

6 September 2012

## **HSBC FINANCE TO SELL U.S. INSURANCE MANUFACTURING BUSINESS TO ENSTAR GROUP LTD**

Household Insurance Group Holding Company, an indirect wholly owned subsidiary of HSBC Holdings plc, has entered into an agreement to sell its insurance manufacturing business ('the Business') in the United States to Enstar Group Ltd for a total consideration of US\$181m in cash, which will be adjusted to reflect the actuarial valuation and capital of the Business at the closing date.

The Business comprises the 100% interest held by Household Insurance Group Holding Company, a wholly owned subsidiary of HSBC Finance Corporation, in each of HSBC Insurance Company of Delaware and Household Life Insurance Company of Delaware, which provide a variety of insurance products to customers of HSBC Group companies in North America.

The sale is subject to regulatory approvals, other customary closing conditions and the capital of the Business being at or below an agreed level as at the closing date. The sale is expected to close by the end of the first quarter of 2013 and represents further progress in the execution of the HSBC Group strategy.

HSBC Group companies in North America will continue to support client needs and offer creditor and life insurance products to their customers through third party providers.

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## **HSBC to sell insurance manufacturing business in the U.S. to Enstar Group Ltd/2**

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#### **Notes to editors:**

##### **Footnote**

<sup>1</sup> HSBC Insurance Company of Delaware and Household Life Insurance Company of Delaware design and distribute credit life, unemployment, accidental death and disability, whole life, annuities, disability, long term care and a variety of other specialty protection products.

##### **HSBC Finance Corporation**

HSBC Finance Corporation, through its subsidiaries, owns and services a liquidating portfolio of residential real estate loans and unsecured loans, and also provides specialty insurance products. HSBC Finance is a subsidiary of HSBC North America Holdings Inc., one of the United States' largest bank holding companies by assets.

##### **HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,900 offices in over 80 countries and territories in Europe, the Asia-Pacific region, North and Latin America, and the Middle East and North Africa. With assets of US\$2,652bn at 30 June 2012, the HSBC Group is one of the world's largest banking and financial services organisations.

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