



Video transcript

HSBC Annual Results 2015

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Iain Mackay: Hello I'm Iain Mackay, Group Finance Director at HSBC. We've just released our annual results for 2015. Our resilient performance shows the underlying strength of the business and our progress in refocusing the bank. 2015 was a tough year for the global economy with slowing growth in China, low commodity prices and a low-interest rate environment. Despite this, we grew our revenue in our three main businesses.

Reported profit before tax rose one per cent to USD18.9 billion. Adjusted profits before tax at USD20.4 billion are down seven per cent on increased loan impairment charges and higher costs. But overall loan impairments remain low and our cost reduction programmes are beginning to take positive effect.

We enter 2016 with a clear strategy, with much of our restructuring completed or underway. Today the bank is better balanced and better focused. Nearly one-fifth of our revenue comes from our global businesses working effectively together to better serve our customers.

We've reduced risk-weighted assets by USD124 billion – almost halfway to our 2017 target. And strong capital generation has enabled us to grow dividends.

We've continued to invest in our priority markets in Southeast Asia and the Pearl River Delta; we've increased market share in payments and cash management and foreign exchange; and we remain a leading bank for renminbi international services.

As we look towards the rest of the year, HSBC retains distinct strengths: we remain focused on delivering the strategic goals outlined in our Investor Update of June 2015. Our balance sheet strength enables us to manage the business in the long-term in line with our strategic objectives.

In the meantime, our diversified universal banking model, low earnings volatility, and strong capital generation give us strength and resilience that will stand us in good stead.