)	(35)	(2)	(130)
– real estate	99,380	24,755	1,946	1	126,082	(170)	(233)	(706)	—	(1,109)
– professional, scientific and technical activities	15,215	5,507	642	32	21,396	(49)	(79)	(172)	(7)	(307)
– administrative and support services	17,450	7,987	764	42	26,243	(59)	(128)	(254)	(14)	(455)
– public administration and defence, compulsory social security	1,305	547	4	—	1,856	(3)	(6)	(1)	—	(10)
– education	1,447	504	27	—	1,978	(8)	(15)	(5)	—	(28)
– health and care	4,234	755	172	—	5,161	(13)	(18)	(43)	—	(74)
– arts, entertainment and recreation	1,161	1,928	220	—	3,309	(11)	(60)	(46)	—	(117)
– other services	9,902	1,962	492	—	12,356	(45)	(91)	(257)	—	(393)
– activities of households	698	118	—	—	816	—	—	—	—	—
– extra-territorial organisations and bodies activities	15	—	—	—	15	—	—	—	—	—
– government	6,665	561	1	—	7,227	(3)	(1)	(1)	—	(5)
– asset-backed securities	358	14	—	—	372	—	(11)	—	—	(11)
Non-bank financial institutions	61,200	7,994	533	—	69,727	(40)	(68)	(110)	—	(218)
Loans and advances to banks	85,486	1,419	—	—	86,905	(16)	(3)	—	—	(19)
At 30 Jun 2021	525,386	137,625	13,606	216	676,833	(1,039)	(2,041)	(5,722)	(75)	(8,877)
By geography										
Europe	144,427	50,606	6,616	74	201,723	(580)	(1,126)	(1,828)	(14)	(3,548)
– of which: UK	96,909	39,863	4,803	26	141,601	(517)	(993)	(1,087)	(2)	(2,599)
Asia	292,866	64,874	3,806	95	361,641	(226)	(395)	(2,255)	(46)	(2,922)
– of which: Hong Kong	165,097	44,854	1,780	41	211,772	(135)	(263)	(786)	(22)	(1,206)
MENA	24,197	6,949	1,810	22	32,978	(93)	(129)	(1,106)	(13)	(1,341)
North America	53,254	10,870	734	—	64,858	(71)	(218)	(193)	—	(482)
Latin America	10,642	4,326	640	25	15,633	(69)	(173)	(340)	(2)	(584)
At 30 Jun 2021	525,386	137,625	13,606	216	676,833	(1,039)	(2,041)	(5,722)	(75)	(8,877)
Corporate and commercial										
Europe	112,989	48,331	6,167	75	167,562	(546)	(1,079)	(1,743)	(15)	(3,383)
– of which: UK	79,551	38,313	4,424	26	122,314	(494)	(958)	(1,043)	(2)	(2,497)
Asia	200,175	59,459	3,785	93	263,512	(206)	(380)	(2,245)	(45)	(2,876)
– of which: Hong Kong	122,870	40,739	1,779	41	165,429	(126)	(259)	(784)	(22)	(1,191)
MENA	14,895	6,815	1,796	23	23,529	(91)	(128)	(1,101)	(13)	(1,333)
North America	42,285	10,435	684	—	53,404	(70)	(214)	(181)	—	(465)
Latin America	8,356	3,172	641	25	12,194	(70)	(169)	(342)	(2)	(583)
At 30 Jun 2021	378,700	128,212	13,073	216	520,201	(983)	(1,970)	(5,612)	(75)	(8,640)

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Incorporated in England with limited liability

Registered number 617987