

News Release

10 December 2013

HSBC TO SELL MINORITY STAKE IN BANK OF SHANGHAI

**** China remains a priority market for HSBC ****

The Hongkong and Shanghai Banking Corporation Limited ('HSBC Asia Pacific'), a wholly-owned subsidiary of HSBC Holdings plc, has entered into an agreement to sell its entire 8.0% shareholding in Bank of Shanghai Co., Ltd. ('BoS') to Banco Santander, S.A.

HSBC Asia Pacific's 8.0% shareholding in BoS was accounted for as an available-for-sale asset with a fair value of HK\$3,629m (approximately US\$468m) in the balance sheet at 30 September 2013.

Peter Wong, Chief Executive Officer of HSBC Asia Pacific, said: "This transaction is another step as we continue to execute the Group's strategy. With such a large and important market as China, our ability to focus on core businesses becomes much more vital. Our priorities going forward will emphasise the growth of our own operations in mainland China and our own partnership with Bank of Communications."

The transaction, which is subject to regulatory approvals, is expected to complete during the first half of 2014.

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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 6,600 offices in 80 countries and territories in Europe, Hong Kong, Rest of Asia Pacific, North and Latin America, and the Middle East and North Africa. With assets of US\$2,723bn at 30 September 2013, the HSBC Group is one of the world's largest banking and financial services organisations.

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