

The following is a summary of an announcement issued by HSBC InvestDirect (India) Limited, an Indian incorporated, 98.03 per cent-owned subsidiary of HSBC Holdings plc.

29 July 2010

HSBC INVESTDIRECT RESULTS HIGHLIGHTS FOR THE QUARTER TO 30 JUNE 2010

- Operating income of Rs.37.2 crore (US\$8.1 million) for the quarter ended 30 June 2010, lower than the Rs.44.7 crore (US\$9.8 million) reported for the same period in 2009.
- Net loss after tax of Rs.17.6 crore (US\$3.8 million) for the quarter compared with a loss of Rs.19.9 crore (US\$4.4 million) for the comparable period in 2009.
- Loss per share of Rs.2.5 (US\$0.05) for the quarter – down from a loss per share of Rs.2.8 (US\$0.06) for the same period in 2009.

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Notes to editors:

1. Basis of accounting

The above results are on an Indian GAAP basis.

2. HSBC InvestDirect (India) Limited (formerly IL&FS Investsmart Limited) (HSBC InvestDirect)

HSBC InvestDirect is one of India's leading financial services organisations. HSBC InvestDirect, through its subsidiaries, provides a wide range of investment products to its retail clients, including equity broking, investment banking, mutual funds distribution and related financing services. HSBC InvestDirect's 1,694 employees provide a complete range of investment solutions to over 130,000 customers in India through its 76 branches and 131 franchisee outlets from over 77 cities. InvestDirect is listed on the National Stock Exchange and the Bombay Stock Exchange. HSBC holds a 98.03 per cent stake in the company.

3. HSBC in India

The Hongkong and Shanghai Banking Corporation Limited in India offers a full range of banking and financial services to over 1.5 million customers through its 50 branches and 150 ATMs across 29 cities.

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HSBC InvestDirect Results for the Quarter Ended 30 June 2010/2

HSBC is one of India's leading financial services groups, with over 35,000 employees in its banking, investment banking and capital markets, asset management, insurance broking, insurance, software development and global resourcing operations in the country. It is a leading custodian in India. More than five per cent of India's exports and imports pass through HSBC India's banking channels. The asset management business in India is one of the leading players in the industry. The Bank is at the forefront in arranging deals for Indian companies investing overseas and foreign investments into the country. It has a fully enabled and established insurance advisory service of international standards. It is one of the leading players in domestic and export factoring, and one of the leading banks for an increasing number of SMEs. With its extensive reach across Asia, the Americas and Europe, HSBC has the capacity to offer complete banking and financial solutions to India's burgeoning economy. In 2008, it acquired a majority stake in IL&FS Investsmart (now renamed HSBC InvestDirect) that has enabled it to offer retail brokerage services to its customer across a wider geography.

HSBC's network of branches is located at Ahmedabad, Bangalore, Chandigarh, Chennai, Coimbatore, Gurgaon, Guwahati, Hyderabad, Indore, Jaipur, Jodhpur, Kochi, Kolkata, Ludhiana, Lucknow, Mumbai, Mysore, Nagpur, Noida, New Delhi, Nasik, Patna, Pune, Raipur, Surat, Trivandrum, Thane, Vadodara and Visakhapatnam.

4. The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding and a principal member of the HSBC Group which, with over 8,000 offices in 88 countries and territories and assets of US\$2,364 billion at 31 December 2009, is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.

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