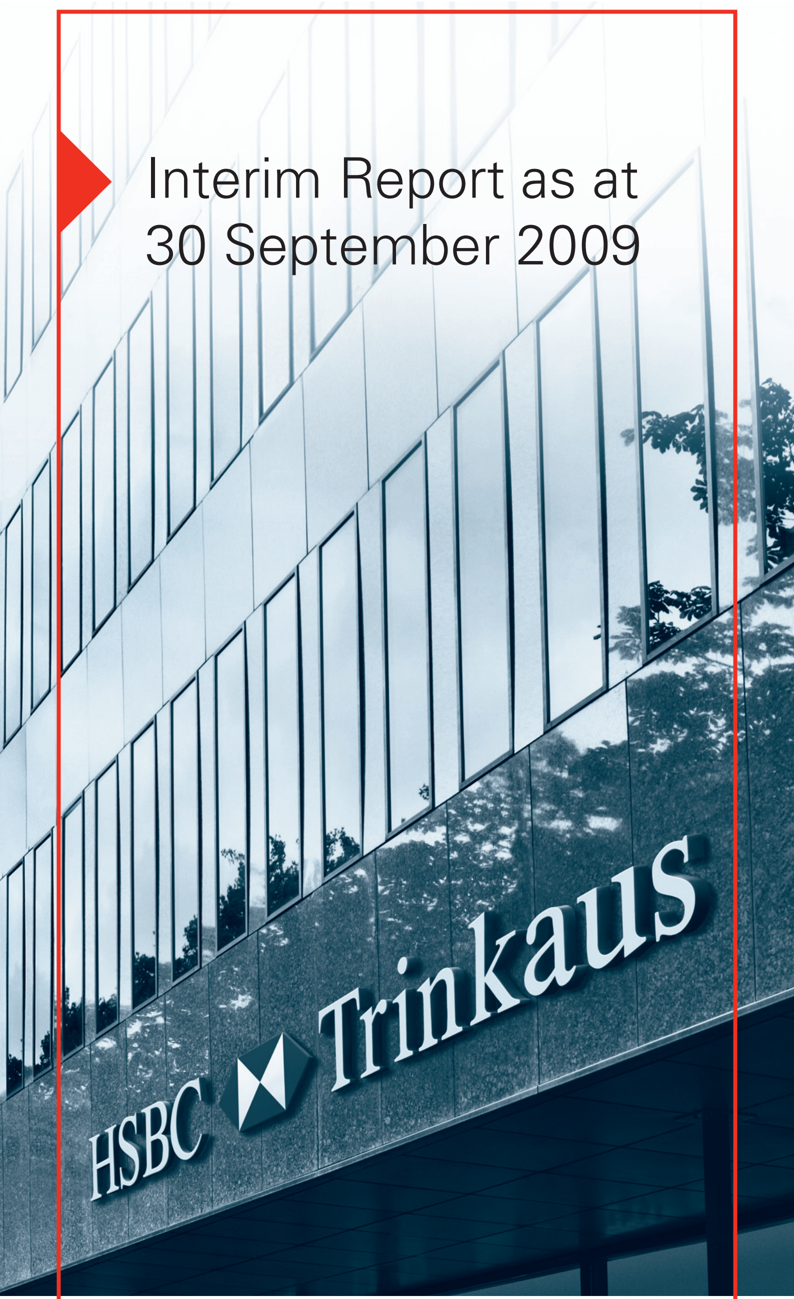
Interim Report as at 30 September 2009



HSBC Trinkaus

Financial Highlights of the HSBC Trinkaus & Burkhardt Group

	01.01. – 30.09.2009	01.01. – 30.09.2008	Change in %
Income statement in €m			
Operating revenues	469.4	431.6	8.8
Net loan impairment and other credit risk provisions	11.5	1.7	>100.0
Administrative expenses	312.1	296.4	5.3
Operating profit	145.8	133.6	9.1
Profit before taxes	131.7	117.0	12.6
Tax expenses	43.1	37.2	15.9
Net profit for the year	88.6	79.8	11.0
Ratios			
Cost:income ratio of usual business activity in %	68.5	71.4	–
Return on equity before tax in % (projected for the year as a whole)	18.4	17.0	–
Net fee income in % of operating revenues	56.1	60.5	–
No. of employees at the reporting date	2,265	2,225	1.8
Share information			
Average number of shares in circulation in million	26.1	26.1	0.0
Earnings per share in €	3.39	3.06	11.0
Share price at the reporting date in €	88.0	105.2	–16.4
Market capitalisation at the reporting date in €m	2,297	2,746	–16.4

	30.09.2009	31.12.2008	Change in %
Balance sheet figures in €m			
Total assets	21,403.0	22,205.7	–3.6
Shareholders' equity	1,043.2	955.0	9.2
Regulatory ratios			
Tier 1 in €m	742	754	–1.6
Regulatory capital in €m	1,080	1,151	–6.2
Risk-weighted assets in €m	7,950	8,588	–7.4
Tier 1 ratio in %	9.3	8.8	–
Regulatory capital ratio in %	13.6	13.4	–

Ladies and Gentlemen,

Last year's difficult economic environment continued in the past three quarters. Although the economic forecasts have brightened up thanks to the dauntless government intervention in recent months, it is still unclear whether the economy is on a lasting growth path. It can be seen rather that the global economic slump and the major reductions in order intake in the domestic real economy associated with it have led to notable adjustments even at companies which are essentially healthy. As our credit book also reflects this trend, we made notable additions to our net loan impairment and other risk provisions in the third quarter.

Nevertheless, this trend was not able to throw us off our successful course. Operating profit after net loan impairment and other credit risk provisions grew in the past three quarters by 9.1% from € 133.6 million the previous year to € 145.8 million. Profit before taxes increased in the same period by 12.6% from € 117.0 million to € 131.7 million. The strength of our results is attributable essentially to our stable and still successful business model which, with its consequent orientation towards our target groups of wealthy private clients, corporate clients and institutional clients supported by risk-sensitive trading, has proven itself especially in these uncertain times. Our affiliation to the HSBC Group provides our client-oriented strategic direction with lasting support.

Profitability

The earnings components of the operating result can be summarised as follows:

- Net interest income was up 12.2% to € 108.8 million (2008: € 97.0 million). This increase results from financial assets as we further increased our exposure to first-class issuers. As a result, we were able to more than compensate for the decline in our credit business on account of lower volumes as well as the slump in net interest income from sight deposits.

- Net loan impairment and other credit risk provisions amounted to € 11.5 million (2008: € 1.7 million). We have made net additions to individually assessed impairments of € 7.5 million this year. Furthermore, by adding € 4.0 million to portfolio impairments, we continue to make adequate allowance for the still uncertain economic situation. Our conservative orientation is therefore unchanged in relation to the assessment of default risks.

- Net fees and commission income reached € 263.3 million, therefore even slightly exceeding the prior-year level (€ 260.9 million). The transaction numbers in the securities business remain low, but we were able to increase the result from our new issues and structuring business by 18.2 % to € 10.4 million (2008: € 8.8 million).

- There was a 34.1% increase in net trading income to € 93.1 million (2008: € 69.4 million) due largely to our Treasury activities. The money market business showed an extraordinarily good performance thanks to our excellent liquidity position. The further stabilisation on the money and capital markets led in addition to significant spread narrowing accompanied by valuation gains on bond portfolios, which suffered from spread widening last year. In contrast, there was a decline in trading with equities and index derivatives due mainly to the weaker demand for bonus and discount certificates, while we were able to expand our market share with respect to trading-oriented retail products such as warrants. We achieved valuation gains on derivatives in the bank book for hedging strategic interest rate positions.

- Net other income/expenses made a positive contribution to earnings in the reporting period of € 11.9 million after € 4.0 million the previous year. This high figure results from the placement of a real estate fund as well as the sale of a building in Luxembourg. Income from financial assets was negatively influenced by value corrections on equities, fund units and bonds, which essentially took place in the first quarter, though.

- Administrative expenses rose moderately by 5.3% to € 312.1 million (2008: € 296.4 million) due essentially to higher allocated costs and a slight increase in the number of employees. At 68.5%, the cost:income ratio remains within the adequate range for our business model of 65% to 70%.

The asset situation

Total assets were down by 3.6% compared to the end of 2008 to € 21.4 billion. Accounting for over 50% of total assets, customer deposits still represent the Bank's main source of refinancing. We regard this as a clear commitment on the part of our clients to our solid business policy, which is reflected not least in our solid earnings base and our extraordinarily good rating. At € 1,043.2 million, shareholders' equity was 9.2% up on the level at the end of 2008 (€ 955.0 million). This was due mainly to the allocation to retained earnings from last year's net profit as well as the increase in the valuation reserve for financial instruments from € 47.5 million to € 106.2 million. In addition, the actuarial profits and losses from pensions improved by € 5.5 million.

The financial position

The Bank's financial position is still characterised by excellent liquidity. The minimum regulatory requirements were exceeded by far with an average of 1.84 for the end-of-month positions. At € 10.8 billion, customer accounts – still our most important source of refinancing – were only 7.2% lower than at the end of the previous year. We continue to invest a substantial part of this liquidity in eligible bonds and promissory note loans issued by German federal states. The capital ratio remains good at 13.6% after 13.4% at the end of last year, with core capital excluding hybrid capital components accounting for 9.3 percentage points.

Forecast

Despite the first signs that it is easing, the global economic crisis will keep us occupied. We see the main risk in the credit books, which could be affected by further impairments on account of the wave of insolvencies which is approaching. We remain optimistic, though, thanks to our solid earnings base. Despite an increase in net loan impairment and other credit risk provisions, we were able to increase our result in the past quarter. Under the condition that we remain untroubled by major credit losses, an improvement in earnings is to be expected for the whole of 2009.

We will continue to pursue our successful business model and aim to expand our market shares in the clearly defined target groups "wealthy private clients", "corporate clients" and "institutional clients". Not least our integration into HSBC's financially sound and profitable network is to be mentioned as an important factor of success in this respect. As a result, we continue to offer our clients the "best of both worlds", namely the continuity, professionalism and individuality of a key relationship and core bank with the international service capacity of a global financial services provider. Overall, we therefore see ourselves as being well equipped for the challenges in the final quarter.

Düsseldorf, November 2009
The Management Board

Andreas Schmitz | Paul Hagen | Dr. Olaf Huth | Carola Gräfin v. Schmettow

Consolidated Income Statement

in €m	(Notes)	01.01. – 30.09.2009	01.01. – 30.09.2008	Change in %
Interest income		183.9	296.0	–37.9
Interest expense		75.1	199.0	–62.3
Net interest income	(1)	108.8	97.0	12.2
Net loan impairment and other credit risk provisions	(2)	11.5	1.7	>100.0
Share of profit in associates		0.5	0.3	66.7
Fee income		430.0	450.7	–4.6
Fee expenses		166.7	189.8	–12.2
Net fee income	(3)	263.3	260.9	0.9
Net trading income	(4)	93.1	69.4	34.1
Administrative expenses	(5)	312.1	296.4	5.3
Income from financial assets		–22.3	–16.5	35.2
Net other income/expenses	(6)	11.9	4.0	>100.0
Profit before taxes		**131.7**	**117.0**	**12.6**
Tax expenses		43.1	37.2	15.9
Net profit for the year		**88.6**	**79.8**	**11.0**
Profit/loss attributable to minority shareholders		1.6	0.0	100.0
Profit/loss attributable to HSBC Trinkaus shareholders		87.0	79.8	9.0

Earnings per share

in €	01.01. – 30.09.2009	01.01. – 30.09.2008	Change in %
Earnings per share	3.39	3.06	11.0
Undiluted earnings per share	3.39	3.06	11.0

As in the corresponding prior-year period, there were no option and conversion rights outstanding for the purchase of shares in the third quarter of 2009. There was therefore no calculable dilution effect.

Consolidated Income Statement Quarterly Results

in €m	Q1 2009	Q2 2009	Q3 2009	Q3 2008
Interest income	70.2	60.9	52.8	98.1
Interest expense	34.0	23.3	17.8	64.4
Net interest income	36.2	37.6	35.0	33.7
Net loan impairment and other credit risk provisions	0.4	–0.3	11.4	1.0
Share of profit in associates	0.2	0.3	0.0	0.1
Fee income	144.9	138.6	146.5	144.8
Fee expenses	53.2	57.8	55.7	62.5
Net fee income	91.7	80.8	90.8	82.3
Net trading income	23.5	35.7	33.9	7.0
Administrative expenses	102.3	102.6	107.2	92.0
Income from financial assets	–13.8	–6.7	–1.8	–16.3
Net other income/expenses	8.7	2.8	0.4	2.0
Profit before taxes	**43.8**	**48.2**	**39.7**	**15.8**
Tax expenses	15.0	15.0	13.1	5.5
Net profit for the year	**28.8**	**33.2**	**26.6**	**10.3**
Profit/loss attributable to minority shareholders	1.6	0.0	0.0	0.0
Profit/loss attributable to HSBC Trinkaus shareholders	27.2	33.2	26.6	10.3

Earnings per share

in €	Q1 2009	Q2 2009	Q3 2009	Q3 2008
Earnings per share	1.04	1.27	1.08	0.40
Undiluted earnings per share	1.04	1.27	1.08	0.40

Consolidated Balance Sheet

Assets in €m	(Notes)	30.09.2009	31.12.2008	Change in %
Cash reserve		627.8	139.5	>100.0
Loans and advances to banks	(8)	3,292.8	2,979.7	10.5
Loans and advances to customers	(9)	3,262.8	4,082.6	–20.1
Net loan impairment provision	(10)	–31.7	–21.4	48.1
Trading assets	(11)	10,851.1	12,482.6	–13.1
Financial assets	(12)	3,005.6	2,118.8	41.9
Interests in associates		10.5	10.1	4.0
Property, plant and equipment		77.2	81.1	–4.8
Intangible assets		50.2	56.0	–10.4
Taxation recoverable		2.0	17.5	–88.6
current		2.0	13.0	–84.6
deferred		0.0	4.5	–100.0
Other assets		254.7	259.2	–1.7
Total assets		**21,403.0**	**22,205.7**	**–3.6**

Liabilities in €m	(Notes)	30.09.2009	31.12.2008	Change in %
Deposits by banks	(13)	2,856.1	2,709.1	5.4
Customer accounts	(14)	10,756.1	11,592.8	–7.2
Certificated liabilities		10.0	10.0	0.0
Trading liabilities	(15)	6,008.1	6,152.9	–2.4
Provisions		132.7	117.4	13.0
Taxation		115.1	85.1	35.3
current		94.8	81.5	16.3
deferred		20.3	3.6	>100.0
Other liabilities		94.8	108.2	–12.4
Subordinated capital		386.9	458.7	–15.7
Shareholders' equity		1,043.2	955.0	9.2
Share capital		70.0	70.0	0.0
Capital reserve		215.9	218.5	–1.2
Retained earnings		652.8	566.8	15.2
Consolidated profit available for distribution in 2008		–	99.7	–
Profit 01.01.2009 – 30.09.2009 including profit brought forward		104.5	–	–
Minority interests		0.0	16.5	–100.0
Total equity and liabilities		**21,403.0**	**22,205.7**	**–3.6**

Breakdown of consolidated shareholders' equity and subordinated capital

in €m	30.09.2009	31.12.2008
Share capital	70.0	70.0
Capital reserve	215.9	218.5
Retained earnings	652.8	566.8
of which: valuation reserve for financial instruments	106.2	47.5
of which: valuation reserve for actuarial profits and losses	–18.8	–24.3
Net profit including profit brought forward/ consolidated profit available for distribution	104.5	99.7
Consolidated shareholders' equity	**1,043.2**	**955.0**
Subordinated liabilities	286.9	322.9
Participatory capital	100.0	135.8
Consolidated subordinated capital	**386.9**	**458.7**
Total	**1,430.1**	**1,413.7**

Consolidated statement of changes in equity

in €m	2009	2008
Consolidated shareholders' equity as at 01.01.	**955.0**	**968.7**
Distribution	–65.3	–65.3
Net profit	88.6	79.8
Gains/losses not recognised in the income statement (change in valuation reserves)	64.2	–67.0
Share-based compensation settled in the form of equity instruments	5.5	7.2
Transfer of shares to employees in connection with share-based remuneration schemes	–3.2	–2.9
Profit/loss attributable to minority shareholders	–1.6	0.0
Other effects	0.0	0.0
Consolidated shareholders' equity as at 30.09.	**1,043.2**	**920.6**

Comprehensive income for the period

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Net profit for the year	88.6	79.8
Gains/losses not recognised in the income statement	64.2	–67.0
of which from financial instruments	58.7	–58.9
of which from actuarial results	5.5	–8.1
Total	**152.8**	**12.8**
Attributable to:		
Minority interests	1.6	0.0
HSBC shareholders	151.2	12.8

Consolidated cash flow statement

in €m	2009	2008
Cash and cash equivalents as at 01.01.	**139.5**	**332.3**
Cash flow from operating activities	629.1	483.6
Cash flow from investing activities	–3.7	–0.7
Cash flow from financing activities	–137.1	–65.3
Cash and cash equivalents as at 30.09.	**627.8**	**749.9**

The cash flow statement calculated according to the indirect method shows the position and movements in cash and cash equivalents of the HSBC Trinkaus & Burkhardt Group. Reported cash and cash equivalents correspond to the “Cash reserve balance sheet” item, which comprises cash in hand plus balances at central banks.

Notes to the Consolidated Income Statement and the Consolidated Balance Sheet

This Interim Report for the HSBC Trinkaus Group as at 30 September 2009 was drawn up in accordance with International Financial Reporting Standards (IFRS) as they are to be applied in the European Union. The report takes particular account of the requirements of IAS 34 relating to interim financial reporting. Furthermore, the report takes into consideration the requirement of an interim management statement pursuant to Section 37x German Securities Trading Act (WpHG). No review of the Interim Report was carried out by external auditors.

When drawing up this Interim Report including the comparable figures for the prior-year periods, we applied the same accounting and valuation methods as in the 2008 consolidated financial statements.

All changes to standards and interpretations, the early application of which we have dispensed with, are of no or only minor significance for our consolidated financial statements.

1 ▸ Net interest income

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Interest income	**183.9**	**296.0**
From loans and advances to banks	34.5	95.6
Money market transactions	30.0	83.9
Other interest-bearing receivables from loans and advances to customers	4.5	11.7
From loans and advances to customers	77.0	145.6
Money market transactions	17.8	43.8
Other interest-bearing receivables	59.2	101.8
From financial assets	72.4	54.8
Interest income	69.8	51.5
Dividend income	1.9	1.5
Income from subsidiaries	0.7	1.8
Interest expense	**75.1**	**199.0**
From deposits by banks	14.6	38.8
Money market transactions	11.1	28.7
Other interest-bearing deposits	3.5	10.1
From customer accounts	44.5	142.2
Money market transactions	20.4	66.1
Other interest-bearing deposits	24.1	76.1
From securitised liabilities	0.3	0.3
From subordinated capital	15.7	17.7
Net interest income	**108.8**	**97.0**

2 ▸ Net loan impairment and other credit risk provisions

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Additions	14.8	3.7
Reversals	3.3	1.8
Direct write-offs	0.0	0.0
Recoveries on loans and advances previously written off	0.0	–0.2
Total	**11.5**	**1.7**

3 ▸ Net fee income

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Securities transactions	178.7	176.4
Foreign exchange transactions and derivatives	42.6	42.2
Issuing and structuring business	10.4	8.8
Foreign business	9.5	10.4
Lending	6.6	3.4
Payments	4.8	4.2
Investment banking	2.2	2.2
Real estate	1.2	0.1
Other fee-based business	7.3	13.2
Total	**263.3**	**260.9**

4 ▸ Net trading income

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Equity/index derivatives	50.9	66.9
Bonds and interest rate derivatives	32.7	–0.2
Derivatives in the bank book	6.0	0.0
Foreign exchange	3.5	2.7
Total	**93.1**	**69.4**

Interest and dividend income attributable to trading activities – shown as the difference between the interest and equity and dividend revenues of trading positions and the corresponding refinancing interest – is included in trading profit.

5 Administrative expenses

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Staff expenses	187.5	179.8
Wages and salaries	162.8	157.9
Social security costs	16.7	15.8
Expenses for retirement pensions and other employee benefits	8.0	6.1
Other administrative expenses	108.5	101.8
Depreciation of property, plant and equipment and of intangible assets	16.1	14.8
Total	312.1	296.4

6 Net other income/expenses

in €m	01.01. – 30.09.2009	01.01. – 30.09.2008
Other operating income	13.8	5.6
Other operating expenses	4.2	1.5
Net other operating income and expenses	**9.6**	**4.1**
Net other non-operating income	2.3	–0.1
Net other non-operating expenses	0.0	0.0
Net other non-operating income and expenses	**2.3**	**–0.1**
Net other income/expenses	**11.9**	**4.0**

7 Segment reporting

in €m	Private Banking	Corporate Banking	Institutional Clients	Global Markets	Central Divisions/ Consolidation	Total
Net interest income						
30.09.2009	10.8	32.8	1.4	8.9	54.9	108.8
30.09.2008	10.4	32.8	3.3	3.8	46.7	97.0
Net loan impairment and other credit risk provisions*						
30.09.2009	1.3	6.2	0.9	0.1	3.0	11.5
30.09.2008	0.9	5.0	0.5	0.2	–4.9	1.7
Share of profit in associates						
30.09.2009	0.0	0.0	0.0	0.0	0.5	0.5
30.09.2008	0.0	0.0	0.0	0.0	0.3	0.3
Net fee income						
30.09.2009	60.6	71.8	115.6	1.3	14.0	263.3
30.09.2008	65.9	66.5	113.2	1.7	13.6	260.9
Operating trading profit						
30.09.2009	0.0	–0.2	9.5	84.0	–6.2	87.1
30.09.2008	0.0	–0.2	0.5	74.6	–5.5	69.4
Administrative expenses						
30.09.2009	50.1	59.5	70.7	41.8	90.0	312.1
30.09.2008	49.9	58.3	68.9	38.3	81.0	296.4
of which depreciation and amortisation						
30.09.2009	1.3	0.9	0.5	0.5	12.9	16.1
30.09.2008	1.1	0.8	0.5	0.5	11.8	14.7
Net other operating income and expenses						
30.09.2009	0.0	0.0	0.0	0.0	9.6	9.6
30.09.2008	0.0	0.0	0.0	0.0	4.1	4.1
Operating profit						
30.09.2009	**20.0**	**38.7**	**54.9**	**52.3**	**–20.2**	**145.7**
30.09.2008	**25.5**	**35.8**	**47.6**	**41.6**	**–16.9**	**133.6**
Income from financial assets						
30.09.2009	0.0	0.0	0.0	0.0	–22.3	–22.3
30.09.2008	0.0	0.0	0.0	0.0	–16.5	–16.5
Income from derivatives in the bank book						
30.09.2009	0.0	0.0	0.0	0.0	6.0	6.0
30.09.2008	0.0	0.0	0.0	0.0	0.0	0.0
Net other non-operating income and expenses						
30.09.2009	0.0	0.0	0.0	0.0	2.3	2.3
30.09.2008	0.0	0.0	0.0	0.0	–0.1	–0.1
Profit before taxes						
30.09.2009	**20.0**	**38.7**	**54.9**	**52.3**	**–34.2**	**131.7**
30.09.2008	**25.5**	**35.8**	**47.6**	**41.6**	**–33.5**	**117.0**
Taxation						
30.09.2009	6.3	12.4	17.6	16.7	–9.9	43.1
30.09.2008	8.0	11.5	15.2	13.3	–10.8	37.2
Net profit for the year						
30.09.2009	**13.7**	**26.3**	**37.3**	**35.6**	**–24.3**	**88.6**
30.09.2008	**17.5**	**24.3**	**32.4**	**28.3**	**–22.7**	**79.8**

* including € 3.0 million consolidation (2008: € –4.9 million)

The segment reporting for the first three quarters shows the Bank's balanced business mix, which has proven resilience even in the financial market crisis. The Corporate Banking, Institutional Clients and Global Markets segments were able to improve on their good prior-year results again and thus more than compensate for the decline in Private Banking. The pressure resulting from financial assets, which are held in the Bank's Central Division, is attributable mainly to the difficult market conditions in the first quarter of 2009.

The Institutional Clients segment was able to more than make up for the declining revenues in the asset management and equities business with a strong increase in net fee income and net trading income from the fixed-income business compared to the previous year. The Corporate Clients business increased net fee income from the origination and placement of fixed-interest bonds as well as from foreign exchange transactions. The increase in net interest income in the lending business as a result of higher margins was almost eaten up by the slump in net interest income from sight deposits as a result of the extremely low level money market interest rates. There was a substantial increase in imputed risk costs on account of the deterioration in portfolio ratings. Global Markets benefited in particular from the Treasury operations and foreign exchange business, which was able to more than compensate for the reduction in revenues in trading and sales of equities on account of the market environment. The Private Banking business recorded a sharp decline in revenues in the securities business owing to the restraint shown by many investors as a result of the adverse market conditions.

Thanks to strict cost discipline, the increase in administrative expenses in the Bank's four business segments was kept within narrow limits. The more than proportionate growth in costs in the Bank's Central Divisions can be explained mainly by unplanned cost allocations in the third quarter of this year. Investments required to increase operating security and efficiency were carried out as planned.

8 Loans and advances to banks

in €m	30.09.2009	31.12.2008
Current accounts	993.9	865.6
Money market transactions	2,170.4	2,049.6
of which overnight money	498.8	0.0
of which term deposits	1,671.6	2,049.6
Other loans and advances	128.5	64.5
Total	**3,292.8**	**2,979.7**
of which domestic banks	2,074.6	1,768.0
of which foreign banks	1,218.2	1,211.7

9 Loans and advances to customers

in €m	30.09.2009	31.12.2008
Current accounts	1,535.5	1,481.2
Money market transactions	657.9	1,023.3
of which overnight money	98.9	190.8
of which term deposits	559.0	832.5
Loan accounts	1,052.0	1,573.5
Other loans and advances	17.4	4.6
Total	**3,262.8**	**4,082.6**
of which domestic customers	2,542.8	2,902.4
of which foreign customers	720.0	1,180.2

10 Net loan impairment and other credit risk provisions

in €m	30.09.2009	31.12.2008
Net loan impairment provision	31.7	21.4
Other credit risk provisions	8.0	6.8
Net loan impairment and other credit risk provisions	**39.7**	**28.2**

	Impairments and other credit risk provisions					
	Individually assessed		Collectively assessed		Total	
in €m	2009	2008	2009	2008	2009	2008
As at 01.01.	**20.2**	**19.1**	**8.0**	**4.6**	**28.2**	**23.7**
Reversals	3.3	1.8	0.0	0.0	3.3	1.8
Utilisation	0.0	0.1	0.0	0.0	0.0	0.1
Additions	10.8	1.3	4.0	2.4	14.8	3.7
Currency translation/ transfers	0.0	–0.1	0.0	0.0	0.0	–0.1
As at 30.09.	**27.7**	**18.4**	**12.0**	**7.0**	**39.7**	**25.4**

11 Trading assets

in €m	30.09.2009	31.12.2008
Bonds and other fixed-income securities	4,882.6	6,945.4
Equities and other non-fixed-income securities	423.6	383.7
Tradable receivables	1,879.3	2,001.6
Positive market value of derivatives	2,479.2	2,758.2
Reverse repos	835.4	72.3
Securities lending	61.3	2.1
Security in the derivatives business	289.7	319.3
Total	**10,851.1**	**12,482.6**

12 Financial assets

in €m	30.09.2009	31.12.2008
Bonds and other fixed-income securities and interest rate derivatives	2,504.9	1,720.1
Equities	20.0	21.4
Investments	122.8	142.6
Promissory note loans	249.2	127.6
Interests in subsidiaries	108.7	107.1
Total	**3,005.6**	**2,118.8**

13 ▸ Deposits by banks

in €m	30.09.2009	31.12.2008
Current accounts	1,278.9	625.3
Money market transactions	1,408.1	1,869.5
of which overnight money	534.2	26.4
of which term deposits	873.9	1,843.1
Other liabilities	169.1	214.3
Total	**2,856.1**	**2,709.1**
of which domestic banks	737.9	858.0
of which foreign banks	2,118.2	1,851.1

14 ▸ Customer accounts

in €m	30.09.2009	31.12.2008
Current accounts	6,880.5	6,064.5
Money market transactions	3,512.6	5,066.4
of which overnight money	533.6	685.8
of which term deposits	2,979.0	4,380.6
Savings deposits	31.9	12.9
Other liabilities	331.1	449.0
Total	**10,756.1**	**11,592.8**
of which domestic customers	7,433.8	8,707.4
of which foreign customers	3,322.3	2,885.4

15 ▸ Trading liabilities

in €m	30.09.2009	31.12.2008
Negative market value of derivatives	3,009.6	3,190.8
Promissory note loans, bonds, certificates and warrants	2,610.8	2,852.4
Delivery obligations arising from securities sold short	306.0	39.5
Repos	0.0	0.0
Securities lending	8.8	20.9
Security in the derivatives business	70.4	47.2
Derivatives in the bank book	2.5	2.1
Total	**6,008.1**	**6,152.9**

16 Derivatives business

in €m	Nominal amounts with a residual maturity of Up to 1 year	1 – 5 years	Over 5 years	Total	Positive market values
Interest rate transactions					
30.09.2009	9,213	16,184	11,957	37,354	1,015
31.12.2008	11,985	20,208	13,955	46,148	884
Foreign exchange transactions					
30.09.2009	30,772	1,833	14	32,619	663
31.12.2008	30,180	3,051	54	33,285	1,231
Equity and index transactions					
30.09.2009	5,527	2,674	128	8,329	212
31.12.2008	5,970	2,300	244	8,514	108
Total					
30.09.2009	**45,512**	**20,691**	**12,099**	**78,302**	**1,890**
31.12.2008	**48,135**	**25,559**	**14,253**	**87,947**	**2,223**

Deals with both positive and negative market values are taken into account in the determination of the nominal amounts. The stated positive market values of deals represent the replacement values that may arise in the event of the default of all OTC counterparties, regardless of their individual credit rating. The values consist of current interest, foreign currency and equity/index-related deals which include a settlement risk as well as corresponding market price risks. No account is taken of netting agreements. As there is no counterparty risk on exchange-traded products and short positions, the market values of these products are not shown. Owing to the intensive cooperation in the Global Markets segment, we focus in the derivatives business on transactions with other HSBC units.

17 ▸ Market risk

in €m	30.09.2009	31.12.2008
Interest rate transactions	3.0	2.9
Equity and index transactions	3.2	3.8
Foreign exchange transactions	0.1	0.0
Overall market risk potential	4.1	4.4

The market risk potential is calculated for all market risk categories using a standardised internal model. To measure market risks in our trading book under normal market conditions, we have been using a value-at-risk approach for many years. We understand value-at-risk to be the potential loss which will, with 99% probability, not be exceeded within one trading day, assuming unaltered trading positions, in the event of an unfavourable market trend. By taking correlations into consideration, the overall market risk potential is lower than the sum of the risks per risk category.

18 ▸ Contingent liabilities and other obligations

in €m	30.09.2009	31.12.2008
Contingent liabilities on guarantees and indemnity agreements	1,571.6	1,747.5
Irrevocable loan commitments	3,104.8	3,489.2
Total	4,676.4	5,236.7

Key Dates

April 2010 Results Press Conference

May 2010 Interim Report as at 31 March 2010

8 June 2010 Annual General Meeting

August 2010 Interim Report as at 30 June 2010

November 2010 Interim Report as at 30 September 2010

Locations

Düsseldorf Head Office
P.O. Box 10 11 08
40002 Düsseldorf
Königsallee 21/23
40212 Düsseldorf
Phone: +49 211 910-0
Fax: +49 211 910-616

Baden-Baden
P.O. Box 10 05 27
76486 Baden-Baden
Maria-Viktoria-Straße 2
76530 Baden-Baden
Phone: +49 7221 9386-0
Fax: +49 7221 26753

Berlin
Kurfürstendamm 234
10719 Berlin
Phone: +49 30 88581-0
Fax: +49 30 8819304

Frankfurt am Main
Private Banking
P.O. Box 17 05 62
60079 Frankfurt am Main
Guiollettstraße 24
60325 Frankfurt am Main
Phone: +49 69 71903-0
Fax: +49 69 71903-33

Corporate Banking
Taunusanlage 1
60329 Frankfurt am Main
Phone: +49 69 71903-0
Fax: +49 69 71903-32

Investment Banking
Taunusanlage 1
60329 Frankfurt am Main
Phone: +49 69 71903-0
Fax: +49 69 71903-747

Hamburg
P.O. Box 30 54 05
20317 Hamburg
Gänsemarkt 45
20354 Hamburg
Phone: +49 40 35614-0
Fax: +49 40 346557

Munich
P.O. Box 10 14 12
80088 München
Karl-Scharnagl-Ring 7
80539 München
Phone: +49 89 229016-0
Fax: +49 89 297412

Stuttgart
P.O. Box 10 48 41
70042 Stuttgart
Königstraße 26
70173 Stuttgart
Phone: +49 711 22890-0
Fax: +49 711 22890-43

HSBC Trinkaus & Burkhardt (International) SA
P.O. Box 579
L-2015 Luxembourg
1-7, rue Nina et Julien Lefèvre
L-1952 Luxembourg
Phone: +352 471847-1
Fax: +352 471847-641

www.hsbctrinkaus.de