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The following is the text of an announcement released to the other stock exchanges on which HSBC Holdings plc is listed.

15 March 2012

HSBC TO SUBSCRIBE FOR NEW H SHARES OF BANK OF COMMUNICATIONS

The Hongkong and Shanghai Banking Corporation Limited, a wholly-owned subsidiary of HSBC Holdings plc, has entered into a Subscription Agreement to subscribe for new H-shares of Bank of Communications Co., Ltd. ('BoCom'), to be issued as part of a private placement of new H-shares and new A-shares announced by BoCom today.

HSBC has agreed to subscribe for 2,355,939,435 H-shares at HK\$5.63 per share. The total consideration of HK\$13,264m (approximately US\$1,709m) will be funded in cash from internal HSBC Group resources. Following the subscription, HSBC's shareholding in BoCom will be no less than its current 19.03% shareholding. HSBC made its first investment in BoCom, China's fifth largest bank by total assets, in August 2004.

Stuart Gulliver, HSBC's Group Chief Executive and Chairman of The Hongkong and Shanghai Banking Corporation, said: "Maintaining our stake in BoCom reinforces our position as the leading foreign bank in mainland China and is consistent with our strategy to deploy capital in faster growing markets."

The proposed private placement of BoCom shares, and HSBC's participation, is subject to certain conditions, including and not limited to regulatory approvals and approval by the shareholders of BoCom. HSBC's participation will constitute a connected party transaction under the Hong Kong Listing Rules and will require approval of independent shareholders of BoCom.

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HSBC to subscribe to Bank of Communications private placement of H shares/2
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Note to editors:

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 7,200 offices in over 80 countries and territories in Europe, the Asia-Pacific region, North and Latin America, the Middle East and Africa. With assets of US\$2,556bn at 31 December 2011, HSBC is one of the world's largest banking and financial services organisations.

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The Board of Directors of HSBC Holdings plc as at the date of this announcement are: D J Flint, S T Gulliver, S A Catz†, L M L Cha†, M K T Cheung†, J D Coombe†, J Faber†, R A Fairhead†, A A Flockhart, J W J Hughes-Hallett†, W S H Laidlaw†, J P Lipsky†, J R Lomax†, I J Mackay, G Morgan†, N R N Murthy†, Sir Simon Robertson†, J L Thornton† and Sir Brian Williamson†.

† Independent non-executive Director

Hong Kong Stock Code: 5