

4 May 2018

**HSBC BANK PLC
CHANGE IN CAPITAL RECOGNITION
OF SELECTED CAPITAL SECURITIES**

The recognition for solo and consolidated regulatory capital purposes of HSBC Bank plc's outstanding US\$300 million 7.650% Subordinated Notes due 2025 (ISIN US597433AC57) (the 'Notes') has changed.

The Notes were previously partially recognised by HSBC Bank plc in its solo and consolidated capital as tier 2 capital under transitional arrangements provided in the Capital Requirements Regulation (Regulation (EU) No 648/2012). From today, the Notes will be recognised as a fully eligible tier 2 instrument.

If the change had been effective on 31 December 2017, the impact would have been as set out below:

| Measurement basis | HSBC Bank plc consolidated total capital ratio at 31 Dec 2017 | HSBC Bank plc consolidated total capital ratio if securities had been included as fully eligible tier 2 |
|--------------------------|--|--|
| Transitional basis | 16.9% | 16.9% |
| End point basis | 15.8% | 15.9% |

This announcement includes inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014.

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