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## **HSBC TO ACQUIRE LLOYDS BANKING GROUP ONSHORE ASSETS IN THE UAE**

HSBC Bank Middle East Ltd ('HSBC'), an indirect wholly-owned subsidiary of HSBC Holdings plc, has entered into an agreement to acquire the onshore retail and commercial banking business of Lloyds Banking Group ('Lloyds') in the United Arab Emirates ('UAE'). The value of the gross assets being acquired is US\$769m as at 31 December 2011. The transaction, which is subject to regulatory approvals, is expected to complete in 2012.

HSBC's largest operations in the MENA region are based in the UAE where HSBC enjoys a market-leading trade and commercial banking presence, in addition to the largest international retail banking and wealth management business. The business being acquired from Lloyds has approximately 8,800 personal and commercial customers and a loan book of approximately US\$573m as at 31 December 2011.

Commenting on the acquisition, Simon Cooper, Deputy Chairman and Chief Executive Officer of HSBC in MENA, said: "HSBC is the leading international bank in the UAE and the addition of Lloyds' strong presence in retail and commercial banking is highly complementary to our business. The acquisition underscores the strategic importance of the UAE, and of the MENA region as a whole, to HSBC."

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## **HSBC to acquire Lloyds Banking Group onshore assets in the UAE/2**

### **Notes to editors:**

#### **1. HSBC in the MENA Region**

HSBC is the largest and most widely represented international banking organisation in the Middle East and North Africa (MENA), with a presence in 14 countries across the region. HSBC has operations in the United Arab Emirates, Egypt, Qatar, Oman, Bahrain, Kuwait, Jordan, Lebanon, Pakistan, Algeria and the Palestinian Autonomous Area. In Saudi Arabia, HSBC is a 40% shareholder of Saudi British Bank (SABB), and a 49% shareholder of HSBC Saudi Arabia for investment banking in the Kingdom. In Iraq, HSBC holds a majority shareholding in Dar Es Salaam Investment Bank. HSBC also maintains a representative office in Libya.

This presence, the widest reach of any bank in the region, comprises some 273 offices and around 12,000 employees. In the full year 2011, HSBC in the MENA region made a profit before tax of US\$1,492m.

#### **2. 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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