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1 August 2022

(Hong Kong Stock Code: 5)

HSBC Holdings plc

2022 INTERIM RESULTS – HIGHLIGHTS

The attached announcement is being released to all the stock exchanges on which HSBC Holdings plc is listed.

For and on behalf of
HSBC Holdings plc

Aileen Taylor
Group Company Secretary and Chief Governance Officer

The Board of Directors of HSBC Holdings plc as at the date of this announcement comprises: Mark Tucker*, Noel Quinn, Geraldine Buckingham†, Rachel Duan†, Carolyn Julie Fairbairn†, James Anthony Forese†, Steven Guggenheimer†, José Antonio Meade Kuribreña†, Eileen K Murray†, David Nish†, Ewen Stevenson and Jackson Tait†.

* Non-executive Group Chairman

† Independent non-executive Director

HSBC Holdings plc

Registered Office and Group Head Office:

8 Canada Square, London E14 5HQ, United Kingdom

Web: www.hsbc.com

Incorporated in England with limited liability. Registered in England: number 617987

1 August 2022

HSBC HOLDINGS PLC

2022 INTERIM RESULTS – HIGHLIGHTS

Noel Quinn, Group Chief Executive, said:

“Our first-half performance reflects the continued impact of our strategy, with gathering revenue momentum and tight cost control. The progress that we’ve made growing and transforming HSBC means we are in a strong position as we enter the current rates cycle. We are confident of achieving a return on tangible equity of at least 12% from 2023 onwards, which would represent our best returns in a decade. As a result, we are providing more specific dividend payout ratio guidance of around 50% for 2023 and 2024. We understand and appreciate the importance of dividends to all of our shareholders. We will aim to restore the dividend to pre-Covid-19 levels as soon as possible. We also intend to revert to quarterly dividends in 2023.”

Financial performance (1H22 vs 1H21)

- **Reported profit after tax increased by \$0.8bn to \$9.2bn.** This included a \$1.8bn gain on the recognition of a deferred tax asset from historical losses, as a result of improved profit forecasts for the UK tax group, which has accelerated the expected utilisation of these losses. **Reported profit before tax decreased by \$1.7bn to \$9.2bn,** reflecting a net charge for expected credit losses and other credit impairment charges ('ECL'), compared with a net release in 1H21. **Adjusted profit before tax fell by \$0.9bn to \$10.7bn.**
- **Reported revenue decreased marginally to \$25.2bn,** primarily due to foreign currency translation impacts and 1H22 losses on planned business disposals. **Adjusted revenue increased by 4% to \$25.7bn,** driven by higher net interest income, reflecting interest rate rises and balance sheet growth, and strong growth in revenue from Global Foreign Exchange in Global Banking and Markets ('GBM'). This was partly offset by unfavourable market impacts in insurance manufacturing in Wealth and Personal Banking ('WPB').
- **Reported ECL were a net charge of \$1.1bn,** reflecting stage 3 charges of \$0.8bn, as well as additional allowances to reflect heightened economic uncertainty and inflation, in part offset by the release of most of our remaining Covid-19 reserves. This compared with a \$0.7bn net release in 1H21.
- **Reported operating expenses decreased by 4%,** primarily due to foreign currency translation impacts. The reduction also reflected the impact of our cost-saving initiatives and a lower performance-related pay accrual, which partly offset increased investment and inflationary impacts. **Adjusted operating expenses decreased by 1%.**
- **Return on average tangible equity ('RoTE') (annualised) of 9.9%** increased by 0.5 percentage points compared with 1H21, including a 2.3 percentage point annualised impact of the deferred tax asset gain.
- **Common equity tier 1 ('CET1') ratio of 13.6%** decreased by 2.2 percentage points from 31 December 2021. This reflected a reduction in CET1 capital of \$16.8bn, which included a \$4.8bn valuation loss in equity from financial instruments as yield curves steepened, and a \$13.4bn increase in risk-weighted assets ('RWAs') primarily from 1Q22 regulatory changes. The reduction also included the share buy-back of up to \$1bn announced at our full-year 2021 results.
- The Board has approved an **interim dividend for 1H22 of \$0.09 per ordinary share,** to be paid in cash.

Financial performance (2Q22 vs 2Q21)

- **Reported profit after tax of \$5.8bn,** including a \$1.8bn deferred tax gain. **Reported profit before tax was stable at \$5.0bn.** Net ECL charges compared with 2Q21 net ECL releases, with this impact broadly offset by a reduction in operating expenses and revenue growth. **Adjusted profit before tax increased by 13% to \$6.0bn.**
- **Reported revenue increased by 2% to \$12.8bn,** primarily reflecting interest rate rises, partly offset by an adverse movement in market impacts in insurance manufacturing in WPB, foreign currency translation impacts and losses on planned business disposals. **Adjusted revenue increased by 12% to \$13.1bn.**
- **Net interest margin ('NIM') of 1.35%** rose by 9 basis points ('bps') from 1Q22.
- **Reported operating expenses were 5% lower,** due to foreign currency translation impacts. The impact of our cost-saving initiatives and continued cost discipline mitigated increased investment and inflation. **Adjusted operating expenses were stable at \$7.5bn.**
- The increase in adjusted revenue of 12% while maintaining stable adjusted operating expenses resulted in **adjusted jaws of 12%.**
- **Customer lending was \$27bn lower in 2Q22, on a reported basis,** due to foreign currency translation impacts. **Adjusted customer lending increased by \$14bn** with growth across all regions.

Outlook for 2022

- The revenue outlook remains positive. Based on the current market consensus for global central bank rates and our continued mid-single-digit percentage lending growth expectations for 2022, we would **expect net interest income of at least \$31bn for 2022 and at least \$37bn for 2023¹** (based on average June rates of foreign exchange).
- **We continue to expect our ECL charges to normalise towards 30bps of average loans in 2022,** recognising the possible risk of further deterioration in the consensus economic outlook.
- We remain confident in our ability to deliver 2022 adjusted operating expenses in line with 2021, despite inflationary pressures. **We now aim to deliver 2023 adjusted cost growth of around 2%, compared with 2022¹, and intend to maintain strict cost discipline thereafter.**
- **With profit generation and continued RWA actions, we aim to manage back to within our 14% to 14.5% CET1 target range during the first half of 2023.** While further share buy-backs remain unlikely in 2022, for future years we expect to return to shareholders excess capital over and above what is required for executing the strategy. The forecast loss on the disposal of our French retail operations is expected to impact our CET1 ratio by approximately 30bps in the second half of 2022.
- The impact of our growth and transformation programmes over the last two years has given us the confidence to update our returns guidance. Subject to the current path implied by the market for global policy rates, **we are now targeting a RoTE of at least 12% from 2023 onwards,** noting continued macroeconomic uncertainty.
- Given the current returns trajectory, **we expect a dividend payout ratio of around 50% for 2023 and 2024.** We also intend to revert to paying quarterly dividends in 2023, although we expect the quarterly dividend for the first three quarters to initially be reinstated at a lower level than the historical quarterly dividend of \$0.10 per share paid up to the end of 2019.

¹ Based on current accounting standards. The implementation of IFRS 17 on 1 January 2023 will result in certain insurance costs being presented as a deduction to reported revenue with a resultant reduction in reported operating expenses

Key financial metrics

	Half-year to		
	30 Jun 2022	30 Jun 2021	31 Dec 2021
Reported results			
Reported revenue (\$m)	25,236	25,551	24,001
Reported profit before tax (\$m)	9,176	10,839	8,067
Reported profit after tax (\$m)	9,215	8,422	6,271
Profit attributable to the ordinary shareholders of the parent company (\$m)	8,289	7,276	5,331
Cost efficiency ratio (%)	65.1	66.9	73.1
Net interest margin (%) ¹	1.30	1.21	1.20
Basic earnings per share (\$)	0.42	0.36	0.26
Diluted earnings per share (\$)	0.41	0.36	0.26
Alternative performance measures			
Adjusted revenue (\$m)	25,690	24,734	23,577
Adjusted profit before tax (\$m)	10,673	11,538	9,681
Adjusted cost efficiency ratio (%)	59.9	62.7	65.5
Expected credit losses and other credit impairment charges ('ECL') (annualised) as % of average gross loans and advances to customers (%)	0.21	(0.14)	(0.03)
Return on average ordinary shareholders' equity (annualised) (%) ¹	9.7	8.4	7.1
Return on average tangible equity (annualised) (%) ^{1,2}	9.9	9.4	8.3
	At		
	30 Jun 2022	30 Jun 2021	31 Dec 2021
Balance sheet			
Total assets (\$m)	2,985,420	2,976,005	2,957,939
Net loans and advances to customers (\$m)	1,028,356	1,059,511	1,045,814
Customer accounts (\$m)	1,651,301	1,669,091	1,710,574
Average interest-earning assets (\$m)	2,233,321	2,188,991	2,209,513
Loans and advances to customers as % of customer accounts (%)	62.3	63.5	61.1
Total shareholders' equity (\$m)	188,382	198,218	198,250
Tangible ordinary shareholders' equity (\$m)	148,308	157,985	158,193
Net asset value per ordinary share at period end (\$)	8.41	8.69	8.76
Tangible net asset value per ordinary share at period end (\$)	7.48	7.81	7.88
Capital, leverage and liquidity			
Common equity tier 1 capital ratio (%) ^{3,4}	13.6	15.6	15.8
Risk-weighted assets (\$m) ^{3,4}	851,743	862,292	838,263
Total capital ratio (%) ^{3,4}	18.6	21.0	21.2
Leverage ratio (%) ^{3,4}	5.5	5.3	5.2
High-quality liquid assets (liquidity value) (\$bn) ⁴	656.6	659.3	717.0
Liquidity coverage ratio (%) ⁴	134	134	138
Share count			
Period end basic number of \$0.50 ordinary shares outstanding (millions)	19,819	20,223	20,073
Period end basic number of \$0.50 ordinary shares outstanding and dilutive potential ordinary shares (millions)	19,949	20,315	20,189
Average basic number of \$0.50 ordinary shares outstanding (millions)	19,954	20,211	20,183
Dividend per ordinary share (in respect of the period) (\$)	0.09	0.07	0.18

For reconciliations of our reported results to an adjusted basis, including lists of significant items, see page 37 of the *Interim Report 2022*. Definitions and calculation of other alternative performance measures are included in our 'Reconciliation of alternative performance measures' on page 56 of the *Interim Report 2022*.

- For these metrics, half-year to 31 December 2021 is calculated on a full-year basis and not a 2H21 basis.
- Profit attributable to ordinary shareholders, excluding impairment of goodwill and other intangible assets and changes in present value of in-force insurance contracts ('PVIF') (net of tax), divided by average ordinary shareholders' equity excluding goodwill, PVIF and other intangible assets (net of deferred tax).
- Unless otherwise stated, regulatory capital ratios and requirements are based on the transitional arrangements of the Capital Requirements Regulation in force at the time. These include the regulatory transitional arrangements for IFRS 9 'Financial Instruments', which are explained further on page 94 of the Interim Report 2022. The leverage ratio is calculated using the end point definition of capital and the IFRS 9 regulatory transitional arrangements, in line with the UK leverage rules that were implemented on 1 January 2022, and excludes central bank claims. Comparatives for 2021 are reported based on the disclosure rules in force at that time, and include claims on central banks. References to EU regulations and directives (including technical standards) should, as applicable, be read as references to the UK's version of such regulation and/or directive, as shored into UK law under the European Union (Withdrawal) Act 2018, and subsequently amended under UK law.
- Regulatory numbers and ratios are as presented at the date of reporting. Small changes may exist between these numbers and ratios and those subsequently submitted in regulatory filings. Where differences are significant, we will restate comparatives.

Highlights

	Half-year to	
	30 Jun 2022 \$m	30 Jun 2021 \$m
Reported		
Revenue ¹	25,236	25,551
Change in expected credit losses and other credit impairment charges	(1,090)	719
Operating expenses	(16,419)	(17,087)
Share of profit in associates and joint ventures	1,449	1,656
Profit before tax	9,176	10,839
Tax (expense)/credit	39	(2,417)
Profit after tax	9,215	8,422
Adjusted²		
Revenue ^{1,3}	25,690	24,734
Change in expected credit losses and other credit impairment charges	(1,090)	675
Operating expenses	(15,376)	(15,520)
Share of profit in associates and joint ventures	1,449	1,649
Profit before tax	10,673	11,538
Tax (expense)/credit	(1,962)	(2,455)
Profit after tax	8,711	9,083
Significant items affecting adjusted performance		
Revenue		
Customer redress programmes	(14)	18
Disposals, acquisitions and investment in new businesses ³	(288)	–
Fair value movements on financial instruments ⁴	(220)	(194)
Restructuring and other related costs ⁵	68	(70)
Operating expenses		
Customer redress programmes	6	(17)
Impairment of goodwill and other intangibles	(9)	–
Restructuring and other related costs	(1,040)	(848)
Tax expense/(credit)		
Tax charge/(credit) on significant items	(236)	(153)
Recognition of losses on HSBC Holdings	(1,765)	–

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

2 Adjusted performance is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons.

3 Includes losses from classifying businesses as held-for-sale as part of a broader restructuring of our European business.

4 Includes fair value movements on non-qualifying hedges and debt valuation adjustments on derivatives.

5 Comprises losses associated with the RWA reduction commitments and gains we made at our business update in February 2020.

Review by Noel Quinn, Group Chief Executive

We are now two and a half years into our transformation programme to make HSBC fit for the future. We still have more work to do in the second half of this year – but we are now much better positioned to meet the needs of our international customers and to deliver higher returns for our shareholders.

The key to delivering our ambitions, now and in the future, is to grow and transform HSBC at the same time. That was the focus of the transformation programme we announced in February 2020, and of the updated strategy we launched in February 2021. The progress we have made in both regards gives us a strong starting point as we enter the current interest rate cycle.

Our transformation agenda has been based around three things: reshaping our portfolio, increasing our capital efficiency and tightly managing our costs. In 2021, we accelerated this agenda in response to Covid-19, under four strategic pillars: focus on our strengths, digitise at scale, energise for growth, and lead the transition to net zero.

In reshaping our portfolio, we have exited – or are exiting – non-strategic businesses in the West and reallocated capital towards areas of growth in Asia and the Middle East. In the first half of 2022, we completed our acquisition of AXA Singapore, increased our stake in HSBC Qianhai Securities to 90%, took full ownership of our HSBC Life China insurance business, and agreed to sell our businesses in Greece and Russia, subject to regulatory approvals.

In terms of capital efficiency, our risk-weighted asset reduction programme had reached \$104bn by the end of 2021, against a target of \$110bn by the end of 2022. We have now reached a cumulative total of \$114bn of risk-weighted asset savings, and the acceleration of restructuring across our US and Europe businesses means we are on track to reach at least \$120bn of savings by the end of this year.

We continue to invest in areas of strength. Our investment to boost our Asia wealth product and platform capabilities helped us to attract strong levels of net new invested assets, and to grow the value of new business in our insurance franchise in Asia by 41% on last year's first-half. We achieved both of these despite the temporary closure of parts of our branch network due to Covid-19 restrictions in Hong Kong.

Finally, we have continued to manage our cost base with discipline. Our sustained investment to digitise HSBC at scale has helped make us a more agile and efficient organisation. Our hybrid working model has enabled us to reduce our office real estate footprint by around a third since the start of 2020. At the same time, rising customer demand for digital products and services has enabled us to keep reducing and adapting our branch network in response to changing customer behaviour.

Our cost reduction programmes remain on track. We have more to do before December – particularly to further simplify the organisation – but I remain committed to achieving stable adjusted costs in 2022 compared with last year, despite rising inflation.

International

As a result of this work, HSBC is now a more international business, focused on serving international customers alongside our strong domestic franchises in Hong Kong and the UK. Serving customers across borders is what we do best. It is how we can best help them to grow, and, we believe, the fastest way to accelerate returns for our shareholders.

HSBC has been internationally focused since it was founded 157 years ago to support trade between East and West. When we refreshed our purpose 18 months ago, we spoke to tens of thousands of our customers, colleagues and other stakeholders as we considered who we are and what we do. Our refreshed purpose – 'opening up a world of opportunity' – underlined that our internationalism remains the most defining characteristic of our identity.

Our strength as a well connected, global institution is the main reason our wholesale clients choose to bank with us and we are determined to capitalise on the advantages our network gives us. As part of this, we are exiting domestic wholesale client relationships where returns are sub-standard in order to focus on meeting the needs of international customers. We have repositioned our US and Europe businesses in the same vein, completing the sale of our US domestic mass market retail business in the first half of the year, and remaining on track to complete the sale of our French retail business in 2023.

This strategy is serving our customers and investors well. Even as trade flows have changed and supply chains have shifted post-pandemic, we have maintained our leadership in global trade because our global network means we can go wherever trade goes. We built on this further in the first-half, growing trade balances by \$5bn or 6% in a challenging global environment. We were also named 'Best Bank for Trade Finance' by *Euromoney* in July.

In a low interest-rate environment, our international network was also a key factor in the good returns generated by our other leading franchises. More than three quarters of our wholesale client revenue is connected to our international network, and just under half of our wholesale client business is cross-border. Our ability to connect clients in the West with high-returning opportunities in the East remains a key differentiator.

In Commercial Banking, adjusted revenue grew by 14% compared with last year's first-half, with international business a strong contributor. In particular, we saw adjusted revenue growth of 20% in Global Trade and Receivables Finance, and of 42% in Global Liquidity and Cash Management.

In Global Banking and Markets, adjusted revenue was up 4% on the same period last year, due in part to a good performance in transaction banking. In addition, the volume of client business booked in Asia and the Middle East from clients managed in Europe and the Americas grew by 8% on last year's first-half, underlining the importance of our ability to connect global clients and investors to those regions.

In Wealth and Personal Banking, we grew the number of customers classed as international by 5%, compared with last year's first-half. These include customers we bank in more than one market, and customers who come from a country or territory other than the market in which they now bank. According to our analysis, the average international customer generates around double the revenue of the average domestic customer. This is both our fastest growing customer segment, and our most commercially attractive.

Financial performance

Our first-half performance reflected much of the progress we have made since 2020, with good organic growth across the business and tight cost control. In addition, increased net interest income reflected rising global interest rates, with further policy rate rises anticipated over the coming months.

Overall, the Group delivered \$9.2bn of reported profit before tax and \$10.7bn of adjusted profit before tax in the first half of the year. Although this was lower than in the first half of 2021, it reflected a more normalised level of expected credit losses compared with the Covid-19 releases made last year, as well as the macroeconomic impact of the Russia-Ukraine war.

All our regions were profitable in the first-half. This included a strong performance from HSBC UK, which delivered adjusted profits of \$2.5bn, up 15% on the first half of last year. Our Asia business delivered adjusted profits of \$6.3bn, despite the impact of Covid-19 in some of our biggest markets.

Adjusted revenue was up 4%, including growth of 15% in net interest income compared with last year's first-half. Market impacts meant wealth revenue was lower compared with the same period last year, although our insurance business performed well. In Commercial Banking, adjusted trade revenue was up 20% on the prior year. Lending balances were up in all businesses in the first-half, underlining that conversion of our business pipelines remains strong.

Adjusted operating expenses fell by 1%, mainly as a result of our cost-saving initiatives and a lower performance-related pay accrual. We achieved this in spite of growing inflationary pressures and rising investments in technology and our Asia Wealth business.

Our CET1 ratio at the end of the first-half was 13.6%, down from 15.8% at the end of 2021. This reflected losses on financial instruments held as hedges to our exposure to interest rate movements, and an increase in RWAs due to regulatory changes and foreign exchange movements. We expect to be back within our 14% to 14.5% CET1 target range in the first half of 2023.

We have announced an interim dividend of \$0.09 per share, up \$0.02 per share on the first half of 2021. We have also now completed both the \$2bn buy-back programme we announced in 2021, and the further \$1bn buy-back we announced at our annual results in February.

Outlook

The revenue outlook has improved further since our full-year 2021 results, despite the uncertain macroeconomic environment.

In February, based on the implied market consensus policy rates at the time, we expected to deliver a return on tangible equity of at least 10% for 2023. We expect to make further progress with our growth and transformation plans in the second half of 2022, and believe we can restrict cost growth to around 2% in 2023, despite inflationary pressures. Subject to the path currently being implied by the market for policy rates, we are now confident of achieving a return on tangible equity of at least 12% from 2023 onwards.

As a result of this higher returns trajectory, we are also able to provide more specific guidance around dividends. We now expect to deliver an improved payout ratio of around 50% for 2023 and 2024, subject to achieving our performance targets. We also intend to revert to paying quarterly dividends from the start of 2023. We remain committed to enabling our shareholders to benefit from the growing returns that our strategy is delivering.

Transition to net zero

The transition to net zero is a core part of our strategy, both now and for the long term. Given our scale and footprint, we know we have a major role to play in enabling the transition to a net zero global economy. I am unequivocal about my own personal commitment to this agenda, and that commitment is shared by the Board and the senior management team. The urgent need to transition the global economy to net zero is going to change the industrial landscape completely. The overwhelming majority of our clients understand this, and are actively planning and undertaking their own transitions. It stands to reason that financing the new business models and climate technologies they need presents a huge commercial opportunity for HSBC.

I am pleased that we have continued to make good progress towards our ambition of providing and facilitating between \$750bn and \$1tn of sustainable finance and investment by 2030. By the end of June, our cumulative total for sustainable finance and investment since 2019 was more than \$170.8bn. Earlier this year, we published interim targets for on-balance sheet financed emissions in the oil and gas, and power and utilities sectors. We also committed to publish our first bank-wide climate transition plan in 2023, to phase down fossil fuel financing in line with science-based targets, and to review and update our financing and investment policies critical to net zero. These concrete actions can have a significant impact in reducing global emissions and will help ensure that HSBC remains a global climate leader.

Our people

Everything we have achieved over the last six months – and everything we want to achieve over the next six months and beyond – rests on the hard work, commitment and tireless efforts of my colleagues around the world.

I am especially grateful to my colleagues for managing considerable uncertainty and disruption in the first half of the year, particularly those in Hong Kong and mainland China, who have managed the impact of Covid-19 restrictions on our customers and communities; in Sri Lanka, who have continued to deliver for our customers during the current economic and political crisis; and in Poland and eastern Europe, who have been volunteering to help those directly impacted by the Russia-Ukraine war.

I am grateful too for the support that my colleagues have offered to customers impacted by the ongoing cost of living crisis gripping many of the world's major economies. These are testing times for many of those who bank with us and we are committed to helping support them through this difficult period.

My colleagues represent the very best of HSBC, and I am proud of all they have done – and are doing – to support our customers, communities and each other.

Noel Quinn

Group Chief Executive

1 August 2022

Financial summary

	Half-year to		
	30 Jun 2022 \$m	30 Jun 2021 \$m	31 Dec 2021 \$m
For the period			
Profit before tax	9,176	10,839	8,067
Profit attributable to:			
– ordinary shareholders of the parent company	8,289	7,276	5,331
Dividends on ordinary shares ¹	3,576	3,059	1,421
At the period end			
Total shareholders' equity	188,382	198,218	198,250
Total regulatory capital	158,519	181,122	177,786
Customer accounts	1,651,301	1,669,091	1,710,574
Total assets	2,985,420	2,976,005	2,957,939
Risk-weighted assets	851,743	862,292	838,263
Per ordinary share	\$	\$	\$
Basic earnings	0.42	0.36	0.26
Dividend per ordinary share (paid in the period) ¹	0.18	0.15	0.07
Net asset value ²	8.41	8.69	8.76

¹ Second interim dividend of \$0.18 per ordinary share in respect of the financial year ending 31 December 2021, paid in April 2022.

² The definition of net asset value per ordinary share is total shareholders equity, less non-cumulative preference shares and capital securities, divided by the number of ordinary shares in issue, excluding own shares held by the company, including those purchased and held in treasury.

Distribution of results by global business

Adjusted profit before tax

	30 Jun 2022		Half-year to 30 Jun 2021		31 Dec 2021	
	\$m	%	\$m	%	\$m	%
Wealth and Personal Banking	2,946	27.6	3,751	32.5	3,104	32.1
Commercial Banking	3,578	33.5	3,211	27.8	3,241	33.5
Global Banking and Markets	2,879	27.0	3,199	27.8	1,967	20.3
Corporate Centre	1,270	11.9	1,377	11.9	1,369	14.1
Profit before tax	10,673	100.0	11,538	100.0	9,681	100.0

Distribution of results by geographical region

Reported profit/(loss) before tax

	30 Jun 2022		Half-year to 30 Jun 2021		31 Dec 2021	
	\$m	%	\$m	%	\$m	%
Europe	883	9.6	1,968	18.2	1,811	22.4
Asia	6,300	68.7	6,936	64.0	5,313	65.9
Middle East and North Africa	748	8.2	723	6.7	700	8.7
North America	858	9.4	805	7.4	569	7.0
Latin America	387	4.1	407	3.7	(326)	(4.0)
Profit before tax	9,176	100.0	10,839	100.0	8,067	100.0

HSBC adjusted profit before tax and balance sheet data

	Half-year to 30 Jun 2022				
	Wealth and Personal Banking	Commercial Banking	Global Banking and Markets	Corporate Centre	Total
	\$m	\$m	\$m	\$m	\$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges¹	10,922	7,217	7,841	(290)	25,690
– external	10,569	7,281	8,867	(1,027)	25,690
– inter-segment	353	(64)	(1,026)	737	–
<i>of which: net interest income/(expense)</i>	<i>7,658</i>	<i>5,007</i>	<i>2,296</i>	<i>(496)</i>	<i>14,465</i>
Change in expected credit losses and other credit impairment (charges)/recoveries	(573)	(288)	(227)	(2)	(1,090)
Net operating income/(expense)	10,349	6,929	7,614	(292)	24,600
Total operating expenses	(7,411)	(3,351)	(4,735)	121	(15,376)
Operating profit/(loss)	2,938	3,578	2,879	(171)	9,224
Share of profit in associates and joint ventures	8	–	–	1,441	1,449
Adjusted profit before tax	2,946	3,578	2,879	1,270	10,673
	%	%	%	%	%
Share of HSBC's adjusted profit before tax	27.6	33.5	27.0	11.9	100.0
Adjusted cost efficiency ratio	67.9	46.4	60.4	41.7	59.9
Adjusted balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	475,464	348,253	204,097	542	1,028,356
Interests in associates and joint ventures	484	14	121	28,827	29,446
Total external assets	882,490	619,490	1,318,425	165,015	2,985,420
Customer accounts	836,026	479,680	335,033	562	1,651,301
Adjusted risk-weighted assets ²	186,154	341,935	241,077	82,577	851,743
	Half-year to 30 Jun 2021				
Net operating income before change in expected credit losses and other credit impairment charges ¹	10,980	6,353	7,518	(117)	24,734
– external	10,782	6,326	8,305	(679)	24,734
– inter-segment	198	27	(787)	562	–
<i>of which: net interest income/(expense)</i>	<i>6,807</i>	<i>4,172</i>	<i>1,937</i>	<i>(374)</i>	<i>12,542</i>
Change in expected credit losses and other credit impairment (charges)/recoveries	38	228	405	4	675
Net operating income/(expense)	11,018	6,581	7,923	(113)	25,409
Total operating expenses	(7,277)	(3,371)	(4,724)	(148)	(15,520)
Operating profit/(loss)	3,741	3,210	3,199	(261)	9,889
Share of profit in associates and joint ventures	10	1	–	1,638	1,649
Adjusted profit before tax	3,751	3,211	3,199	1,377	11,538
	%	%	%	%	%
Share of HSBC's adjusted profit before tax	32.5	27.8	27.7	12.0	100.0
Adjusted cost efficiency ratio	66.3	53.1	62.9	(126.5)	62.7
Adjusted balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	458,573	329,873	205,044	1,065	994,555
Interests in associates and joint ventures	467	15	121	27,315	27,918
Total external assets	859,383	581,741	1,164,916	184,436	2,790,476
Customer accounts	793,277	455,006	316,865	794	1,565,942
Adjusted risk-weighted assets ²	175,621	311,126	244,007	88,192	818,946

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

2 Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

HSBC adjusted profit before tax and balance sheet data (continued)

	Half-year to 31 Dec 2021				
	Wealth and Personal Banking \$m	Commercial Banking \$m	Global Banking and Markets \$m	Corporate Centre \$m	Total \$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges ¹	10,439	6,556	6,878	(296)	23,577
– external	10,354	6,460	7,676	(913)	23,577
– inter-segment	85	96	(798)	617	–
<i>of which: net interest income/(expense)</i>	<i>6,955</i>	<i>4,387</i>	<i>2,032</i>	<i>(353)</i>	<i>13,021</i>
Change in expected credit losses and other credit impairment (charges)/recoveries	215	40	(80)	(1)	174
Net operating income/(expense)	10,654	6,596	6,798	(297)	23,751
Total operating expenses	(7,574)	(3,355)	(4,831)	313	(15,447)
Operating profit/(loss)	3,080	3,241	1,967	16	8,304
Share of profit in associates and joint ventures	24	–	–	1,353	1,377
Adjusted profit before tax	3,104	3,241	1,967	1,369	9,681
	%	%	%	%	%
Share of HSBC's adjusted profit before tax	32.1	33.5	20.3	14.1	100.0
Adjusted cost efficiency ratio	72.6	51.2	70.2	105.7	65.5
Adjusted balance sheet data	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	462,452	332,710	198,854	686	994,702
Interests in associates and joint ventures	490	13	119	27,938	28,560
Total external assets	889,349	589,834	1,157,478	175,688	2,812,349
Customer accounts	820,564	481,781	324,239	590	1,627,174
Adjusted risk-weighted assets ²	171,022	316,443	228,263	89,543	805,271

¹ Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

² Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

Consolidated income statement

	Half-year to		
	30 Jun 2022 \$m	30 Jun 2021 \$m	31 Dec 2021 \$m
Net interest income	14,451	13,098	13,391
– interest income	20,855	17,960	18,228
– interest expense	(6,404)	(4,862)	(4,837)
Net fee income	6,064	6,674	6,423
– fee income	7,949	8,458	8,330
– fee expense	(1,885)	(1,784)	(1,907)
Net income from financial instruments held for trading or managed on a fair value basis	4,921	4,184	3,560
Net income/(expense) from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss	(3,051)	2,795	1,258
Change in fair value of designated debt and related derivatives	(158)	(67)	(115)
Changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	68	548	250
Gains less losses from financial investments	21	433	136
Net insurance premium income	7,646	5,663	5,207
Other operating income	723	155	347
Total operating income	30,685	33,483	30,457
Net insurance claims and benefits paid and movement in liabilities to policyholders	(5,449)	(7,932)	(6,456)
Net operating income before change in expected credit losses and other credit impairment charges	25,236	25,551	24,001
Change in expected credit losses and other credit impairment charges	(1,090)	719	209
Net operating income	24,146	26,270	24,210
Employee compensation and benefits	(9,071)	(9,610)	(9,132)
General and administrative expenses	(5,445)	(5,675)	(5,917)
Depreciation and impairment of property, plant and equipment and right-of-use assets	(1,075)	(1,160)	(1,101)
Amortisation and impairment of intangible assets	(828)	(642)	(796)
Goodwill impairment	–	–	(587)
Total operating expenses	(16,419)	(17,087)	(17,533)
Operating profit	7,727	9,183	6,677
Share of profit in associates and joint ventures	1,449	1,656	1,390
Profit before tax	9,176	10,839	8,067
Tax credit/(charge)	39	(2,417)	(1,796)
Profit for the period	9,215	8,422	6,271
Attributable to:			
– ordinary shareholders of the parent company	8,289	7,276	5,331
– preference shareholders of the parent company	–	7	–
– other equity holders	626	666	637
– non-controlling interests	300	473	303
Profit for the period	9,215	8,422	6,271
	\$	\$	\$
Basic earnings per ordinary share	0.42	0.36	0.26
Diluted earnings per ordinary share	0.41	0.36	0.26

Consolidated statement of comprehensive income

	Half-year to		
	30 Jun 2022 \$m	30 Jun 2021 \$m	31 Dec 2021 \$m
Profit for the period	9,215	8,422	6,271
Other comprehensive income/(expense)			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Debt instruments at fair value through other comprehensive income	(4,907)	(1,368)	(771)
– fair value losses	(6,328)	(1,392)	(878)
– fair value gains transferred to the income statement on disposal	(53)	(375)	(89)
– expected credit recoveries/(losses) recognised in the income statement	20	(26)	(23)
– income taxes	1,454	425	219
Cash flow hedges	(2,063)	(238)	(426)
– fair value gains/(losses)	(1,646)	877	(282)
– fair value gains reclassified to the income statement	(1,127)	(1,195)	(319)
– income taxes and other movements	710	80	175
Share of other comprehensive income/(expense) of associates and joint ventures	(141)	104	(1)
– share for the period	(141)	104	(1)
Exchange differences	(8,521)	(449)	(1,944)
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit asset/(liability)	95	(747)	473
– before income taxes	(132)	(775)	668
– income taxes	227	28	(195)
Changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	2,263	155	376
– before income taxes	3,030	(2)	514
– income taxes	(767)	157	(138)
Equity instruments designated at fair value through other comprehensive income	158	(348)	(98)
– fair value gains/(losses)	158	(345)	(98)
– income taxes	–	(3)	–
Effects of hyperinflation	417	166	149
Other comprehensive income/(expense) for the period, net of tax	(12,699)	(2,725)	(2,242)
Total comprehensive (expense)/income for the period	(3,484)	5,697	4,029
Attributable to:			
– ordinary shareholders of the parent company	(4,246)	4,612	3,153
– preference shareholders of the parent company	–	7	–
– other equity holders	626	666	637
– non-controlling interests	136	412	239
Total comprehensive (expense)/income for the period	(3,484)	5,697	4,029

Consolidated balance sheet

	At	
	30 Jun 2022 \$m	31 Dec 2021 \$m
Assets		
Cash and balances at central banks	363,608	403,018
Items in the course of collection from other banks	8,073	4,136
Hong Kong Government certificates of indebtedness	43,866	42,578
Trading assets	217,350	248,842
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	45,873	49,804
Derivatives	262,923	196,882
Loans and advances to banks	96,429	83,136
Loans and advances to customers	1,028,356	1,045,814
Reverse repurchase agreements – non-trading	244,451	241,648
Financial investments	430,796	446,274
Prepayments, accrued income and other assets	185,823	139,982
Current tax assets	1,151	970
Interests in associates and joint ventures	29,446	29,609
Goodwill and intangible assets	21,625	20,622
Deferred tax assets	5,650	4,624
Total assets	2,985,420	2,957,939
Liabilities and equity		
Liabilities		
Hong Kong currency notes in circulation	43,866	42,578
Deposits by banks	105,275	101,152
Customer accounts	1,651,301	1,710,574
Repurchase agreements – non-trading	129,707	126,670
Items in the course of transmission to other banks	9,673	5,214
Trading liabilities	80,569	84,904
Financial liabilities designated at fair value	126,006	145,502
Derivatives	251,469	191,064
Debt securities in issue	87,944	78,557
Accruals, deferred income and other liabilities	163,600	123,778
Current tax liabilities	685	698
Liabilities under insurance contracts	113,130	112,745
Provisions	1,900	2,566
Deferred tax liabilities	2,894	4,673
Subordinated liabilities	20,711	20,487
Total liabilities	2,788,730	2,751,162
Equity		
Called up share capital	10,188	10,316
Share premium account	14,662	14,602
Other equity instruments	21,691	22,414
Other reserves	(8,576)	6,460
Retained earnings	150,417	144,458
Total shareholders' equity	188,382	198,250
Non-controlling interests	8,308	8,527
Total equity	196,690	206,777
Total liabilities and equity	2,985,420	2,957,939

Consolidated statement of cash flows

	Half-year to		
	30 Jun 2022 \$m	30 Jun 2021 \$m	31 Dec 2021 \$m
Profit before tax	9,176	10,839	8,067
Adjustments for non-cash items:			
Depreciation, amortisation and impairment	1,903	1,802	2,484
Net (gain)/loss from investing activities	174	(485)	(162)
Share of profits in associates and joint ventures	(1,449)	(1,656)	(1,390)
Gain on acquisition of subsidiary	(71)	–	–
Change in expected credit losses gross of recoveries and other credit impairment charges	1,246	(484)	(35)
Provisions including pensions	208	301	762
Share-based payment expense	177	254	213
Other non-cash items included in profit before tax	(866)	205	305
Change in operating assets	15,987	(3,811)	(232)
Change in operating liabilities	(27,501)	49,015	22,161
Elimination of exchange differences ¹	49,417	5,212	13,725
Dividends received from associates	60	10	798
Contributions paid to defined benefit plans	(102)	(342)	(167)
Tax paid	(1,264)	(997)	(2,080)
Net cash from operating activities	47,095	59,863	44,449
Purchase of financial investments	(271,382)	(263,198)	(229,844)
Proceeds from the sale and maturity of financial investments	248,983	298,596	222,594
Net cash flows from the purchase and sale of property, plant and equipment	(590)	(375)	(711)
Net cash flows from (purchase)/disposal of customer and loan portfolios	(3,756)	1,063	1,996
Net investment in intangible assets	(1,240)	(1,011)	(1,468)
Net cash flow on (acquisition)/disposal of subsidiaries, businesses, associates and joint ventures	(525)	(84)	(22)
Net cash from investing activities	(28,510)	34,991	(7,455)
Issue of ordinary share capital and other equity instruments	–	1,996	–
Cancellation of shares	(1,840)	–	(707)
Net sales/(purchases) of own shares for market-making and investment purposes	(443)	1	(1,387)
Purchase of non-controlling interest in subsidiary	(197)	–	–
Redemption of preference shares and other equity instruments	(723)	(3,450)	–
Subordinated loan capital issued	2,659	–	–
Subordinated loan capital repaid	(11)	(852)	(12)
Dividends paid to shareholders of the parent company and non-controlling interests	(4,497)	(4,121)	(2,262)
Net cash from financing activities	(5,052)	(6,426)	(4,368)
Net increase in cash and cash equivalents	13,533	88,428	32,626
Cash and cash equivalents at the beginning of the period	574,032	468,323	551,933
Exchange differences in respect of cash and cash equivalents	(40,243)	(4,818)	(10,527)
Cash and cash equivalents at the end of the period	547,322	551,933	574,032

Interest received was \$22,011m (1H21: \$19,761m; 2H21: \$20,414m), interest paid was \$7,146m (1H21: \$6,552m; 2H21: \$6,143m) and dividends received (excluding dividends received from associates, which are presented separately above) were \$800m (1H21: \$801m; 2H21: \$1,097m).

¹ Adjustments to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.

Consolidated statement of changes in equity

	Other reserves									
	Called up share capital and share premium	Other equity instruments	Retained earnings	Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Total shareholders' equity	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jan 2022	24,918	22,414	144,458	(634)	(197)	(22,769)	30,060	198,250	8,527	206,777
Profit for the period	–	–	8,915	–	–	–	–	8,915	300	9,215
Other comprehensive income (net of tax)	–	–	2,637	(4,723)	(2,035)	(8,414)	–	(12,535)	(164)	(12,699)
– debt instruments at fair value through other comprehensive income	–	–	–	(4,844)	–	–	–	(4,844)	(63)	(4,907)
– equity instruments designated at fair value through other comprehensive income	–	–	–	121	–	–	–	121	37	158
– cash flow hedges	–	–	–	–	(2,035)	–	–	(2,035)	(28)	(2,063)
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	–	–	2,263	–	–	–	–	2,263	–	2,263
– remeasurement of defined benefit asset/liability	–	–	98	–	–	–	–	98	(3)	95
– share of other comprehensive income of associates and joint ventures	–	–	(141)	–	–	–	–	(141)	–	(141)
– effects of hyperinflation	–	–	417	–	–	–	–	417	–	417
– exchange differences	–	–	–	–	–	(8,414)	–	(8,414)	(107)	(8,521)
Total comprehensive income for the period	–	–	11,552	(4,723)	(2,035)	(8,414)	–	(3,620)	136	(3,484)
Shares issued under employee remuneration and share plans	65	–	(65)	–	–	–	–	–	–	–
Dividends to shareholders	–	–	(4,202)	–	–	–	–	(4,202)	(295)	(4,497)
Redemption of securities	–	(723)	–	–	–	–	–	(723)	–	(723)
Cost of share-based payment arrangements	–	–	177	–	–	–	–	177	–	177
Cancellation of shares ⁴	(133)	–	(1,000)	–	–	–	133	(1,000)	–	(1,000)
Other movements	–	–	(503)	3	–	–	–	(500)	(60)	(560)
At 30 Jun 2022	24,850	21,691	150,417	(5,354)	(2,232)	(31,183)	30,193	188,382	8,308	196,690
At 1 Jan 2021	24,624	22,414	140,572	1,816	457	(20,375)	26,935	196,443	8,552	204,995
Profit for the period	–	–	7,949	–	–	–	–	7,949	473	8,422
Other comprehensive income (net of tax)	–	–	(337)	(1,629)	(234)	(464)	–	(2,664)	(61)	(2,725)
– debt instruments at fair value through other comprehensive income	–	–	–	(1,351)	–	–	–	(1,351)	(17)	(1,368)
– equity instruments designated at fair value through other comprehensive income	–	–	–	(278)	–	–	–	(278)	(70)	(348)
– cash flow hedges	–	–	–	–	(234)	–	–	(234)	(4)	(238)
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	–	–	155	–	–	–	–	155	–	155
– remeasurement of defined benefit asset/liability	–	–	(762)	–	–	–	–	(762)	15	(747)
– share of other comprehensive income of associates and joint ventures	–	–	104	–	–	–	–	104	–	104
– effects of hyperinflation	–	–	166	–	–	–	–	166	–	166
– exchange differences	–	–	–	–	–	(464)	–	(464)	15	(449)
Total comprehensive income for the period	–	–	7,612	(1,629)	(234)	(464)	–	5,285	412	5,697
Shares issued under employee remuneration and share plans	352	–	(335)	–	–	–	–	17	–	17
Capital securities issued ¹	–	2,000	(4)	–	–	–	–	1,996	–	1,996
Dividends to shareholders	–	–	(3,732)	–	–	–	–	(3,732)	(389)	(4,121)
Redemption of securities ²	–	(2,000)	–	–	–	–	–	(2,000)	–	(2,000)
Cost of share-based payment arrangements	–	–	254	–	–	–	–	254	–	254
Other movements	–	–	(48)	3	–	–	–	(45)	(29)	(74)
At 30 Jun 2021	24,976	22,414	144,319	190	223	(20,839)	26,935	198,218	8,546	206,764

Consolidated statement of changes in equity (continued)

	Other reserves									
	Called up share capital and share premium	Other equity instruments	Retained earnings	Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Total shareholders' equity	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jul 2021	24,976	22,414	144,319	190	223	(20,839)	26,935	198,218	8,546	206,764
Profit for the period	—	—	5,968	—	—	—	—	5,968	303	6,271
Other comprehensive income (net of tax)	—	—	998	(826)	(420)	(1,930)	—	(2,178)	(64)	(2,242)
– debt instruments at fair value through other comprehensive income	—	—	—	(754)	—	—	—	(754)	(17)	(771)
– equity instruments designated at fair value through other comprehensive income	—	—	—	(72)	—	—	—	(72)	(26)	(98)
– cash flow hedges	—	—	—	—	(420)	—	—	(420)	(6)	(426)
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	376	—	—	—	—	376	—	376
– remeasurement of defined benefit asset/liability	—	—	474	—	—	—	—	474	(1)	473
– share of other comprehensive income of associates and joint ventures	—	—	(1)	—	—	—	—	(1)	—	(1)
– effects of hyperinflation	—	—	149	—	—	—	—	149	—	149
– exchange differences	—	—	—	—	—	(1,930)	—	(1,930)	(14)	(1,944)
Total comprehensive income for the period	—	—	6,966	(826)	(420)	(1,930)	—	3,790	239	4,029
Shares issued under employee remuneration and share plans	2	—	(1)	—	—	—	—	1	—	1
Dividends to shareholders	—	—	(2,058)	—	—	—	—	(2,058)	(204)	(2,262)
Transfers ³	—	—	(3,065)	—	—	—	3,065	—	—	—
Cost of share-based payment arrangements	—	—	213	—	—	—	—	213	—	213
Cancellation of shares	(60)	—	(2,004)	—	—	—	60	(2,004)	—	(2,004)
Other movements	—	—	88	2	—	—	—	90	(54)	36
At 31 Dec 2021	24,918	22,414	144,458	(634)	(197)	(22,769)	30,060	198,250	8,527	206,777

1 In 2021, HSBC Holdings issued \$2,000m of additional tier 1 instruments on which there were \$4m of external issue costs.

2 During 2021, HSBC Holdings redeemed \$2,000m 6.875% perpetual subordinated contingent convertible securities.

3 Permitted transfers from the merger reserve to retained earnings were made when the investment in HSBC Overseas Holdings (UK) Limited was previously impaired.

4 HSBC announced a share buy-back of \$2.0bn in 2021 which was completed in April 2022. Additionally, HSBC announced a share buy-back of up to \$1.0bn in February 2022, which concluded on 28 July 2022. At 30 June 2022, 264,942,444 ordinary shares had been purchased and cancelled, representing a nominal value of \$133m, which has been transferred from share capital to capital redemption reserve within merger and other reserves.

1 Basis of preparation and significant accounting policies

(a) Compliance with International Financial Reporting Standards

Our interim condensed consolidated financial statements have been prepared on the basis of the policies set out in the 2021 annual financial statements and in accordance with IAS 34 'Interim Financial Reporting' as adopted by the UK, IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB'), IAS 34 'Interim Financial Reporting' as adopted by the EU, and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority. Therefore, they include an explanation of events and transactions that are significant to an understanding of the changes in HSBC's financial position and performance since the end of 2021.

These financial statements should be read in conjunction with the *Annual Report and Accounts 2021*, which were prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. These financial statements were also prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by the IASB, including interpretations issued by the IFRS Interpretations Committee.

At 30 June 2022, there were no unendorsed standards effective for the half-year to 30 June 2022 affecting these financial statements, and there was no difference between IFRSs adopted by the UK, IFRSs as adopted by the EU, and IFRSs issued by the IASB in terms of their application to HSBC.

Standards applied during the half-year to 30 June 2022

There were no new standards or amendments to standards that had an effect on these interim condensed financial statements.

(b) Use of estimates and judgements

Management believes that our critical accounting estimates and judgements are those that relate to impairment of amortised cost and FVOCI debt financial assets, the valuation of financial instruments, deferred tax assets, provisions, interests in associates, impairment of goodwill and non-financial assets, and post-employment benefit plans. Management's judgement with respect to the recognition of a deferred tax asset on the historical tax losses of HSBC Holdings changed during the period and a deferred tax asset of \$1.8bn was recognised at 1H22. Management's view is that improved profit forecasts for the UK, which reflect higher market interest rates and expectations of future increases, as well as the results for 1H22, represent convincing evidence that sufficient future taxable profits will be available to support recognition of the deferred tax asset. The improved forecasts reduced the expected recovery period of these tax losses, reducing the estimation uncertainty such that recognition of a deferred tax asset was considered appropriate.

Apart from the above deferred tax matter and estimates relating to ECL impairment, there were no material changes in the current period to any of the other critical accounting estimates and judgements disclosed in 2021, which are stated on pages 90 and 319 of the *Annual Report and Accounts 2021*.

(c) Composition of the Group

There were no material changes in the composition of the Group in the half-year to 30 June 2022. For further details of future business acquisitions and disposals, see Note 8 'Business acquisitions and disposals'.

(d) Future accounting developments

IFRS 17 'Insurance Contracts' was issued in May 2017, with amendments to the standard issued in June 2020 and December 2021. It has been adopted in its entirety for use in the UK. IFRS 17 has been adopted by the EU subject to certain optional exemptions, except for the December 2021 requirements which are pending adoption.

The standard sets out the requirements that an entity should apply in accounting for insurance contracts it issues and reinsurance contracts it holds. Following the amendments, IFRS 17 will be effective from 1 January 2023. The Group is in the process of implementing IFRS 17. Industry practice and interpretation of the standard are still developing. Therefore, the likely impact of its implementation remains uncertain. However, compared with the Group's current accounting policy for insurance, there will be no present value of in-force long-term insurance business ('PVIIF') asset recognised. Instead, the estimated future profit will be included in the measurement of the insurance contract liability as the contractual service margin and gradually recognised in revenue as services are provided over the duration of the insurance contract.

(e) Going concern

The financial statements are prepared on a going concern basis, as the Directors are satisfied that the Group and parent company have the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows, capital requirements and capital resources. These considerations include stressed scenarios, as well as considering potential impacts from other top and emerging risks, and the related impact on profitability, capital and liquidity.

(f) Accounting policies

The accounting policies that we applied for these interim condensed consolidated financial statements are consistent with those described on pages 318 to 328 of the *Annual Report and Accounts 2021*, as are the methods of computation.

2 Dividends

On 1 August 2022, the Directors approved an interim dividend for the 2022 half-year of \$0.09 per ordinary share in respect of the financial year ending 31 December 2022. This distribution amounts to approximately \$1,800m and will be payable on 29 September 2022. No liability is recognised in the financial statements in respect of these dividends.

Dividends paid to shareholders of HSBC Holdings plc

	30 Jun 2022			Half-year to					
	Per share	Total	Settled in scrip	30 Jun 2021			31 Dec 2021		
				Per share	Total	Settled in scrip	Per share	Total	Settled in scrip
	\$	\$m	\$m	\$	\$m	\$m	\$	\$m	\$m
Dividends paid on ordinary shares									
In respect of previous year:									
– interim dividend	–	–	–	0.15	3,059	–	–	–	–
– second interim dividend	0.18	3,576	–	–	–	–	–	–	–
In respect of current year:									
– interim dividend	–	–	–	–	–	–	0.07	1,421	–
Total	0.18	3,576	–	0.15	3,059	–	0.07	1,421	–
Total dividends on preference shares classified as equity (paid quarterly) ¹	–	–	–	4.99	7	–	–	–	–
Total coupons on capital securities classified as equity	–	626	–	–	666	–	–	637	–
Dividends to shareholders	–	4,202	–	–	3,732	–	–	2,058	–

¹ HSBC Holdings called \$1,450m 6.20% non-cumulative US dollar preference shares on 10 December 2020. The security was redeemed and cancelled on 13 January 2021.

Interim dividend for the 2022 half-year

On 1 August 2022, the Directors approved an interim dividend for the 2022 half-year of \$0.09 per ordinary share in respect of the financial year ending 31 December 2022. The dividend will be payable on 29 September 2022 to holders on the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register on 19 August 2022.

The dividend will be payable in US dollars, or in pounds sterling or Hong Kong dollars at the forward exchange rates quoted by HSBC Bank plc in London at or about 11.00am on 19 September 2022, or a combination of these currencies. Particulars of these arrangements will be sent to shareholders on or about 26 August 2022 and changes to currency elections must be received by 15 September 2022. The ordinary shares in London, Hong Kong and Bermuda, and American Depositary Shares ('ADSs') in New York will be quoted ex-dividend on 18 August 2022. As announced on 23 February 2021, the Group has decided to discontinue the scrip dividend option.

The dividend will be payable on ADSs, each of which represents five ordinary shares, on 29 September 2022 to holders of record on 19 August 2022. The dividend of \$0.45 per ADS will be payable by the depository in US dollars. Alternatively, the cash dividend may be invested in additional ADSs by participants in the dividend reinvestment plan operated by the depository. Elections must be received by 9 September 2022.

Any person who has acquired ordinary shares registered on the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register but who has not lodged the share transfer with the Principal Registrar in the UK, Hong Kong Overseas Branch Registrar or Bermuda Overseas Branch registrar should do so before 4.00pm local time on 19 August 2022 in order to receive the dividend.

Ordinary shares may not be removed from or transferred to the Principal Register in the UK, the Hong Kong Overseas Branch Register or the Bermuda Overseas Branch Register on 19 August 2022. Any person wishing to remove ordinary shares to or from each register must do so before 4.00pm local time on 18 August 2022.

Transfer of ADSs must be lodged with the depository by 11.00 am on 19 August 2022 in order to receive the dividend. ADS holders who receive a cash dividend will be charged a fee, which will be deducted by the depository, of \$0.005 per ADS per cash dividend.

Dividend on preference share

A quarterly dividend of £0.01 per Series A sterling preference share is payable on 15 March, 15 June, 15 September and 15 December 2022 for the quarter then ended at the sole and absolute discretion of the Board of HSBC Holdings plc. Accordingly, the Board of HSBC Holdings plc has approved a quarterly dividend to be payable on 15 September 2022 to holders of record on 31 August 2022.

3 Earnings per share

Basic earnings per ordinary share is calculated by dividing the profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding, excluding own shares held. Diluted earnings per ordinary share is calculated by dividing the basic earnings, which require no adjustment for the effects of dilutive potential ordinary shares, by the weighted average number of ordinary shares outstanding, excluding own shares held, plus the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

Profit attributable to ordinary shareholders of the parent company

	Half-year to		
	30 Jun 2022	30 Jun 2021	31 Dec 2021
	\$m	\$m	\$m
Profit attributable to shareholders of the parent company	8,915	7,949	5,968
Dividend payable on preference shares classified as equity	–	(7)	–
Coupon payable on capital securities classified as equity	(626)	(666)	(637)
Profit attributable to ordinary shareholders of the parent company	8,289	7,276	5,331

Basic and diluted earnings per share

	30 Jun 2022			Half-year to 30 Jun 2021			31 Dec 2021		
	Profit	Number of shares	Amount per share	Profit	Number of shares	Amount per share	Profit	Number of shares	Amount per share
	\$m	(millions)	\$	\$m	(millions)	\$	\$m	(millions)	\$
Basic ¹	8,289	19,954	0.42	7,276	20,211	0.36	5,331	20,183	0.26
Effect of dilutive potential ordinary shares		130			97			103	
Diluted¹	8,289	20,084	0.41	7,276	20,308	0.36	5,331	20,286	0.26

¹ Weighted average number of ordinary shares outstanding (basic) or assuming dilution (diluted).

4 Adjusted balance sheet reconciliation

	At			
	30 Jun 2022	31 Dec 2021		
	Reported and adjusted	Adjusted	Currency translation	Reported
	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	1,028,356	994,702	51,112	1,045,814
Interests in associates and joint ventures	29,446	28,560	1,049	29,609
Total external assets	2,985,420	2,812,349	145,590	2,957,939
Customer accounts	1,651,301	1,627,174	83,400	1,710,574

5 Reconciliation of reported and adjusted items

	Half-year to		
	30 Jun 2022 \$m	30 Jun 2021 \$m	31 Dec 2021 \$m
Revenue¹			
Reported	25,236	25,551	24,001
Currency translation		(1,069)	(711)
Significant items	454	252	287
– customer redress programmes	14	(18)	7
– disposals, acquisitions and investment in new businesses ²	288	–	–
– fair value movements on financial instruments ³	220	194	48
– restructuring and other related costs ⁴	(68)	70	237
– currency translation on significant items		6	(5)
Adjusted	25,690	24,734	23,577
ECL			
Reported	(1,090)	719	209
Currency translation		(44)	(35)
Adjusted	(1,090)	675	174
Operating expenses			
Reported	(16,419)	(17,087)	(17,533)
Currency translation		749	510
Significant items	1,043	818	1,576
– customer redress programmes	(6)	17	32
– impairment of goodwill and other intangibles	9	–	587
– restructuring and other related costs	1,040	848	988
– currency translation on significant items		(47)	(31)
Adjusted	(15,376)	(15,520)	(15,447)
Share of profit in associates and joint ventures			
Reported	1,449	1,656	1,390
Currency translation		(7)	(13)
Adjusted	1,449	1,649	1,377
Profit before tax			
Reported	9,176	10,839	8,067
Currency translation		(371)	(249)
Significant items	1,497	1,070	1,863
– revenue	454	252	287
– operating expenses	1,043	818	1,576
Adjusted profit before tax	10,673	11,538	9,681
Reported tax (charge)/ credit	39	(2,417)	(1,796)
Currency translation		109	53
Tax significant items	(2,001)	(147)	(167)
– tax charge/(credit) on significant items	(236)	(153)	(173)
– recognition of losses on HSBC Holdings	(1,765)	–	–
– currency translation on significant items		6	6
Adjusted profit after tax	8,711	9,083	7,771

1 Net operating income before change in expected credit losses and other credit impairment charges, also referred to as revenue.

2 Includes losses from classifying businesses as held-for-sale as part of a broader restructuring of our European business.

3 Includes fair value movements on non-qualifying hedges and debt valuation adjustments on derivatives.

4 Comprises gains and losses relating to the business update in February 2020, including losses associated with the RWA reduction commitments.

6 Contingent liabilities, contractual commitments and guarantees

	At	
	30 Jun 2022 \$m	31 Dec 2021 \$m
Guarantees and contingent liabilities:		
– financial guarantees	17,586	27,795
– performance and other guarantees	84,103	85,534
– other contingent liabilities	816	858
At the end of the period	102,505	114,187
Commitments:¹		
– documentary credits and short-term trade-related transactions	9,972	8,827
– forward asset purchases and forward deposits placed	76,144	47,184
– standby facilities, credit lines and other commitments to lend	740,313	759,463
At the end of the period	826,429	815,474

1 Includes \$633,091m of commitments at 30 June 2022 (31 December 2021: \$627,637m), to which the impairment requirements in IFRS 9 are applied where HSBC has become party to an irrevocable commitment.

Contingent liabilities arising from legal proceedings and regulatory and other matters against Group companies are excluded from this note but are disclosed in Note 7 below and Notes 11 and 13 of the *Interim Report 2022*.

7 Legal proceedings and regulatory matters

HSBC is party to legal proceedings and regulatory matters in a number of jurisdictions arising out of its normal business operations. Apart from the matters described below, HSBC considers that none of these matters are material. The recognition of provisions is determined in accordance with the accounting policies set out in Note 1 of the *Annual Report and Accounts 2021*. While the outcomes of legal proceedings and regulatory matters are inherently uncertain, management believes that, based on the information available to it, appropriate provisions have been made in respect of these matters as at 30 June 2022 (see Note 11) of the *Interim Report 2022*. Where an individual provision is material, the fact that a provision has been made is stated and quantified, except to the extent that doing so would be seriously prejudicial. Any provision recognised does not constitute an admission of wrongdoing or legal liability. It is not practicable to provide an aggregate estimate of potential liability for our legal proceedings and regulatory matters as a class of contingent liabilities.

Bernard L. Madoff Investment Securities LLC

Various non-US HSBC companies provided custodial, administration and similar services to a number of funds incorporated outside the US whose assets were invested with Bernard L. Madoff Investment Securities LLC ('Madoff Securities'). Based on information provided by Madoff Securities as at 30 November 2008, the purported aggregate value of these funds was \$8.4bn, including fictitious profits reported by Madoff. Based on information available to HSBC, the funds' actual transfers to Madoff Securities minus their actual withdrawals from Madoff Securities during the time HSBC serviced the funds are estimated to have totalled approximately \$4bn. Various HSBC companies have been named as defendants in lawsuits arising out of Madoff Securities' fraud.

US litigation: The Madoff Securities Trustee has brought lawsuits against various HSBC companies and others in the US Bankruptcy Court for the Southern District of New York (the 'US Bankruptcy Court'), seeking recovery of transfers from Madoff Securities to HSBC in an amount not yet pleaded or determined. Following an initial dismissal of certain claims, which was later reversed on appeal, the cases were remanded to the US Bankruptcy Court, where they are now pending.

Fairfield Sentry Limited, Fairfield Sigma Limited and Fairfield Lambda Limited (together, 'Fairfield') (in liquidation since July 2009) have brought a lawsuit in the US against fund shareholders, including HSBC companies that acted as nominees for clients, seeking restitution of redemption payments. In December 2018, the US Bankruptcy Court dismissed certain claims by the Fairfield liquidators and granted a motion by the liquidators to file amended complaints. In May 2019, the liquidators appealed certain issues from the US Bankruptcy Court to the US District Court for the Southern District of New York (the 'New York District Court'), and these appeals remain pending.

In January 2020, the Fairfield liquidators filed amended complaints on the claims remaining in the US Bankruptcy Court. In December 2020, the US Bankruptcy Court dismissed the majority of those claims. In March 2021, the liquidators and defendants appealed the US Bankruptcy Court's decision to the New York District Court, and these appeals are currently pending. In May 2022, the liquidators voluntarily dismissed their claims against HSBC Bank USA N.A. ('HSBC Bank USA') in the US Bankruptcy Court. Meanwhile, proceedings before the US Bankruptcy Court with respect to the remaining claims and other HSBC companies that were not dismissed are ongoing.

UK litigation: The Madoff Securities Trustee has filed a claim against various HSBC companies in the High Court of England and Wales, seeking recovery of transfers from Madoff Securities to HSBC in an amount not yet pleaded or determined. The deadline for service of the claim has been extended to September 2022 for UK-based defendants and November 2022 for all other defendants.

Cayman Islands litigation: In February 2013, Primeo Fund ('Primeo') (in liquidation since April 2009) brought an action against HSBC Securities Services Luxembourg ('HSSL') and Bank of Bermuda (Cayman) Limited (now known as HSBC Cayman Limited), alleging breach of contract and breach of fiduciary duty and claiming damages and equitable compensation. The trial concluded in February 2017 and, in August 2017, the court dismissed all claims against the defendants. In September 2017, Primeo appealed to the Court of Appeal of the Cayman Islands and, in June 2019, the Court of Appeal of the Cayman Islands dismissed Primeo's appeal. In August 2019, Primeo filed a notice of appeal to the UK Privy Council. Two hearings before the UK Privy Council took place during 2021. Judgment was given against HSBC in respect of the first hearing and judgment is pending in respect of the second hearing.

Luxembourg litigation: In April 2009, Herald Fund SPC ('Herald') (in liquidation since July 2013) brought an action against HSSL before the Luxembourg District Court, seeking restitution of cash and securities that Herald purportedly lost because of Madoff Securities' fraud, or money damages. The Luxembourg District Court dismissed Herald's securities restitution claim, but reserved Herald's cash restitution and money damages claims. Herald has appealed this judgment to the Luxembourg Court of Appeal, where the matter is pending. In late 2018, Herald brought additional claims against HSSL and HSBC Bank plc before the Luxembourg District Court, seeking further restitution and damages.

In October 2009, Alpha Prime Fund Limited ('Alpha Prime') brought an action against HSSL before the Luxembourg District Court, seeking the restitution of securities, or the cash equivalent, or money damages. In December 2018, Alpha Prime brought additional claims before the Luxembourg District Court seeking damages against various HSBC companies. These matters are currently pending before the Luxembourg District Court.

In December 2014, Senator Fund SPC ('Senator') brought an action against HSSL before the Luxembourg District Court, seeking restitution of securities, or the cash equivalent, or money damages. In April 2015, Senator commenced a separate action against the Luxembourg branch of HSBC Bank plc asserting identical claims before the Luxembourg District Court. In December 2018, Senator brought additional claims against HSSL and HSBC Bank plc Luxembourg branch before the Luxembourg District Court, seeking restitution of Senator's securities or money damages. These matters are currently pending before the Luxembourg District Court.

There are many factors that may affect the range of possible outcomes, and any resulting financial impact, of the various Madoff-related proceedings described above, including but not limited to the multiple jurisdictions in which the proceedings have been brought. Based upon the information currently available, management's estimate of the possible aggregate damages that might arise as a result of all claims in the various Madoff-related proceedings is around \$600m, excluding costs and interest. Due to uncertainties and limitations of this estimate, any possible damages that might ultimately arise could differ significantly from this amount.

Anti-money laundering and sanctions-related matters

In December 2012, HSBC Holdings entered into a number of agreements, including an undertaking with the UK Financial Services Authority (replaced with a Direction issued by the UK Financial Conduct Authority ('FCA') in 2013 and again in 2020) as well as a cease-and-desist order with the US Federal Reserve Board ('FRB'), both of which contained certain forward-looking anti-money laundering ('AML') and sanctions-related obligations. For several years thereafter, HSBC retained a Skilled Person under section 166 of the Financial Services and Markets Act and an Independent Consultant under the FRB cease-and-desist order to produce periodic assessments of the Group's AML and sanctions compliance programme. The Skilled Person completed its engagement in the second quarter of 2021, and the FCA determined that no further Skilled Person work is required. Separately, the Independent Consultant has completed its latest review pursuant to the FRB cease-and-desist order, which remains in place. The roles of each of the FCA Skilled Person and the FRB Independent Consultant are discussed on page 209 of the *Annual Report and Accounts 2021*.

Since November 2014, a number of lawsuits have been filed in federal courts in the US against various HSBC companies and others on behalf of plaintiffs who are, or are related to, victims of terrorist attacks in the Middle East. In each case, it is alleged that the defendants aided and abetted the unlawful conduct of various sanctioned parties in violation of the US Anti-Terrorism Act. Currently, nine actions remain pending in federal courts in New York or the District of Columbia. The courts have granted HSBC's motions to dismiss in five of these cases; appeals remain pending in two cases, and the remaining three dismissals are also subject to appeal. The four remaining actions are at an early stage.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

London interbank offered rates, European interbank offered rates and other benchmark interest rate investigations and litigation

Euro interest rate derivatives: In December 2016, the European Commission ('EC') issued a decision finding that HSBC, among other banks, engaged in anti-competitive practices in connection with the pricing of euro interest rate derivatives in early 2007. The EC imposed a fine on HSBC based on a one-month infringement. In September 2019, the General Court of the European Union (the 'General Court') issued a decision largely upholding the EC's findings on liability but annulling the fine. HSBC and the EC both appealed the General Court's decision to the European Court of Justice (the 'Court of Justice'). In June 2021, the EC adopted a new fining decision for an amount that was 5% less than the previously annulled fine, and subsequently withdrew its appeal to the Court of Justice. HSBC has appealed the EC's June 2021 fining decision to the General Court, and its appeal to the Court of Justice on liability also remains pending.

US dollar Libor: Beginning in 2011, HSBC and other panel banks have been named as defendants in a number of private lawsuits filed in the US with respect to the setting of US dollar Libor. The complaints assert claims under various US laws, including US antitrust and racketeering laws, the US Commodity Exchange Act ('US CEA') and state law. The lawsuits include individual and putative class actions, most of which have been transferred and/or consolidated for pre-trial purposes before the New York District Court. HSBC has reached class settlements with five groups of plaintiffs, and the court has approved these settlements. HSBC has also resolved several of the individual actions, although a number of other US dollar Libor-related actions remain pending against HSBC in the New York District Court.

Singapore interbank offered rate ('Sibor') and Singapore swap offer rate ('SOR'): In 2016, HSBC and other panel banks were named as defendants in a putative class action filed in the New York District Court on behalf of persons who transacted in products related to the Sibor and SOR benchmark rates. The complaint alleges, among other things, misconduct related to these benchmark rates in violation of US antitrust, commodities and racketeering laws, and state law.

In October 2021, The Hongkong and Shanghai Banking Corporation Limited reached a settlement in principle with the plaintiffs to resolve this action, the agreement for which was executed in May 2022. The settlement received preliminary court approval in June 2022, and the final approval hearing is scheduled for November 2022.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

Foreign exchange-related investigations and litigation

In December 2021, the EC issued a settlement decision finding that a number of banks, including HSBC, had engaged in anti-competitive practices in an online chatroom between 2011 and 2012 in the foreign exchange spot market. The EC imposed a €174.3m fine on HSBC in connection with this matter, which has been paid.

In December 2016, Brazil's Administrative Council of Economic Defense initiated an investigation into the onshore foreign exchange market and identified a number of banks, including HSBC, as subjects of its investigation.

In June 2020, the Competition Commission of South Africa, having initially referred a complaint for proceedings before the South African Competition Tribunal in February 2017, filed a revised complaint against 28 financial institutions, including HSBC Bank plc and HSBC Bank USA, for alleged anti-competitive behaviour in the South African foreign exchange market. In December 2021, a hearing on HSBC Bank plc's and HSBC Bank USA's applications to dismiss the revised complaint took place before the South African Competition Tribunal, where a decision remains pending.

Beginning in 2013, various HSBC companies and other banks have been named as defendants in a number of putative class actions filed in, or transferred to, the New York District Court arising from allegations that the defendants conspired to manipulate foreign exchange rates. HSBC has reached class settlements with two groups of plaintiffs, including direct and indirect purchasers of foreign exchange products, and the court has granted final approval of these settlements. A putative class action by a group of retail customers of foreign exchange products remains pending.

In November and December 2018, complaints alleging foreign exchange-related misconduct were filed in the New York District Court and the High Court of England and Wales against HSBC and other defendants by certain plaintiffs that opted out of the direct purchaser class action settlement in the US. The High Court claim has since been transferred to the Competition Appeals Tribunal and these matters remain pending. Additionally, lawsuits alleging foreign exchange-related misconduct remain pending against HSBC and other banks in courts in Brazil and Israel. It is possible that additional civil actions will be initiated against HSBC in relation to its historical foreign exchange activities.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

Precious metals fix-related litigation

Gold: Beginning in March 2014, numerous putative class actions were filed in the New York District Court and the US District Courts for the District of New Jersey and the Northern District of California, naming HSBC and other members of The London Gold Market Fixing Limited as defendants. The complaints, which were consolidated in the New York District Court, allege that, from January 2004 to June 2013, the defendants conspired to manipulate the price of gold and gold derivatives for their collective benefit in violation of US antitrust laws, the US CEA and New York state law. In October 2020, HSBC reached a settlement with the plaintiffs to resolve the consolidated action, and the court granted final approval of the settlement in May 2022.

Beginning in December 2015, numerous putative class actions under Canadian law were filed in the Ontario and Quebec Superior Courts of Justice against various HSBC companies and other financial institutions. The plaintiffs allege that, among other things, from January 2004 to March 2014, the defendants conspired to manipulate the price of gold and gold derivatives in violation of the Canadian Competition Act and common law. These actions are ongoing.

Silver: Beginning in July 2014, numerous putative class actions were filed in federal district courts in New York, naming HSBC and other members of The London Silver Market Fixing Limited as defendants. The complaints, which were consolidated in the New York District Court, allege that, from January 2007 to December 2013, the defendants conspired to manipulate the price of silver and silver derivatives for their collective benefit in violation of US antitrust laws, the US CEA and New York state law. In February 2022, following the conclusion of pre-class certification discovery, the defendants filed a motion seeking to dismiss the plaintiffs' antitrust claims, which remains pending.

In April 2016, two putative class actions under Canadian law were filed in the Ontario and Quebec Superior Courts of Justice against various HSBC companies and other financial institutions. The plaintiffs in both actions allege that, from January 1999 to August 2014, the defendants conspired to manipulate the price of silver and silver derivatives in violation of the Canadian Competition Act and common law. These actions are ongoing.

Platinum and palladium: Between late 2014 and early 2015, numerous putative class actions were filed in the New York District Court, naming HSBC and other members of The London Platinum and Palladium Fixing Company Limited as defendants. The complaints allege that, from January 2008 to November 2014, the defendants conspired to manipulate the price of platinum group metals ('PGM') and PGM-based financial products for their collective benefit in violation of US antitrust laws and the US CEA. In March 2020, the court granted the defendants' motion to dismiss the plaintiffs' third amended complaint but granted the plaintiffs leave to re-plead certain claims. The plaintiffs have filed an appeal.

Based on the facts currently known, it is not practicable at this time for HSBC to predict the resolution of these matters, including the timing or any possible impact on HSBC, which could be significant.

Film finance litigation

In July and November 2015, two actions were brought by individuals against HSBC Private Bank (UK) Limited ('PBGB') in the High Court of England and Wales seeking damages on various alleged grounds, including breach of duty to the claimants, in connection with their participation in certain Ingenious film finance schemes. In December 2018 and June 2019, two further actions were brought against PBGB in the High Court of England and Wales by multiple claimants in connection with lending provided by PBGB to third parties in respect of certain Ingenious film finance schemes in which the claimants participated. In January 2022, the parties reached an agreement to resolve these disputes and, in February 2022, the actions against HSBC UK Bank plc (as successor to PBGB) were discontinued.

In June 2020, two separate claims were issued against HSBC UK Bank plc (as successor to PBGB) in the High Court of England and Wales by two separate groups of investors in Eclipse film finance schemes in connection with PBGB's role in the development of such schemes. These actions are ongoing.

In April 2021, HSBC UK Bank plc (as successor to PBGB) was served with a claim issued in the High Court of England and Wales in connection with PBGB's role in the development of the Zeus film finance schemes. This action is at an early stage.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

Other regulatory investigations, reviews and litigation

HSBC Holdings and/or certain of its affiliates are subject to a number of other investigations and reviews by various regulators and competition and law enforcement authorities, as well as litigation, in connection with various matters relating to the firm's businesses and operations, including:

- investigations by tax administration, regulatory and law enforcement authorities in Argentina, India and elsewhere in connection with allegations of tax evasion or tax fraud, money laundering and unlawful cross-border banking solicitation;
- an investigation by the US Commodity Futures Trading Commission regarding interest rate swap transactions related to bond issuances, among other things;
- investigations by US regulators concerning compliance with records preservation requirements relating to the use of unapproved electronic messaging platforms for business communications;
- an investigation by the PRA in connection with depositor protection arrangements in the UK;
- an investigation by the FCA in connection with collections and recoveries operations in the UK;
- an investigation by the UK Competition and Markets Authority into potentially anti-competitive arrangements involving historical trading activities relating to certain UK-based fixed income products and related financial instruments;
- a putative class action brought in the New York District Court relating to the Mexican government bond market;
- two group actions pending in the US courts and a claim issued in the High Court of England and Wales in connection with HSBC Bank plc's role as a correspondent bank to Stanford International Bank Ltd from 2003 to 2009; and
- litigation brought against various HSBC companies in the US courts relating to residential mortgage-backed securities, based primarily on (a) claims brought against HSBC Bank USA in connection with its role as trustee on behalf of various securitisation trusts; and (b) claims against several HSBC companies seeking that the defendants repurchase various mortgage loans.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, which could be significant.

8 Business acquisitions and disposals

Business acquisitions

The following recently announced acquisitions form part of our strategy to become a market leader in Asian wealth management:

- On 23 December 2021, HSBC Asset Management (India) Private Ltd, a subsidiary of the Group, entered into an agreement with L&T Finance Holdings Limited to fully acquire L&T Investment Management Limited for \$0.4bn. Completion is expected to occur during 4Q22. L&T Investment Management Limited is a wholly-owned subsidiary of L&T Finance Holdings Limited and the investment manager of the L&T Mutual Fund, with assets under management of \$8.9bn at 31 May 2022 and over 2.4 million active folios.
- On 28 January 2022, HSBC Insurance (Asia-Pacific) Holdings Limited, a subsidiary of the Group, notified the shareholders of Canara HSBC Life Insurance Company Limited ('Canara HSBC') of its intention to increase its shareholding in Canara HSBC up to 49%. HSBC currently has a 26% shareholding, which is accounted for as an associate. Any increase in shareholding is subject to agreement with other shareholders in Canara HSBC, as well as internal and regulatory approvals. Established in 2008, Canara HSBC is a life insurance company based in India.
- On 11 February 2022, HSBC Insurance (Asia-Pacific) Holdings Limited completed the acquisition of 100% of AXA Insurance Pte Limited (AXA Singapore) for \$0.5bn. A provisional gain on acquisition of \$0.1bn was recorded, reflecting the excess of the fair value of net assets acquired (gross assets of \$4.5bn and gross liabilities of \$3.9bn) over the acquisition price.
- On 6 April 2022, The Hongkong and Shanghai Banking Corporation Limited, a subsidiary of the Group, announced it had increased its shareholding in HSBC Qianhai Securities Limited, a partially-owned subsidiary, from 51% to 90%.
- On 23 June 2022, HSBC Insurance (Asia) Limited, a subsidiary of the Group, acquired the remaining 50% equity interest in HSBC Life Insurance Company Limited. Headquartered in Shanghai, HSBC Life Insurance Company Limited offers a comprehensive range of insurance solutions covering annuity, whole life, critical illness and unit-linked insurance products.

Business disposals

In 2021 and 2022, we accelerated the pace of execution on our strategic ambition to be the preferred international financial partner for our clients with the announcements of the planned sales of our retail banking businesses in France and branch operations in Greece, as well as the exit of domestic mass market retail banking in the US. The planned sales in France and Greece are expected to complete in 2023 and the US exit has since completed.

US retail banking business

On 26 May 2021, we announced our intention to exit our US mass market retail banking business, including our Personal and Advance propositions, as well as retail business banking, and rebranding approximately 20 to 25 of our retail branches into international wealth centres to serve our Premier and Jade customers. In conjunction with the execution of this strategy, HSBC Bank USA, N.A. entered into definitive sale agreements with Citizens Bank and Cathay Bank to sell 90 of our retail branches along with substantially all residential mortgage, unsecured and retail business banking loans and all deposits in our branch network not associated with our Premier, Jade and Private Banking customers. As a result of entering into these sale agreements, assets and liabilities related to the agreements were transferred to held for sale during the second quarter of 2021.

In February 2022, we completed the sale of the branch disposal group and recognised a net gain on sale of approximately \$0.1bn, which is subject to customary closing adjustments. Included in the sale were \$2.1bn of loans and advances to customers and \$6.9bn of customer accounts. Certain assets under management associated with our mass market retail banking operations were also transferred. The remaining branches not sold or rebranded have been closed.

Planned sale of the retail banking business in France

HSBC Continental Europe signed a framework agreement with Promontoria MMB SAS ('My Money Group') and its subsidiary Banque des Caraïbes SA, regarding the planned sale of HSBC Continental Europe's retail banking business in France.

The sale, which is subject to regulatory approvals and the satisfaction of other relevant conditions, includes: HSBC Continental Europe's French retail banking business; the Crédit Commercial de France ('CCF') brand; and HSBC Continental Europe's 100% ownership interest in HSBC SFH (France) and its 3% ownership interest in Crédit Logement. The disposal group is currently expected to be classified as held for sale in 2H22 and the sale would generate an estimated loss before tax including related transaction costs for the Group of \$2.1bn, together with an additional \$0.5bn impairment of goodwill.

At 30 June 2022, a deferred tax liability of \$0.4bn was recognised as a consequence of the temporary difference in tax and accounting treatment in respect of the provision for loss on disposal, which was deductible in the French tax return in 2021 but will be accounted for when the disposal group is classified as held for sale in accordance with IFRS 5, at which time the deferred tax liability will reverse. The vast majority of the estimated loss for the write-down of the disposal group to fair value less costs to sell will also be recognised when it is classified as held for sale. Subsequently, the disposal group classified as held for sale will be remeasured at the lower of carrying amount and fair value less costs to sell at each reporting period. Any remaining gain or loss not previously recognised will be recognised at closing, which is currently anticipated to be in 2023.

At 30 June 2022, the disposal group included total assets of \$25.6bn.

Planned sale of the retail banking business in Greece

On 24 May 2022, HSBC Continental Europe signed a sale and purchase agreement for the sale of its branch operations in Greece to Pancreta Bank SA. Completion of the transaction is subject to regulatory approval and is currently expected to occur in the first half of 2023. At 30 June 2022, the disposal group included \$0.4bn of loans and advances to customers and \$2.3bn of customer accounts which met the criteria to be classified as held for sale. In 2Q22, we recognised a loss of \$0.1bn, including goodwill impairment, upon reclassification as held for sale in accordance with IFRS 5.

Planned sale of the business in Russia

Following a strategic review of our business in Russia, HSBC Europe BV (a wholly-owned subsidiary of HSBC Bank plc) has entered into an agreement to sell its wholly-owned subsidiary HSBC Bank (RR) (Limited Liability Company), subject to regulatory approvals.

9 Events after the balance sheet date

In its assessment of events after the balance sheet date, HSBC has considered and concluded that no material events have occurred resulting in adjustments to the financial statements.

An interim dividend for the 2022 half-year in respect of the financial year ending 31 December 2022 was approved by the Directors on 1 August 2022, as described in Note 2.

10 Capital structure

Capital ratios

	At	
	30 Jun 2022 %	31 Dec 2021 %
Transitional basis		
Common equity tier 1 ratio	13.6	15.8
Tier 1 ratio	16.1	18.6
Total capital ratio	18.6	21.2
End point basis		
Common equity tier 1 ratio	13.6	15.8
Tier 1 ratio	16.1	18.5
Total capital ratio	17.7	20.0

Total regulatory capital and risk-weighted assets

	At	
	30 Jun 2022 \$m	31 Dec 2021 \$m
Transitional basis		
Common equity tier 1 capital	115,780	132,565
Additional tier 1 capital	21,734	23,727
Tier 2 capital	21,005	21,494
Total regulatory capital	158,519	177,786
Risk-weighted assets	851,743	838,263
End point basis		
Common equity tier 1 capital	115,780	132,565
Additional tier 1 capital	21,734	22,421
Tier 2 capital	13,049	12,475
Total regulatory capital	150,563	167,461
Risk-weighted assets	851,743	838,263

Leverage ratio¹

	At	
	30 Jun 2022 \$bn	31 Dec 2021 \$bn
Tier 1 capital	137.5	155.0
Total leverage ratio exposure	2,484.2	2,962.7
	%	%
Leverage ratio	5.5	5.2

¹ The CRR II regulatory transitional arrangements for IFRS 9 are applied in the leverage ratio calculation. This calculation is in line with the UK leverage rules that were implemented on 1 January 2022, and excludes central bank claims. Comparatives for 2021 are reported based on the disclosure rules in force at that time, and include claims on central banks.

Unless otherwise stated, all figures are calculated using the EU's regulatory transitional arrangements for IFRS 9 'Financial Instruments' in article 473a of the Capital Requirements Regulation.

11 Statutory accounts

The information in this media release does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2021 have been delivered to the Registrar of Companies in England and Wales in accordance with section 447 of the Companies Act 2006. The Group's auditors, PricewaterhouseCoopers LLP ('PwC'), has reported on those accounts. Its report was unqualified, did not include a reference to any matters to which PwC drew attention by way of emphasis without qualifying its report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The information in this media release does not constitute the unaudited interim condensed financial statements which are contained in the *Interim Report 2022*. The *Interim Report 2022* was approved by the Board of Directors on 1 August 2022. The unaudited interim condensed financial statements have been reviewed by the Group's auditor, PwC, in accordance with the guidance contained in the International Standard on Review Engagements (UK and Ireland) 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board. The full report of its review, which was unmodified, is included in the *Interim Report 2022*.

12 Dealings in HSBC Holdings plc listed securities

HSBC has policies and procedures that, except where permitted by statute and regulation, prohibit it undertaking specified transactions in respect of its securities listed on The Stock Exchange of Hong Kong Limited ('HKEx'). Except for dealings as intermediaries or as trustees by subsidiaries of HSBC Holdings, or in relation to the HSBC Holdings ordinary share buy-back, neither HSBC Holdings nor any of its subsidiaries has purchased, sold or redeemed any of its securities listed on HKEx during the half-year ended 30 June 2022.

13 Earnings release and final results

An earnings release for the three-month period ending 30 September 2022 is expected to be issued on 25 October 2022. The results for the year to 31 December 2022 are expected to be announced on 21 February 2023.

14 Corporate governance

We are subject to corporate governance requirements in both the UK and Hong Kong. Throughout the six months ended 30 June 2022, we complied with the applicable provisions of the UK Corporate Governance Code, save to the extent referred to in the next paragraph, and also the requirements of the Hong Kong Corporate Governance Code. The UK Corporate Governance Code is available at www.frc.org.uk and the Hong Kong Corporate Governance Code is available at www.hkex.com.hk.

Dame Carolyn Fairbairn was appointed as Chair to the Group Remuneration Committee on 29 April 2022. In approving Dame Carolyn Fairbairn's appointment, the Board considered the UK Corporate Governance Code expectation that the Chair has served at least 12 months as a member on the committee before assuming the position of Chair. Given her previous experience as both a member and chair of the remuneration committees of other UK listed companies, the Board approved the appointment of Dame Carolyn Fairbairn as Chair.

Under the Hong Kong Code, the Group Audit Committee should be responsible for the oversight of all risk management and internal control systems, unless expressly addressed by a separate risk committee. Our Group Risk Committee is responsible for oversight of internal control, other than internal financial controls, and risk management systems.

The Board has codified obligations for transactions in Group securities in accordance with the requirements of the Market Abuse Regulation and the rules governing the listing of securities on the HKEx, save that the HKEx has granted waivers from strict compliance with the rules that take into account accepted practices in the UK, particularly in respect of employee share plans.

Following specific enquiries all Directors have confirmed that they have complied with their obligations in respect of transacting in Group securities throughout the period.

There have been no material changes to the information disclosed in the *Annual Report and Accounts 2021* in respect of the remuneration of employees, remuneration policies, bonus and share option plans and training schemes. Details of the number of employees are provided on page 33 of the *Interim Report 2022*.

The Board of Directors of HSBC Holdings plc as at the date of this announcement comprises:

Mark Tucker*, Geraldine Joyce Buckingham†, Rachel Duan†, Carolyn Julie Fairbairn†, James Anthony Forese†, Steven Guggenheimer†, José Antonio Meade Kuribreña†, Eileen K Murray†, David Nish†, Noel Quinn, Ewen Stevenson and Jackson Tai†.

* Non-executive Group Chairman

† Independent non-executive Director

15 Interim Report 2022

The *Interim Report 2022* will be made available to shareholders on or about 26 August 2022. Copies of the *Interim Report 2022* and this news release may be obtained from Global Communications, HSBC Holdings plc, 8 Canada Square, London E14 5HQ, United Kingdom; from Communications (Asia), The Hongkong and Shanghai Banking Corporation Limited, 1 Queen's Road Central, Hong Kong; or from US Communications, HSBC Bank USA, N.A., 1 West 39th Street, 9th Floor, New York, NY 10018, USA. The *Interim Report 2022* and this news release may also be downloaded from the HSBC website, www.hsbc.com.

A Chinese translation of the *Interim Report 2022* is available upon request from Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.

The *Interim Report 2022* will be available on The Stock Exchange of Hong Kong Limited's website www.hkex.com.hk.

16 Cautionary statement regarding forward-looking statements

This news release may contain projections, estimates, forecasts, targets, commitments, ambitions, opinions, prospects, results, returns and forward-looking statements with respect to the financial condition, results of operations, capital position, strategy and business of the Group which can be identified by the use of forward-looking terminology such as 'may', 'will', 'should', 'expect', 'anticipate', 'project', 'estimate', 'seek', 'intend', 'target' or 'believe' or the negatives thereof or other variations thereon or comparable terminology (together, 'forward-looking statements'), including the strategic priorities and any financial, investment and capital targets and ESG targets/commitments described herein.

Any such forward-looking statements are not a reliable indicator of future performance, as they may involve significant stated or implied assumptions and subjective judgements which may or may not prove to be correct. There can be no assurance that any of the matters set out in forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. The assumptions and judgments may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of the Group. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors (including without limitation those which are referable to general market or economic conditions, regulatory changes, geopolitical tensions such as the Russia-Ukraine war, the impact of the Covid-19 pandemic or as a result of data limitations and changes in applicable methodologies in relation to ESG related matters).

Any such forward-looking statements are based on the beliefs, expectations and opinions of the Group at the date the statements are made, and the Group does not assume, and hereby disclaims, any obligation or duty to update, revise or supplement them if circumstances or management's beliefs, expectations or opinions should change. For these reasons, recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements. No representations or warranties, expressed or implied, are given by or on behalf of the Group as to the achievement or reasonableness of any projections, estimates, forecasts, targets, prospects or returns contained herein.

Additional detailed information concerning important factors that could cause actual results to differ materially from this news release is available in our *Annual Report and Accounts 2021* for the fiscal year ended 31 December 2021 filed with the Securities and Exchange Commission (the 'SEC') on Form 20-F on 23 February 2022, our *1Q 2022 Earnings Release* furnished to the SEC on Form 6-K on 26 April 2022, and our *Interim Report 2022* for the six months ended 30 June 2022 which we expect to furnish to the SEC on Form 6-K on or around 1 August 2022.

17 Use of alternative performance measures

This news release contains non-IFRS measures used by management internally that constitute alternative performance measures under European Securities and Markets Authority guidance and non-GAAP financial measures defined in and presented in accordance with SEC rules and regulations ('alternative performance measures'). The primary alternative performance measures we use are presented on an 'adjusted performance' basis which is computed by adjusting reported results for the period-on-period effects of foreign currency translation differences and significant items which distort period-on-period comparisons. Significant items are those items which management and investors would ordinarily identify and consider separately when assessing performance in order to better understand the underlying trends in the business. Reconciliations between alternative performance measures and the most directly comparable measures under IFRS are provided in our 2021 Form 20-F, which is available at www.hsbc.com.

18 Certain defined terms

Unless the context requires otherwise, 'HSBC Holdings' means HSBC Holdings plc and 'HSBC', the 'Group', 'we', 'us' and 'our' refer to HSBC Holdings together with its subsidiaries. Within this document the Hong Kong Special Administrative Region of the People's Republic of China is referred to as 'Hong Kong'. When used in the terms 'shareholders' equity' and 'total shareholders' equity', 'shareholders' means holders of HSBC Holdings ordinary shares and those preference shares and capital securities issued by HSBC Holdings classified as equity. The abbreviations '\$m' and '\$bn' represent millions and billions (thousands of millions) of US dollars, respectively.

19 Investor Relations / Media Relations contacts

For further information contact:

Investor Relations

UK – Richard O'Connor

Telephone: +44 (0)20 7991 6590

Email: investorrelations@hsbc.com

Hong Kong – Mark Phin

Telephone: +852 2822 4908

Email: investorrelations@hsbc.com.hk

Media Relations

UK – Gillian James

Telephone: +44 (0)20 7992 0516

Email: pressoffice@hsbc.com

UK – Heidi Ashley

Telephone: +44 (0)20 7992 2045

Email: pressoffice@hsbc.com

Hong Kong – Jessica Lee

Telephone: +852 2822 1268

Email: aspmmediarelations@hsbc.com.hk

20 Registered Office and Group Head Office

8 Canada Square

London E14 5HQ

United Kingdom

Web: www.hsbc.com

Incorporated in England with limited liability. Registered number 617987

HSBC Holdings plc

8 Canada Square
London E14 5HQ

United Kingdom

Telephone: 44 020 7991 8888

www.hsbc.com

Incorporated in England with limited liability

Registered number 617987

HSBC HOLDINGS PLC

Data Pack

2Q 2022

The financial information on which this supplement is based is unaudited and has been prepared in accordance with HSBC's significant accounting policies as described in the *Annual Report and Accounts 2021*. The financial information does not constitute financial statements prepared in accordance with International Financial Reporting Standards ('IFRSs'), is not complete and should be read in conjunction with the *Annual Report and Accounts 2021*, the *Interim Report 2022*, and other reports and financial information published by HSBC.

Unless stated otherwise, all information is on a reported basis. Where disclosed, adjusted performance information is computed by adjusting reported results for the effects of foreign currency translation differences and significant items, which both distort period-on-period comparisons. We consider adjusted performance provides useful information for investors by aligning internal and external reporting, identifying and quantifying items management believes to be significant, and providing insight into how management assesses period-on-period performance. Definitions and calculations of other alternative performance measures are included in our 'Reconciliation of alternative performance measures' on page 56 of our *Interim Report 2022*. All alternative performance measures are reconciled to the closest reported financial measure.

'Significant items' refers collectively to the items that management and investors would ordinarily identify and consider separately to improve the understanding of the underlying trends in the business.

The quarterly comparatives are translated at average 2Q22 exchange rates for the income statement or at the prevailing rates of exchange on 30 June 2022 for the balance sheet. The yearly comparatives are translated at average FY21 exchange rates for the income statement or at the prevailing rates of exchange on 31 December 2021 for the balance sheet. The income statement for the half-year to 30 June 2021 is translated at the average rate of exchange for the half-year to 30 June 2022.

Index

	Page
HSBC Holdings plc (Group) - Income statement	1
HSBC Holdings plc (Group) - Balance sheet data	3
HSBC Holdings plc (Group) - Net interest margin	7
Global businesses	
Wealth and Personal Banking - WPB	8
Commercial Banking - CMB	11
Global Banking and Markets - GBM	14
Corporate Centre	17
Geographical regions / countries / territory	
Europe	20
Europe - HSBC UK (UK ring-fenced bank)	27
Europe - HSBC Bank (non UK ring-fenced bank)	34
Europe - other	41
Asia	48
Hong Kong	55
Mainland China	62
Middle East and North Africa - MENA	69
North America	76
US	83
Latin America	90
Mexico	97
Credit risk	104

HSBC
HSBC Holdings plc consolidated
Reported (\$m)

	Quarter ended					Year to date		Year to date	
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21	
Net interest income	7,454	6,997	6,781	6,610	6,584	26,489	14,451	13,098	
Net fee income	2,938	3,126	3,101	3,322	3,211	13,097	6,064	6,674	
Other operating income	2,380	2,341	2,107	2,080	2,770	9,966	4,721	5,779	
Net operating income before change in expected credit losses and other credit impairment charges	12,772	12,464	11,989	12,012	12,565	49,552	25,236	25,551	
Change in expected credit losses and other credit impairment charges	(448)	(642)	(450)	659	284	928	(1,090)	719	
Total operating expenses	(8,107)	(8,312)	(9,544)	(7,989)	(8,560)	(34,620)	(16,419)	(17,087)	
of which: staff expenses ¹	(4,510)	(4,561)	(5,002)	(4,130)	(4,689)	(18,742)	(9,071)	(9,610)	
Share of profit in associates and joint ventures	793	656	669	721	771	3,046	1,449	1,656	
Profit/(loss) before tax	5,010	4,166	2,664	5,403	5,060	18,906	9,176	10,839	
Tax credit/(charge)	762	(723)	(635)	(1,161)	(1,206)	(4,213)	39	(2,417)	
Profit/(loss) after tax	5,772	3,443	2,029	4,242	3,854	14,693	9,215	8,422	
Profit/(loss) attributable to:									
- ordinary shareholders of the parent company ('PAOS')	5,486	2,803	1,788	3,543	3,396	12,607	8,289	7,276	
- preference shareholders of the parent company	—	—	—	—	—	7	—	7	
- other equity holders of the parent company	138	488	142	495	212	1,303	626	666	
- non-controlling interests	148	152	99	204	246	776	300	473	
(Increase)/decrease in present value of in-force insurance business ('PVIF') (net of tax)	(516)	(183)	(6)	(68)	(44)	(58)	(699)	16	
Impairment of goodwill and other intangible assets (net of tax)	42	4	591	17	—	608	46	—	
PAOS net of PVIF and goodwill impairment	5,012	2,624	2,373	3,492	3,352	13,157	7,636	7,292	

Reported significant items - Totals (\$m)

Revenue	(369)	(85)	(103)	(189)	41	(538)	(454)	(246)
ECL	—	—	—	—	—	—	—	—
Operating expenses	(588)	(455)	(1,203)	(404)	(541)	(2,472)	(1,043)	(865)
Share of profit in associates and joint ventures	—	—	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges¹	13,141	12,107	11,594	11,575	11,772	50,090	25,690	24,734
of which: net interest income	7,466	6,773	6,526	6,289	6,204	26,479	14,465	12,542
of which: net fee income	2,938	3,047	3,006	3,190	3,060	13,097	6,064	6,451
Change in expected credit losses and other credit impairment charges	(448)	(629)	(466)	600	255	928	(1,090)	675
Total operating expenses	(7,519)	(7,577)	(8,004)	(7,179)	(7,521)	(32,148)	(15,376)	(15,520)
Share of profit in associates and joint ventures	793	630	648	700	754	3,046	1,449	1,649
Profit/(loss) before tax	5,967	4,531	3,772	5,696	5,260	21,916	10,673	11,538

HSBC
HSBC Holdings plc consolidated

	Quarter ended					Year to date		Year to date	
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21	
Earnings metrics									
Return on average equity (annualised)	13.0 %	6.5 %	4.0 %	8.0 %	7.8 %	7.1 %	9.7 %	8.4 %	
Return on average tangible equity (annualised)	13.3 %	6.8 %	6.0 %	8.7 %	8.6 %	8.3 %	9.9 %	9.4 %	
Earnings per share (\$)	0.28	0.14	0.09	0.18	0.17	0.62	0.42	0.36	
Adjusted ECL / average gross loans (annualised)	0.17 %	0.25 %	0.18 %	(0.24)%	(0.10)%	(0.09)%	0.21 %	(0.14)%	
Dividends									
Dividends per share - declared in respect of the period (\$)	0.09	—	0.18	—	0.07	0.25	0.09	0.07	
Dividends paid during the period, net of scrip (\$m)	3,576	—	—	1,421	3,059	4,480	3,576	3,059	
Value of scrip issued during period (\$m)	—	—	—	—	—	—	—	—	
Revenue significant items (\$m)									
Customer redress programmes	(12)	(2)	(7)	—	—	11	(14)	18	
Disposals, acquisitions and investment in new businesses	(288)	—	—	—	—	—	(288)	—	
Fair value movements on financial instruments	(58)	(162)	16	(64)	45	(242)	(220)	(194)	
Restructuring and other related costs	(11)	79	(112)	(125)	(4)	(307)	68	(70)	
Cost significant items (\$m)									
Costs of structural reform	—	—	—	—	—	—	—	—	
Customer redress programmes	10	(4)	(25)	(7)	(27)	(49)	6	(17)	
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—	—	—	
Impairment of goodwill and other intangibles	(9)	—	(587)	—	—	(587)	(9)	—	
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—	—	—	
Restructuring and other related costs	(589)	(451)	(591)	(397)	(514)	(1,836)	(1,040)	(848)	
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—	—	—	
Share of profit in associates and joint ventures significant items (\$m)									
Impairment of goodwill	—	—	—	—	—	—	—	—	
Reconciling items - Currency translation on reported items - Totals (\$m)									
Revenue		(448)	(497)	(623)	(760)				
ECL		13	(16)	(59)	(29)				
Operating expenses		302	359	435	537				
Share of profit in associates and joint ventures		(26)	(21)	(21)	(17)				
Currency translation on revenue significant items		(6)	1	3	(8)				
Currency translation on operating expense significant items		22	22	29	39				
Currency translation on share of profit in associates and joint ventures significant items		—	—	—	—				

1 Staff expenses are presented net of software capitalisation costs. During 4Q21, the allocation of internally capitalised software costs between staff expenses and general administrative expenses was updated to better reflect the allocation of the underlying costs being capitalised. The YTD impact recognised in 4Q was an increase of \$733m in staff expenses, offset by a corresponding decrease in general administrative expenses. There is no impact on total operating expenses and comparatives have not been re-presented.

HSBC
HSBC Holdings plc consolidated

	Balance sheet date					Balance sheet date	
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	
Assets – reported (\$m)							
Cash and balances at central banks	363,608	389,257	403,018	409,918	393,559	403,018	
Items in the course of collection from other banks	8,073	4,898	4,136	6,384	9,406	4,136	
Hong Kong Government certificates of indebtedness	43,866	43,438	42,578	41,476	41,880	42,578	
Trading assets	217,350	228,810	248,842	256,374	260,250	248,842	
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	45,873	47,745	49,804	49,068	49,120	49,804	
Derivatives	262,923	223,371	196,882	198,533	209,516	196,882	
Loans and advances to banks	96,429	90,161	83,136	95,974	86,886	83,136	
Loans and advances to customers (net)	1,028,356	1,055,307	1,045,814	1,039,677	1,059,511	1,045,814	
Reverse repurchase agreements – non-trading	244,451	245,575	241,648	211,035	201,714	241,648	
Financial investments	430,796	458,414	446,274	428,751	434,576	446,274	
Prepayments, accrued income and other assets	185,823	177,418	139,982	177,145	175,155	139,982	
Current tax assets	1,151	971	970	428	405	970	
Interests in associates and joint ventures	29,446	30,229	29,609	28,561	28,709	29,609	
Goodwill and intangible assets	21,625	21,182	20,622	20,895	20,703	20,622	
Deferred tax assets	5,650	4,736	4,624	4,572	4,615	4,624	
Total assets	2,985,420	3,021,512	2,957,939	2,968,791	2,976,005	2,957,939	
Liabilities – reported (\$m)							
Hong Kong currency notes in circulation	43,866	43,438	42,578	41,476	41,880	42,578	
Deposits by banks	105,275	101,786	101,152	92,548	100,448	101,152	
Customer accounts	1,651,301	1,709,685	1,710,574	1,687,982	1,669,091	1,710,574	
Repurchase agreements – non-trading	129,707	138,034	126,670	121,158	112,798	126,670	
Items in the course of transmission to other banks	9,673	5,358	5,214	7,563	15,100	5,214	
Trading liabilities	80,569	81,184	84,904	89,212	89,637	84,904	
Financial liabilities designated at fair value	126,006	135,624	145,502	146,086	151,686	145,502	
Derivatives	251,469	216,353	191,064	189,169	200,156	191,064	
Debt securities in issue	87,944	85,330	78,557	82,903	84,218	78,557	
Accruals, deferred income and other liabilities	163,600	156,230	123,778	164,487	164,800	123,778	
Current tax liabilities	685	631	698	1,516	929	698	
Liabilities under insurance contracts	113,130	115,317	112,745	111,015	110,572	112,745	
Provisions	1,900	2,058	2,566	2,359	2,814	2,566	
Deferred tax liabilities	2,894	3,986	4,673	4,125	4,338	4,673	
Subordinated liabilities	20,711	21,840	20,487	20,503	20,774	20,487	
Total liabilities	2,788,730	2,816,854	2,751,162	2,762,102	2,769,241	2,751,162	

HSBC

HSBC Holdings plc consolidated

Equity – reported (\$m)

Called up share capital	10,188	10,262	10,316	10,376	10,376	10,316
Share premium account	14,662	14,662	14,602	14,601	14,600	14,602
Other equity instruments	21,691	22,414	22,414	22,414	22,414	22,414
Other reserves	(8,576)	498	6,460	3,979	6,509	6,460
Retained earnings	150,417	148,457	144,458	146,774	144,319	144,458
Total shareholders' equity	188,382	196,293	198,250	198,144	198,218	198,250
Non-controlling interests	8,308	8,365	8,527	8,545	8,546	8,527
Total equity	196,690	204,658	206,777	206,689	206,764	206,777
Total liabilities and equity	2,985,420	3,021,512	2,957,939	2,968,791	2,976,005	2,957,939

Other balance sheet data - reported (\$m)

Loans and advances to customers (gross)	1,039,128	1,066,604	1,057,232	1,051,186	1,072,374	1,057,232
Risk-weighted assets ¹	851,743	862,318	838,263	839,184	862,292	838,263
Total shareholders' equity	188,382	196,293	198,250	198,144	198,218	198,250
AT1 capital	(21,691)	(22,414)	(22,414)	(22,414)	(22,414)	(22,414)
Preference shares	—	—	—	—	—	—
Perpetual capital securities	—	—	—	—	—	—
Ordinary shareholders' equity ('NAV')	166,691	173,879	175,836	175,730	175,804	175,836
Goodwill, PVIF and other intangibles (net of deferred tax)	(18,383)	(18,046)	(17,643)	(18,019)	(17,819)	(17,643)
Tangible equity ('TNAV')	148,308	155,833	158,193	157,711	157,985	158,193

	Year to date					Year ended
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Average TNAV	155,053	157,014	158,776	158,354	156,412	158,776
Fair value of own debt, DVA and other adjustments	878	2,357	1,278	1,547	3,286	1,278
Average TNAV excluding fair value of own debt, DVA and other adjustments (RoTE TNAV)	155,931	159,371	160,054	159,901	159,698	160,054

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HSBC Holdings plc consolidated

Adjusted balance sheet data – at most recent balance sheet FX rates (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (net)	1,028,356	1,014,723	994,701	988,596	994,555	1,045,814
Customer accounts	1,651,301	1,647,376	1,627,174	1,604,504	1,565,942	1,710,574
Risk-weighted assets ^{1,2}	851,743	836,863	805,271	804,907	818,946	838,263

Regulatory capital – Transitional basis (\$m)

Common equity tier 1 capital	115,780	121,447	132,565	133,195	134,606	132,565
Additional tier 1 capital	21,734	22,440	23,727	23,714	23,729	23,727
Tier 2 capital	21,005	21,734	21,494	22,069	22,787	21,494
Total regulatory capital	158,519	165,621	177,786	178,978	181,122	177,786

Regulatory capital – end-point basis (\$m)

Common equity tier 1 capital	115,780	121,447	132,565	133,195	134,606	132,565
Additional tier 1 capital	21,734	22,440	22,421	22,408	22,423	22,421
Tier 2 capital	13,049	13,558	12,475	13,016	13,662	12,475
Total regulatory capital	150,563	157,445	167,461	168,619	170,691	167,461

Capital ratios – transitional basis

Common equity tier 1 ratio	13.6 %	14.1 %	15.8 %	15.9 %	15.6 %	15.8 %
Tier 1 ratio	16.1 %	16.7 %	18.6 %	18.7 %	18.4 %	18.6 %
Total capital ratio	18.6 %	19.2 %	21.2 %	21.3 %	21.0 %	21.2 %

Capital ratios – end-point basis

Common equity tier 1 ratio	13.6 %	14.1 %	15.8 %	15.9 %	15.6 %	15.8 %
Tier 1 ratio	16.1 %	16.7 %	18.5 %	18.5 %	18.2 %	18.5 %
Total capital ratio	17.7 %	18.3 %	20.0 %	20.1 %	19.8 %	20.0 %
Leverage exposures (\$m)	2,484,232	2,532,872	2,962,679	2,964,827	2,968,472	2,962,679
Leverage Ratio	5.5 %	5.7 %	5.2 %	5.2 %	5.3 %	5.2 %

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HSBC Holdings plc consolidated

Balance sheet metrics

NAV / share (\$) at the end of the period	\$	8.41	\$	8.71	\$	8.76	\$	8.70	\$	8.69	\$	8.76
TNAV / share (\$) at the end of the period	\$	7.48	\$	7.80	\$	7.88	\$	7.81	\$	7.81	\$	7.88

Ordinary \$0.50 shares

Basic number of ordinary shares in issue (m)		19,819		19,968		20,073		20,201		20,223		20,073
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	Quarter ended					Year ended	
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	
Ordinary shares issued during the period (m)	—	10	—	—	3	59	
<i>of which scrip</i>	—	—	—	—	—	—	
Shares bought back and cancelled during the period (m)	(148)	(117)	(120)	—	—	(120)	
Other movements in basic number of ordinary shares during the period	(1)	2	(8)	(22)	(6)	(49)	
Average basic number of ordinary shares outstanding during the period (m)	19,884	20,024	20,152	20,213	20,227	20,197	
Balance sheet data – significant items- Totals (\$m)							
Risk-weighted assets – disposals	—	—	—	—	—	—	
Balance sheet data – currency translation on reported items – Totals (\$m)							
Loans and advances to customers (net)		(40,584)	(51,113)	(51,081)	(64,956)		
Customer accounts		(62,309)	(83,400)	(83,478)	(103,149)		
Risk-weighted assets ¹		(25,455)	(32,992)	(34,277)	(43,346)		

¹ Risk-weighted assets figures presented in the data pack are calculated using the regulatory transitional arrangements for IFRS 9 in article 473a of the Capital Requirements Regulation.

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HSBC Holdings plc

Net Interest Margin

	Quarter to date					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Average balances during period (\$m)						
Short-term funds and loans and advances to banks	448,581	467,985	487,515	471,201	451,441	450,678
Loans and advances to customers	1,047,923	1,064,043	1,057,277	1,057,515	1,065,218	1,060,658
Reverse repurchase agreements – non-trading	226,143	230,332	221,041	200,930	191,927	206,246
Financial investments	431,896	449,190	436,342	422,161	438,848	438,840
Other interest-earning assets	53,188	47,648	49,258	56,153	51,519	53,091
Total interest-earning assets	2,207,731	2,259,198	2,251,433	2,207,960	2,198,953	2,209,513
Interest income during period (\$m)						
Short-term funds and loans and advances to banks	886	468	305	293	267	1,105
Loans and advances to customers	7,206	6,672	6,586	6,480	6,516	26,071
Reverse repurchase agreements – non-trading	721	371	243	290	224	1,019
Financial investments	2,017	1,839	1,690	1,648	1,676	6,729
Other interest-earning assets	358	317	394	299	292	1,264
Total	11,188	9,667	9,219	9,010	8,975	36,188
Average balances during period (\$m)						
Deposits by banks	79,200	85,297	81,236	74,569	74,029	75,671
Customer accounts	1,362,440	1,375,811	1,375,321	1,364,573	1,366,651	1,362,580
Repurchase agreements – non-trading	121,614	124,173	128,135	112,142	107,868	114,201
Debt securities in issue – non-trading	180,701	183,475	185,372	189,253	194,612	193,137
Other interest-bearing liabilities	68,613	72,295	74,189	72,692	67,541	70,929
Total interest-bearing liabilities	1,812,568	1,841,051	1,844,253	1,813,229	1,810,701	1,816,518
Non-interest bearing current accounts	319,638	334,522	330,631	320,854	316,041	318,305
Interest expense during period (\$m)						
Deposits by banks	122	73	47	44	56	198
Customer accounts	1,676	1,157	1,042	1,037	1,005	4,099
Repurchase agreements – non-trading	431	153	102	96	81	363
Debt securities in issue – non-trading	1,115	939	869	870	911	3,603
Other interest-bearing liabilities	390	348	378	353	338	1,436
Total	3,734	2,670	2,438	2,400	2,391	9,699
Net interest margin (%)	1.35 %	1.26 %	1.19 %	1.19 %	1.20 %	1.20 %

HSBC
Wealth and Personal Banking

Reported (\$m)

Net interest income	3,974	3,672	3,584	3,541	3,561	14,191
Net fee income	1,253	1,365	1,357	1,496	1,413	5,894
Other operating income/(expense)	457	285	360	379	733	2,032
Net operating income before change in expected credit losses and other credit impairment charges	5,684	5,322	5,301	5,416	5,707	22,117
Change in expected credit losses and other credit impairment charges	(231)	(342)	(1)	237	34	288
Total operating expenses	(3,686)	(3,828)	(4,687)	(3,802)	(3,943)	(16,306)
Share of profit in associates and joint ventures	—	8	10	13	3	34
Profit/(loss) before tax	1,767	1,160	623	1,864	1,801	6,133

Reported Significant items – Totals (\$m)

Revenue	(7)	91	9	(2)	1	7
ECL	—	—	—	—	—	—
Operating expenses	(49)	(54)	(671)	(34)	(149)	(922)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	5,691	5,069	5,112	5,176	5,413	22,110
<i>of which: net interest income</i>	<i>3,983</i>	<i>3,567</i>	<i>3,470</i>	<i>3,387</i>	<i>3,373</i>	<i>14,198</i>
<i>of which: net fee income</i>	<i>1,254</i>	<i>1,331</i>	<i>1,315</i>	<i>1,440</i>	<i>1,354</i>	<i>5,894</i>
Change in expected credit losses and other credit impairment charges	(231)	(336)	(15)	215	24	288
Total operating expenses	(3,637)	(3,652)	(3,875)	(3,585)	(3,569)	(15,384)
Share of profit in associates and joint ventures	—	8	10	14	2	34
Profit/(loss) before tax	1,823	1,089	1,232	1,820	1,870	7,048

Earnings metrics – adjusted

Return on average tangible equity (annualised, YTD) ¹	8.4 %	6.9 %	15.2 %	17.2 %	17.9 %	15.2 %
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Balance sheet – reported (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	478,455	490,819	491,973	485,238	495,465	491,973
Loans and advances to customers (net)	475,464	487,572	488,786	481,795	491,320	488,786
Total external assets	882,490	906,394	932,582	916,178	912,479	932,582
Customer accounts	836,026	861,497	859,029	844,611	841,257	859,029
Risk-weighted assets	186,154	190,336	178,319	177,032	184,973	178,319

Adjusted balance sheet data – at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)	475,464	466,979	462,452	456,252	458,573	488,786
Customer accounts	836,026	833,181	820,564	806,378	793,277	859,029
Risk-weighted assets ³	186,154	184,023	171,022	169,615	175,621	178,319

HSBC

Wealth and Personal Banking

Management View of Adjusted Revenue – at originally reported average FX rates (\$m)

	Quarter ended					Year to date		
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21
Wealth	2,183	1,927	2,042	2,189	2,481	9,123		
– investment distribution ²	801	816	716	884	841	3,488		
– Private Banking	481	464	423	467	446	1,826		
Net interest income	217	171	165	161	163	647		
Non interest income	264	293	258	306	283	1,179		
– life insurance manufacturing	639	371	593	527	898	2,590		
– asset management	262	276	310	311	296	1,219		
Personal Banking	3,476	3,180	3,094	3,053	3,077	12,254		
Net interest income ²	3,147	2,857	2,742	2,696	2,738	10,858		
Non interest income	329	323	352	357	339	1,396		
Other	32	124	156	176	149	733		
Net operating income	5,691	5,231	5,292	5,418	5,707	22,110		

Management View of Adjusted Revenue – at most recent period average FX rates (\$m)

Wealth	2,183	1,880	1,970	2,121	2,392	9,123	4,110	4,762
– investment distribution ²	801	800	698	859	813	3,488	1,617	1,847
– Private Banking	481	450	408	448	425	1,826	945	905
Net interest income	217	166	160	155	156	647	388	310
Non interest income	264	284	248	293	269	1,179	557	595
– life insurance manufacturing	639	361	565	518	875	2,590	1,010	1,437
– asset management	262	269	299	296	279	1,219	538	573
Personal Banking	3,476	3,083	2,995	2,912	2,907	12,254	6,656	5,870
Net interest income ²	3,147	2,768	2,649	2,572	2,583	10,858	6,004	5,211
Non interest income	329	315	346	340	324	1,396	652	659
Other	32	106	147	143	114	733	156	348
Net operating income	5,691	5,069	5,112	5,176	5,413	22,110	10,922	10,980

HSBC

Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	(9)	(2)	(6)	—	—	(7)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movement on financial instruments	1	1	—	(1)	1	—
Restructuring and other related costs	1	92	15	(1)	—	14

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	12	(2)	(21)	(5)	(25)	(39)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(587)	—	—	(587)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(61)	(52)	(63)	(29)	(124)	(296)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reported Balance sheet data – significant items – Totals (\$m)

Risk-weighted assets – disposals	—	—	—	—	—	—
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Reconciling items – Currency translation on reported items – Totals (\$m)

Revenue	(163)	(180)	(243)	(296)
ECL	6	(14)	(22)	(10)
Operating expenses	124	142	187	233
Share of profit in associates and joint ventures	—	—	1	(1)
Currency translation on revenue significant items	(1)	—	(1)	(3)
Currency translation on operating expense significant items	2	1	4	8
Currency translation on share of profit in associates and joint ventures significant items	—	—	—	—

Loans and advances to customers (net)	(20,593)	(26,334)	(25,543)	(32,747)
Customer accounts	(28,316)	(38,465)	(38,233)	(47,980)
Risk-weighted assets	(6,313)	(7,297)	(7,417)	(9,352)

1 RoTE excludes significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure.

2 In the fourth quarter of 2021, revenue related to wealth lending was moved from Personal Banking to investment distribution.

3 Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

HSBC
Commercial Banking

Reported (\$m)

Net interest income	2,644	2,360	2,294	2,236	2,204	8,916
Net fee income	940	979	928	925	898	3,639
Other operating income	98	195	165	213	219	876
Net operating income before change in expected credit losses and other credit impairment charges	3,682	3,534	3,387	3,374	3,321	13,431
Change in expected credit losses and other credit impairment charges	(300)	12	(221)	272	19	300
Total operating expenses	(1,663)	(1,754)	(1,805)	(1,706)	(1,785)	(7,055)
Share of profit in associates and joint ventures	—	—	—	—	—	1
Profit/(loss) before tax	1,719	1,792	1,361	1,940	1,555	6,677

Reported Significant items – Totals (\$m)

Revenue	(2)	1	(2)	—	—	16
ECL	—	—	—	—	—	—
Operating expenses	(36)	(30)	(30)	(33)	(16)	(82)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	3,684	3,408	3,246	3,192	3,104	13,415
<i>of which: net interest income</i>	<i>2,647</i>	<i>2,273</i>	<i>2,194</i>	<i>2,116</i>	<i>2,063</i>	<i>8,898</i>
<i>of which: net fee income</i>	<i>940</i>	<i>946</i>	<i>890</i>	<i>878</i>	<i>844</i>	<i>3,639</i>
Change in expected credit losses and other credit impairment charges	(300)	6	(223)	242	8	300
Total operating expenses	(1,627)	(1,669)	(1,711)	(1,590)	(1,660)	(6,973)
Share of profit in associates and joint ventures	—	—	—	—	—	1
Profit/(loss) before tax	1,757	1,745	1,312	1,844	1,452	6,743

Earnings metrics – adjusted

Return on average tangible equity (annualised, YTD) ¹	12.6 %	12.1 %	10.8 %	11.6 %	11.1 %	10.8 %
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Balance sheet – reported (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	354,662	361,241	356,023	352,101	358,460	356,023
Loans and advances to customers (net)	348,253	354,695	349,126	345,156	350,945	349,126
Total external assets	619,490	635,675	622,925	624,523	624,042	622,925
Customer accounts	479,680	499,304	506,688	488,201	485,689	506,688
Risk-weighted assets	341,935	338,761	332,832	326,902	332,084	332,832

Adjusted balance sheet data – at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)	348,253	341,623	332,710	328,470	329,873	349,126
Customer accounts	479,680	480,515	481,781	463,636	455,006	506,688
Risk-weighted assets ²	341,935	326,071	316,443	310,265	311,126	332,832

HSBC
Commercial Banking

Management View of Adjusted Revenue – at originally reported average FX rates (\$m)

Global Trade and Receivables Finance	536	542	512	500	478	1,945		
Credit and Lending	1,478	1,493	1,567	1,520	1,497	6,052		
Global Liquidity and Cash Management	1,349	1,020	938	896	879	3,575		
Markets products, Insurance and Investments and other	321	478	372	458	466	1,843		
– of which: share of revenue from Markets and Securities Services and Banking products	293	316	275	266	265	1,065		
Net operating income	3,684	3,533	3,389	3,374	3,320	13,415		

Management View of Adjusted Revenue – at most recent period average FX rates (\$m)

Global Trade and Receivables Finance	536	524	492	476	451	1,945	1,078	896
Credit and Lending	1,478	1,441	1,503	1,441	1,402	6,052	2,971	2,833
Global Liquidity and Cash Management	1,349	985	900	851	826	3,575	2,369	1,669
Markets products, Insurance and Investments and other	321	458	351	424	425	1,843	799	955
– of which: share of revenue from Markets and Securities Services and Banking products	293	307	264	254	251	1,065	608	504
Net operating income	3,684	3,408	3,246	3,192	3,104	13,415	7,217	6,353

Reported Revenue significant items (\$m)

Customer redress programmes	(3)	–	(1)	–	–	18		
Disposals, acquisitions and investment in new businesses	–	–	–	–	–	–		
Fair value movement on financial instruments	1	1	–	–	–	1		
Restructuring and other related costs	–	–	(1)	–	–	(3)		

Reported Cost significant items (\$m)

Costs of structural reform	–	–	–	–	–	–		
Customer redress programmes	–	–	(1)	–	–	(1)		
Disposals, acquisitions and investment in new businesses	–	–	–	–	–	–		
Impairment of goodwill and other intangibles	–	–	–	–	–	–		
Past service costs of guaranteed minimum pension benefits equalisation	–	–	–	–	–	–		
Restructuring and other related costs	(36)	(30)	(29)	(33)	(16)	(81)		
Settlements and provisions in connection with legal and regulatory matters	–	–	–	–	–	–		

	Quarter ended					Year to date		
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21
Management View of Adjusted Revenue – at originally reported average FX rates (\$m)								
Global Trade and Receivables Finance	536	542	512	500	478	1,945		
Credit and Lending	1,478	1,493	1,567	1,520	1,497	6,052		
Global Liquidity and Cash Management	1,349	1,020	938	896	879	3,575		
Markets products, Insurance and Investments and other	321	478	372	458	466	1,843		
– of which: share of revenue from Markets and Securities Services and Banking products	293	316	275	266	265	1,065		
Net operating income	3,684	3,533	3,389	3,374	3,320	13,415		
Management View of Adjusted Revenue – at most recent period average FX rates (\$m)								
Global Trade and Receivables Finance	536	524	492	476	451	1,945	1,078	896
Credit and Lending	1,478	1,441	1,503	1,441	1,402	6,052	2,971	2,833
Global Liquidity and Cash Management	1,349	985	900	851	826	3,575	2,369	1,669
Markets products, Insurance and Investments and other	321	458	351	424	425	1,843	799	955
– of which: share of revenue from Markets and Securities Services and Banking products	293	307	264	254	251	1,065	608	504
Net operating income	3,684	3,408	3,246	3,192	3,104	13,415	7,217	6,353
Reported Revenue significant items (\$m)								
Customer redress programmes	(3)	–	(1)	–	–	18		
Disposals, acquisitions and investment in new businesses	–	–	–	–	–	–		
Fair value movement on financial instruments	1	1	–	–	–	1		
Restructuring and other related costs	–	–	(1)	–	–	(3)		
Reported Cost significant items (\$m)								
Costs of structural reform	–	–	–	–	–	–		
Customer redress programmes	–	–	(1)	–	–	(1)		
Disposals, acquisitions and investment in new businesses	–	–	–	–	–	–		
Impairment of goodwill and other intangibles	–	–	–	–	–	–		
Past service costs of guaranteed minimum pension benefits equalisation	–	–	–	–	–	–		
Restructuring and other related costs	(36)	(30)	(29)	(33)	(16)	(81)		
Settlements and provisions in connection with legal and regulatory matters	–	–	–	–	–	–		

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Commercial Banking

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reported Balance sheet data – significant items – Totals (\$m)

Risk-weighted assets – disposals	—	—	—	—	—	—
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Reconciling items Currency translation on reported items – Totals (\$m)

Revenue	(126)	(145)	(184)	(219)
ECL	(6)	(2)	(30)	(11)
Operating expenses	57	65	87	110
Share of profit in associates and joint ventures	—	—	—	—
Currency translation on revenue significant items	(1)	(2)	(2)	(2)
Currency translation on operating expense significant items	2	1	4	1
Currency translation on share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(13,072)	(16,416)	(16,686)	(21,072)
Customer accounts	(18,789)	(24,907)	(24,565)	(30,683)
Risk-weighted assets	(12,690)	(16,389)	(16,637)	(20,958)

1 RoTE excludes significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure.

2 Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

HSBC
Global Banking and Markets

Reported (\$m)

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net interest income	1,207	1,090	1,078	1,020	999	4,122
Net fee income	738	788	821	923	909	3,603
Other operating income	1,971	2,149	1,475	1,568	1,580	6,863
Net operating income before change in expected credit losses and other credit impairment charges	3,916	4,027	3,374	3,511	3,488	14,588
Change in expected credit losses and other credit impairment charges	83	(310)	(224)	147	224	337
Total operating expenses	(2,315)	(2,507)	(2,763)	(2,382)	(2,482)	(10,203)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,684	1,210	387	1,276	1,230	4,722

Reported Significant items – Totals (\$m)

Revenue	87	15	(146)	(93)	(98)	(414)
ECL	—	—	—	—	—	—
Operating expenses	(49)	(38)	(77)	(47)	(44)	(197)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	3,829	3,861	3,347	3,403	3,342	15,002
<i>of which: net interest income</i>	<i>1,206</i>	<i>1,056</i>	<i>1,030</i>	<i>966</i>	<i>941</i>	<i>4,122</i>
<i>of which: net fee income</i>	<i>738</i>	<i>774</i>	<i>806</i>	<i>893</i>	<i>870</i>	<i>3,603</i>
Change in expected credit losses and other credit impairment charges	83	(296)	(225)	140	218	337
Total operating expenses	(2,266)	(2,361)	(2,552)	(2,182)	(2,258)	(10,006)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,646	1,204	570	1,361	1,302	5,333

Earnings metrics – adjusted

Return on average tangible equity (annualised, YTD) ¹	10.9 %	8.2 %	8.6 %	10.1 %	10.7 %	8.6 %
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Balance sheet – reported (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	205,454	214,108	208,485	213,087	217,292	208,485
Loans and advances to customers (net)	204,097	212,615	207,162	211,976	216,098	207,162
Total external assets	1,318,425	1,301,332	1,229,820	1,265,530	1,258,694	1,229,820
Customer accounts	335,033	348,289	344,205	354,466	341,242	344,205
Risk-weighted assets	241,077	242,854	236,199	249,081	255,158	236,199

Adjusted balance sheet data – at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)	204,097	205,712	198,854	203,181	205,044	207,162
Customer accounts	335,033	333,126	324,239	333,855	316,865	344,205
Risk-weighted assets ²	241,077	236,909	228,263	240,424	244,007	236,199

Management View of Adjusted Revenue – at originally reported average FX rates (\$m)

Markets and Securities Services

Securities Services	484	489	471	528	472	1,923		
Global Debt Markets	228	208	1	164	317	878		
Global Foreign Exchange	1,144	1,070	903	772	728	3,355		
Equities	199	417	234	348	223	1,224		
Securities Financing	249	219	218	222	198	878		
Credit and Funding Valuation Adjustments	25	(32)	44	(49)	3	30		

Banking

Global Trade and Receivables Finance	188	185	176	180	180	714		
Global Liquidity and Cash Management	643	521	481	465	448	1,838		
Credit & Lending	645	607	657	629	658	2,596		
Capital Markets & Advisory	153	290	309	337	320	1,256		
Other	119	48	37	48	55	206		

GBM Other

Principal Investments	21	60	53	88	64	377		
Other	(269)	(70)	(64)	(128)	(80)	(273)		

Net operating income

3,829

Management View of Adjusted Revenue – at most recent period average FX rates (\$m)

Markets and Securities Services

Securities services	484	471	452	498	444	1,923	973	885
Global Debt Markets	228	199	2	157	296	878	436	683
Global Foreign Exchange	1,144	1,047	862	737	691	3,355	2,214	1,618
Equities	199	401	224	333	207	1,224	616	615
Securities Financing	249	212	209	211	186	878	468	421
Credit and Funding Valuation Adjustments	25	(30)	41	(44)	3	30	(7)	35

Banking

Global Trade and Receivables Finance	188	180	170	172	171	714	373	344
Global Liquidity and Cash Management	643	505	463	442	423	1,838	1,164	856
Credit & Lending	645	590	636	603	623	2,596	1,251	1,261
Capital Markets & Advisory	153	281	299	321	303	1,256	443	587
Other	119	47	33	47	53	206	168	114

GBM Other

Principal Investments	21	58	51	87	63	377	81	235
Other	(269)	(100)	(95)	(161)	(121)	(273)	(339)	(136)

Net operating income

3,829

Reported Revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—		
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—		
Fair value movement on financial instruments	97	30	(15)	9	(1)	(19)		
Restructuring and other related costs	(10)	(15)	(131)	(102)	(97)	(395)		

	Quarter ended					Year to date		
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21
Management View of Adjusted Revenue – at originally reported average FX rates (\$m)								
Markets and Securities Services	2,329	2,371	1,871	1,985	1,941	8,288		
Securities Services	484	489	471	528	472	1,923		
Global Debt Markets	228	208	1	164	317	878		
Global Foreign Exchange	1,144	1,070	903	772	728	3,355		
Equities	199	417	234	348	223	1,224		
Securities Financing	249	219	218	222	198	878		
Credit and Funding Valuation Adjustments	25	(32)	44	(49)	3	30		
Banking	1,748	1,651	1,660	1,659	1,661	6,610		
Global Trade and Receivables Finance	188	185	176	180	180	714		
Global Liquidity and Cash Management	643	521	481	465	448	1,838		
Credit & Lending	645	607	657	629	658	2,596		
Capital Markets & Advisory	153	290	309	337	320	1,256		
Other	119	48	37	48	55	206		
GBM Other	(248)	(10)	(11)	(40)	(16)	104		
Principal Investments	21	60	53	88	64	377		
Other	(269)	(70)	(64)	(128)	(80)	(273)		
Net operating income	3,829	4,012	3,520	3,604	3,586	15,002		
Management View of Adjusted Revenue – at most recent period average FX rates (\$m)								
Markets and Securities Services	2,329	2,300	1,790	1,892	1,827	8,288	4,700	4,257
Securities services	484	471	452	498	444	1,923	973	885
Global Debt Markets	228	199	2	157	296	878	436	683
Global Foreign Exchange	1,144	1,047	862	737	691	3,355	2,214	1,618
Equities	199	401	224	333	207	1,224	616	615
Securities Financing	249	212	209	211	186	878	468	421
Credit and Funding Valuation Adjustments	25	(30)	41	(44)	3	30	(7)	35
Banking	1,748	1,603	1,601	1,585	1,573	6,610	3,399	3,162
Global Trade and Receivables Finance	188	180	170	172	171	714	373	344
Global Liquidity and Cash Management	643	505	463	442	423	1,838	1,164	856
Credit & Lending	645	590	636	603	623	2,596	1,251	1,261
Capital Markets & Advisory	153	281	299	321	303	1,256	443	587
Other	119	47	33	47	53	206	168	114
GBM Other	(248)	(42)	(44)	(74)	(58)	104	(258)	99
Principal Investments	21	58	51	87	63	377	81	235
Other	(269)	(100)	(95)	(161)	(121)	(273)	(339)	(136)
Net operating income	3,829	3,861	3,347	3,403	3,342	15,002	7,841	7,518
Reported Revenue significant items (\$m)								
Customer redress programmes	—	—	—	—	—	—		
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—		
Fair value movement on financial instruments	97	30	(15)	9	(1)	(19)		
Restructuring and other related costs	(10)	(15)	(131)	(102)	(97)	(395)		

HSBC
Global Banking and Markets

Reported Cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(49)	(38)	(77)	(47)	(44)	(197)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—
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Reported Balance sheet data – significant items – Totals (\$m)

Risk-weighted assets – disposals	—	—	—	—	—	—
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Reconciling items Currency translation on reported items – Totals (\$m)

Revenue	(152)	(167)	(193)	(235)
ECL	14	(1)	(7)	(6)
Operating expenses	110	140	157	185
Share of profit in associates and joint ventures	—	—	—	—
Currency translation on revenue significant items	(1)	6	8	9
Currency translation on operating expense significant items	2	6	4	5
Currency translation on share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(6,903)	(8,308)	(8,795)	(11,054)
Customer accounts	(15,163)	(19,966)	(20,611)	(24,377)
Risk-weighted assets	(5,945)	(7,936)	(8,657)	(11,151)

1 RoTE excludes significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure.

2 Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

HSBC
Corporate Centre

Reported (\$m)

Net interest income	(371)	(125)	(175)	(187)	(180)	(740)
Net fee income	7	(6)	(5)	(22)	(9)	(39)
Other operating income	(146)	(288)	107	(80)	238	195
Net operating income before change in expected credit losses and other credit impairment charges	(510)	(419)	(73)	(289)	49	(584)
Change in expected credit losses and other credit impairment charges	—	(2)	(4)	3	7	3
Total operating expenses	(443)	(223)	(289)	(99)	(350)	(1,056)
Share of profit in associates and joint ventures	793	648	659	708	768	3,011
Profit/(loss) before tax	(160)	4	293	323	474	1,374

Reported Significant items – Totals (\$m)

Revenue	(447)	(192)	36	(94)	138	(147)
ECL	—	—	—	—	—	—
Operating expenses	(454)	(333)	(425)	(290)	(332)	(1,271)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	(63)	(231)	(111)	(196)	(87)	(437)
<i>of which: net interest expense</i>	<i>(370)</i>	<i>(123)</i>	<i>(168)</i>	<i>(180)</i>	<i>(173)</i>	<i>(739)</i>
<i>of which: net fee income/(expense)</i>	<i>6</i>	<i>(4)</i>	<i>(5)</i>	<i>(21)</i>	<i>(8)</i>	<i>(39)</i>
Change in expected credit losses and other credit impairment charges	—	(3)	(3)	3	5	3
Total operating expenses	11	105	134	178	(34)	215
Share of profit in associates and joint ventures	793	622	638	686	752	3,011
Profit/(loss) before tax	741	493	658	671	636	2,792

Earnings metrics – adjusted

Return on average tangible equity (annualised, YTD) ¹	5.3 %	6.2 %	5.6 %	5.4 %	5.1 %	5.6 %
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Balance sheet – reported (\$m)

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	557	436	751	760	1,157	751
Loans and advances to customers (net)	542	425	740	750	1,148	740
Total external assets	165,015	178,111	172,612	162,560	180,790	172,612
Customer accounts	562	595	652	704	903	652
Risk-weighted assets	82,577	90,367	90,913	86,169	90,077	90,913

Adjusted balance sheet data – at most recent balance sheet date FX rates (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (net)	542	409	685	693	1,065	740
Customer accounts	562	554	590	635	794	652
Risk-weighted assets ²	82,577	89,860	89,543	84,603	88,192	90,913

HSBC
Corporate Centre

Management View of Adjusted Revenue – at originally reported average FX rates (\$m)

	Quarter ended					Year to date		
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21	30-Jun-22	30-Jun-21
Central Treasury	(32)	5	(9)	(35)	(27)	(99)		
Legacy Credit	25	(21)	(14)	(35)	7	(33)		
Other	(56)	(211)	(86)	(125)	(69)	(305)		
Net operating income	(63)	(227)	(109)	(195)	(89)	(437)		

Memo

Markets Treasury previously reported in Corporate Centre – now allocated to global businesses	374	503	495	524	515	2,339		
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Management View of Adjusted Revenue – at most recent period average FX rates (\$m)

Central Treasury	(32)	5	(10)	(35)	(27)	(99)	(28)	(54)
Legacy Credit	25	(20)	(13)	(34)	6	(33)	4	15
Other	(56)	(216)	(88)	(127)	(66)	(305)	(266)	(78)
Net operating income	(63)	(231)	(111)	(196)	(87)	(437)	(290)	(117)

Memo

Markets Treasury previously reported in Corporate Centre – now allocated to global businesses	374	487	473	499	486	2,339	877	1,269
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Reported Revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—		
Disposals, acquisitions and investment in new businesses	(288)	—	—	—	—	—		
Fair value movement on financial instruments	(157)	(194)	31	(72)	45	(224)		
Restructuring and other related costs	(2)	2	5	(22)	93	77		

Reported Cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—		
Customer redress programmes	(2)	(2)	(3)	(2)	(2)	(9)		
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—		
Impairment of goodwill and other intangibles	(9)	—	—	—	—	—		
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—		
Restructuring and other related costs	(443)	(331)	(422)	(288)	(330)	(1,262)		
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—		

Share of profit in associates and joint ventures significant items (\$m)

Impairment of goodwill	—	—	—	—	—	—		
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Reported Balance sheet data – significant items – Totals (\$m)

Risk-weighted assets – disposals	—	—	—	—	—	—		
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HSBC
Corporate Centre

Reconciling items Currency translation on reported items – Totals (\$m)

Revenue	(7)	(5)	(3)	(10)
ECL	(1)	1	—	(2)
Operating expenses	11	12	4	9
Share of profit in associates and joint ventures	(26)	(21)	(22)	(16)
Currency translation on revenue significant items	(3)	(3)	(2)	(12)
Currency translation on operating expense significant items	16	14	17	25
Currency translation on share of profit in associates and joint ventures significant items	—	—	—	—
Loans and advances to customers (net)	(16)	(55)	(57)	(83)
Customer accounts	(41)	(62)	(69)	(109)
Risk-weighted assets	(507)	(1,370)	(1,566)	(1,885)

1 RoTE excludes significant items. Since 1 January 2021, the UK bank levy has no longer been excluded from the calculation of this measure.

2 Adjusted risk-weighted assets are calculated using reported risk-weighted assets adjusted for the effects of currency translation differences and significant items.

HSBC Europe

Europe – Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,728	1,731	1,782	1,684	1,749	7,019
<i>of which: net interest income</i>	<i>1,239</i>	<i>1,175</i>	<i>1,133</i>	<i>1,106</i>	<i>1,150</i>	<i>4,464</i>
Change in expected credit losses and other credit impairment charges	(55)	(171)	169	239	115	636
Total operating expenses	(1,177)	(1,315)	(1,556)	(1,353)	(1,445)	(5,838)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	496	245	395	570	419	1,817
Reported Significant items – Totals (\$m)						
Revenue	(14)	(7)	(11)	(5)	2	(22)
ECL	—	—	—	—	—	—
Operating expenses	(16)	(30)	(43)	(8)	(53)	(152)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,742	1,618	1,668	1,527	1,553	7,041
<i>of which: net interest income</i>	<i>1,248</i>	<i>1,099</i>	<i>1,054</i>	<i>1,002</i>	<i>1,026</i>	<i>4,471</i>
Change in expected credit losses and other credit impairment charges	(55)	(163)	155	218	104	636
Total operating expenses	(1,161)	(1,203)	(1,420)	(1,226)	(1,247)	(5,686)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	526	252	403	519	410	1,991
	Balance sheet date					Balance sheet date
Balance sheet – reported (\$m)	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	211,930	222,846	226,417	223,077	225,163	226,417
Loans and advances to customers (net)	210,733	221,432	225,063	221,470	223,159	225,063
Total external assets	346,298	366,712	385,600	366,588	370,719	385,600
Customer accounts	291,129	308,491	313,434	308,793	310,128	313,434
Risk-weighted assets	59,364	62,735	52,788	52,312	53,678	52,788
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	210,733	205,872	203,401	200,334	197,119	225,063
Customer accounts	291,129	286,673	283,064	279,284	273,863	313,434

HSBC
Europe

Europe – Commercial Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,325	1,236	1,225	1,208	1,200	4,843
<i>of which: net interest income</i>	<i>844</i>	<i>807</i>	<i>766</i>	<i>737</i>	<i>747</i>	<i>3,006</i>
Change in expected credit losses and other credit impairment charges	11	126	63	353	161	769
Total operating expenses	(567)	(663)	(648)	(653)	(691)	(2,719)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	769	699	640	908	670	2,893
Reported Significant items – Totals (\$m)						
Revenue	(3)	—	(3)	—	1	15
ECL	—	—	—	—	—	—
Operating expenses	(15)	(16)	(5)	(15)	—	(27)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,328	1,151	1,129	1,082	1,053	4,828
<i>of which: net interest income</i>	<i>847</i>	<i>750</i>	<i>704</i>	<i>661</i>	<i>658</i>	<i>2,988</i>
Change in expected credit losses and other credit impairment charges	11	116	58	321	144	769
Total operating expenses	(552)	(609)	(598)	(580)	(618)	(2,692)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	787	658	589	823	579	2,905
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	111,671	118,811	120,169	121,670	124,224	120,169
Loans and advances to customers (net)	109,884	116,837	117,907	119,245	121,356	117,907
Total external assets	239,957	254,038	260,590	263,604	271,509	260,590
Customer accounts	188,297	203,841	206,785	205,672	207,253	206,785
Risk-weighted assets	99,181	102,925	106,702	106,408	112,444	106,702
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	109,884	108,647	106,580	107,606	106,889	117,907
Customer accounts	188,297	189,590	186,970	185,771	182,678	206,785

HSBC Europe

Europe – Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,231	1,360	1,162	1,080	1,204	4,952
<i>of which: net interest income</i>	<i>132</i>	<i>58</i>	<i>69</i>	<i>36</i>	<i>32</i>	<i>176</i>
Change in expected credit losses and other credit impairment charges	72	(283)	48	62	54	200
Total operating expenses	(997)	(1,234)	(1,496)	(1,272)	(1,326)	(5,451)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	306	(157)	(286)	(130)	(68)	(299)
Reported Significant items – Totals (\$m)						
Revenue	37	(1)	(145)	(95)	(87)	(390)
ECL	—	—	—	—	—	—
Operating expenses	(33)	(28)	(63)	(31)	(25)	(139)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,194	1,270	1,203	1,053	1,136	5,342
<i>of which: net interest income</i>	<i>132</i>	<i>51</i>	<i>55</i>	<i>21</i>	<i>14</i>	<i>176</i>
Change in expected credit losses and other credit impairment charges	72	(270)	45	56	48	200
Total operating expenses	(964)	(1,119)	(1,333)	(1,123)	(1,159)	(5,312)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	302	(119)	(85)	(14)	25	230
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	48,524	57,905	54,097	57,608	58,252	54,097
Loans and advances to customers (net)	47,952	57,226	53,577	57,037	57,632	53,577
Total external assets	619,739	611,081	560,886	583,022	596,433	560,886
Customer accounts	148,993	152,689	146,901	151,799	145,714	146,901
Risk-weighted assets	87,036	84,549	81,932	91,018	91,217	81,932
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	47,952	53,266	48,609	51,454	50,741	53,577
Customer accounts	148,993	142,267	133,110	137,153	128,528	146,901

HSBC
Europe

Europe – Corporate Centre

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	284	458	1,016	711	1,025	3,285
<i>of which: net interest income/(expense)</i>	(423)	(255)	(372)	(160)	(316)	(1,191)
Change in expected credit losses and other credit impairment charges	—	(2)	3	2	1	1
Total operating expenses	(1,225)	(966)	(1,108)	(1,020)	(1,097)	(4,185)
Share of profit in associates and joint ventures	1	(24)	11	101	19	267
Profit/(loss) before tax	(940)	(534)	(78)	(206)	(52)	(632)
Reported Significant items – Totals (\$m)						
Revenue	(350)	(99)	173	35	241	270
ECL	—	—	—	—	—	—
Operating expenses	(385)	(311)	(278)	(285)	(282)	(1,052)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	634	530	821	639	741	3,015
<i>of which: net interest expense</i>	(423)	(256)	(372)	(160)	(315)	(1,191)
Change in expected credit losses and other credit impairment charges	—	(2)	(3)	2	2	1
Total operating expenses	(840)	(634)	(807)	(711)	(788)	(3,133)
Share of profit in associates and joint ventures	1	(23)	12	92	16	267
Profit/(loss) before tax	(205)	(129)	23	22	(29)	150
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	371	239	553	567	641	553
Loans and advances to customers (net)	355	229	543	557	631	543
Total external assets	56,558	70,156	67,261	59,849	55,933	67,261
Customer accounts	558	582	650	705	902	650
Risk-weighted assets	12,028	21,312	19,693	12,989	12,534	19,693
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	355	214	492	502	555	543
Customer accounts	558	542	589	636	793	650

HSBC Europe

RECONCILING ITEMS

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue – TOTAL						
Revenue (\$m)						
Currency translation						
Significant items						
Customer redress programmes	(12)	(2)	(7)	—	—	11
Disposals, acquisitions and investment in new businesses	(288)	—	—	—	—	—
Fair value movements on financial instruments	(124)	(184)	26	(64)	48	(226)
Restructuring and other related costs	95	78	2	(3)	108	90
Currency translation on significant items		(7)	(1)	2	(12)	
ECL currency translation		9	(19)	(60)	(35)	
Operating expenses (\$m)						
Currency translation		251	284	349	424	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	10	(4)	(25)	(7)	(27)	(49)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(9)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(451)	(381)	(368)	(333)	(330)	(1,318)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items		23	25	29	36	
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		2	(2)	(9)	(2)	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items		—	—	—	—	
Europe – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	(14)	113	114	157	196	(22)
ECL significant items and currency translation (\$m)	—	(8)	14	21	11	—
Operating expense significant items and currency translation (\$m)	(16)	(112)	(136)	(127)	(198)	(152)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC Europe

Europe – Commercial Banking

Revenue significant items and currency translation (\$m)	(3)	85	96	126	147	15
ECL significant items and currency translation (\$m)	—	10	5	32	17	—
Operating expense significant items and currency translation (\$m)	(15)	(54)	(50)	(73)	(73)	(27)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Europe – Global Banking and Markets

Revenue significant items and currency translation (\$m)	37	90	(41)	27	68	(390)
ECL significant items and currency translation (\$m)	—	(13)	3	6	6	—
Operating expense significant items and currency translation (\$m)	(33)	(115)	(163)	(149)	(167)	(139)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Europe – Corporate Centre

Revenue significant items and currency translation (\$m)	(350)	(72)	195	72	284	270
ECL significant items and currency translation (\$m)	—	—	6	—	(1)	—
Operating expense significant items and currency translation (\$m)	(385)	(332)	(301)	(309)	(309)	(1,052)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	(1)	(1)	9	3	—

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

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UK ring-fenced bank

HSBC UK – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net interest income	1,812	1,751	1,623	1,593	1,625	6,397
Net fee income	379	395	431	389	351	1,484
Other operating income	179	141	199	162	152	714
Net operating income before change in expected credit losses and other credit impairment charges	2,370	2,287	2,253	2,144	2,128	8,595
Change in expected credit losses and other credit impairment charges	(132)	84	230	563	281	1,362
Total operating expenses	(1,138)	(1,201)	(1,329)	(1,213)	(1,350)	(5,172)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,100	1,170	1,154	1,494	1,059	4,785
Reported Significant items – Totals (\$m)						
Revenue	(12)	(1)	(2)	—	—	15
ECL	—	—	—	—	—	—
Operating expenses	(123)	(88)	(121)	(84)	(121)	(405)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,382	2,139	2,098	1,951	1,908	8,580
<i>of which: net interest income</i>	<i>1,824</i>	<i>1,640</i>	<i>1,514</i>	<i>1,450</i>	<i>1,458</i>	<i>6,386</i>
Change in expected credit losses and other credit impairment charges	(132)	79	210	512	254	1,362
Total operating expenses	(1,015)	(1,040)	(1,118)	(1,028)	(1,103)	(4,767)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,235	1,178	1,190	1,435	1,059	5,175
	Balance sheet date					Balance sheet date
Balance sheet – reported (\$m)	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	247,373	263,353	267,135	264,807	268,872	267,135
Loans and advances to customers (net)	245,310	261,150	264,624	261,952	265,240	264,624
Total external assets	422,669	453,268	466,955	435,607	444,450	466,955
Customer accounts	347,845	372,644	381,482	372,655	378,211	381,482
Risk-weighted assets	109,748	117,970	113,311	111,920	116,868	113,311
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	245,310	241,856	237,877	236,312	233,470	264,624
Customer accounts	347,845	345,114	342,922	336,180	332,910	381,482

HSBC
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UK ring-fenced bank

HSBC UK – Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,281	1,248	1,205	1,163	1,159	4,627
<i>of which: net interest income</i>	<i>1,081</i>	<i>1,033</i>	<i>978</i>	<i>947</i>	<i>982</i>	<i>3,810</i>
Change in expected credit losses and other credit impairment charges	(103)	(115)	157	227	112	603
Total operating expenses	(692)	(776)	(762)	(745)	(851)	(3,183)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	486	357	600	645	420	2,047
Reported Significant items – Totals (\$m)						
Revenue	(9)	(2)	(6)	—	—	(7)
ECL	—	—	—	—	—	—
Operating expenses	(1)	(29)	(31)	(9)	(40)	(126)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,290	1,169	1,126	1,058	1,039	4,634
<i>of which: net interest income</i>	<i>1,090</i>	<i>968</i>	<i>914</i>	<i>862</i>	<i>880</i>	<i>3,817</i>
Change in expected credit losses and other credit impairment charges	(103)	(107)	147	206	100	603
Total operating expenses	(691)	(699)	(677)	(670)	(728)	(3,057)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	496	363	596	594	411	2,180
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	166,972	176,969	179,291	175,909	177,693	179,291
Loans and advances to customers (net)	165,961	175,910	178,243	174,630	176,039	178,243
Total external assets	241,781	257,645	264,886	248,705	252,250	264,886
Customer accounts	223,171	237,633	241,832	236,049	238,324	241,832
Risk-weighted assets	40,231	42,916	33,436	33,177	34,100	33,436
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	165,961	162,914	160,226	157,538	154,953	178,243
Customer accounts	223,171	220,077	217,388	212,945	209,778	241,832

HSBC
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UK ring-fenced bank

HSBC UK – Commercial Banking

Reported (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Reported Significant items – Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Balance sheet – reported (\$m)

Loans and advances to customers (gross)

Loans and advances to customers (net)

Total external assets

Customer accounts

Risk-weighted assets

Balance sheet data – at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)

Customer accounts

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,055	998	995	938	929	3,794
<i>of which: net interest income</i>	<i>717</i>	<i>704</i>	<i>637</i>	<i>643</i>	<i>643</i>	<i>2,574</i>
Change in expected credit losses and other credit impairment charges	(29)	199	68	336	171	758
Total operating expenses	(338)	(370)	(424)	(387)	(412)	(1,623)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	688	827	639	887	688	2,929
Reported Significant items – Totals (\$m)						
Revenue	(3)	—	(2)	—	—	16
ECL	—	—	—	—	—	—
Operating expenses	(12)	(2)	(8)	(3)	(3)	(9)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,058	933	927	854	833	3,778
<i>of which: net interest income</i>	<i>720</i>	<i>658</i>	<i>594</i>	<i>585</i>	<i>576</i>	<i>2,556</i>
Change in expected credit losses and other credit impairment charges	(29)	186	64	306	154	758
Total operating expenses	(326)	(344)	(385)	(349)	(368)	(1,614)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	703	775	606	811	619	2,922
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	80,400	86,381	87,538	88,583	90,826	87,538
Loans and advances to customers (net)	79,349	85,237	86,076	87,007	88,849	86,076
Total external assets	170,196	183,175	189,646	175,130	179,376	189,646
Customer accounts	124,349	134,665	139,308	136,220	139,324	139,308
Risk-weighted assets	67,806	72,965	77,033	75,751	79,698	77,033
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	79,349	78,939	77,376	78,491	78,207	86,076
Customer accounts	124,349	124,716	125,227	122,887	122,636	139,308

HSBC
HSBC UK
UK ring-fenced bank

HSBC UK – Global Banking and Markets

Reported (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Reported Significant items – Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges

of which: net interest income

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Balance sheet – reported (\$m)

Loans and advances to customers (gross)

Loans and advances to customers (net)

Total external assets

Customer accounts

Risk-weighted assets

Balance sheet data – at most recent balance sheet date FX rates (\$m)

Loans and advances to customers (net)

Customer accounts

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	46	47	44	43	43	171
<i>of which: net interest income</i>	—	—	—	—	—	—
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(11)	(11)	(11)	(10)	(10)	(44)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	35	36	33	33	33	127
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	46	44	43	39	37	171
<i>of which: net interest income</i>	—	—	—	—	—	—
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(11)	(10)	(10)	(9)	(9)	(44)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	35	34	33	30	28	127
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	57	35	44	36	35	44
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	549	519	727	848	970	727
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

HSBC
HSBC UK
UK ring-fenced bank

RECONCILING ITEMS

HSBC UK – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(148)	(157)	(193)	(220)	
Significant items						
Customer redress programmes	(12)	(2)	(7)	—	—	11
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	1	5	—	—	4
Currency translation on significant items		1	—	—	—	
ECL currency translation		(5)	(20)	(51)	(27)	
Operating expenses (\$m)						
Currency translation		78	97	109	138	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	5	(4)	(25)	(7)	(27)	(49)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(128)	(84)	(96)	(77)	(94)	(356)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items		5	7	8	12	
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		—	—	—	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items		—	—	—	—	
HSBC UK – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	(9)	79	79	105	120	(7)
ECL significant items and currency translation (\$m)	—	(8)	10	21	12	—
Operating expense significant items and currency translation (\$m)	(1)	(77)	(85)	(75)	(123)	(126)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC

HSBC UK

UK ring-fenced bank

HSBC UK – Commercial Banking

Revenue significant items and currency translation (\$m)	(3)	65	68	84	96	16
ECL significant items and currency translation (\$m)	—	13	4	30	17	—
Operating expense significant items and currency translation (\$m)	(12)	(26)	(39)	(38)	(44)	(9)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC UK – Global Banking and Markets

Revenue significant items and currency translation (\$m)	—	3	1	4	6	—
ECL significant items and currency translation (\$m)	—	—	—	—	—	—
Operating expense significant items and currency translation (\$m)	—	(1)	(1)	(1)	(1)	—
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC UK – Corporate Centre

Revenue significant items and currency translation (\$m)	—	1	5	—	1	7
ECL significant items and currency translation (\$m)	—	—	6	—	(3)	—
Operating expense significant items and currency translation (\$m)	(112)	(57)	(88)	(71)	(78)	(271)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net interest income	649	634	645	572	587	2,411
Net fee income	422	412	413	498	504	1,945
Other operating income	750	1,193	908	726	1,060	4,068
Net operating income before change in expected credit losses and other credit impairment charges	1,821	2,239	1,966	1,796	2,151	8,424
Change in expected credit losses and other credit impairment charges	10	(262)	46	95	52	239
Total operating expenses	(1,498)	(1,866)	(1,986)	(1,749)	(1,808)	(7,511)
Share of profit in associates and joint ventures	(1)	(27)	15	99	17	263
Profit/(loss) before tax	332	84	41	241	412	1,415
Reported significant items – Totals (\$m)						
Revenue	(238)	2	(133)	(94)	5	(286)
ECL	—	—	—	—	—	—
Operating expenses	(140)	(113)	(153)	(134)	(110)	(473)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,059	2,130	1,966	1,726	1,927	8,710
<i>of which: net interest income</i>	<i>649</i>	<i>606</i>	<i>603</i>	<i>521</i>	<i>523</i>	<i>2,411</i>
Change in expected credit losses and other credit impairment charges	10	(247)	43	86	46	239
Total operating expenses	(1,358)	(1,657)	(1,707)	(1,469)	(1,519)	(7,038)
Share of profit in associates and joint ventures	(1)	(25)	13	90	15	263
Profit/(loss) before tax	710	201	315	433	469	2,174
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	116,394	127,089	124,515	129,083	130,193	124,515
Loans and advances to customers (net)	114,905	125,436	122,954	127,407	128,405	122,954
Total external assets	799,584	799,727	759,119	796,973	813,446	759,119
Customer accounts	267,788	278,247	270,975	278,480	270,732	270,975
Risk-weighted assets	147,181	148,431	141,179	153,825	153,099	141,179
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	114,905	117,350	112,162	114,909	113,088	122,954
Customer accounts	267,788	259,890	246,400	251,647	238,856	270,975

HSBC
HSBC Bank
Non ring-fenced bank

RECONCILING ITEMS

HSBC Bank – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(107)	(123)	(155)	(221)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(278)	—	—	—	—	—
Fair value movements on financial instruments	47	16	(6)	9	1	(6)
Restructuring and other related costs	(7)	(14)	(127)	(103)	4	(280)
Currency translation on significant items	—	—	10	9	(2)	—
ECL currency translation		15	(3)	(9)	(6)	
Operating expenses (\$m)						
Currency translation		103	134	158	192	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	5	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(9)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(136)	(113)	(151)	(134)	(111)	(473)
Settlements and provisions in connection with legal and regulatory matters	—	—	(2)	—	1	—
Currency translation on significant items	—	7	8	12	13	—
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		2	(2)	(9)	(2)	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
HSBC Bank – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	24	23	35	46	1
ECL significant items and currency translation (\$m)	—	(1)	—	2	—	—
Operating expense significant items and currency translation (\$m)	—	(22)	(20)	(33)	(43)	(9)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank – Commercial Banking

Revenue significant items and currency translation (\$m)	1	17	26	33	40	1
ECL significant items and currency translation (\$m)	—	(2)	(2)	2	—	—
Operating expense significant items and currency translation (\$m)	(13)	(15)	(11)	(30)	(10)	2
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC Bank – Global Banking and Markets

Revenue significant items and currency translation (\$m)	39	69	(47)	5	40	(385)
ECL significant items and currency translation (\$m)	—	(13)	5	6	5	—
Operating expense significant items and currency translation (\$m)	(29)	(80)	(151)	(132)	(139)	(142)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC Bank – Corporate Centre

Revenue significant items and currency translation (\$m)	(277)	(2)	(1)	(2)	97	96
ECL significant items and currency translation (\$m)	—	—	—	—	—	—
Operating expense significant items and currency translation (\$m)	(99)	(92)	(100)	(86)	(97)	(324)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	(2)	2	9	2	—

HSBC
Europe – Other

Europe – Other – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net interest income/(expense)	(669)	(600)	(675)	(445)	(598)	(2,353)
Net fee income	113	126	128	98	106	453
Other operating income	932	733	1,519	1,091	1,390	4,985
Net operating income before change in expected credit losses and other credit impairment charges	376	259	972	744	898	3,085
Change in expected credit losses and other credit impairment charges	149	(151)	(2)	(1)	—	—
Total operating expenses	(1,330)	(1,111)	(1,495)	(1,338)	(1,399)	(5,511)
Share of profit in associates and joint ventures	3	2	(1)	2	1	5
Profit/(loss) before tax	(802)	(1,001)	(526)	(593)	(500)	(2,421)
Reported Significant items – Totals (\$m)						
Revenue	(79)	(109)	156	27	151	146
ECL	—	—	—	—	—	—
Operating expenses	(187)	(184)	(119)	(122)	(126)	(489)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	455	299	755	624	648	2,939
<i>of which: net interest income/(expense)</i>	<i>(668)</i>	<i>(601)</i>	<i>(676)</i>	<i>(447)</i>	<i>(598)</i>	<i>(2,354)</i>
Change in expected credit losses and other credit impairment charges	149	(152)	2	(1)	(2)	—
Total operating expenses	(1,143)	(868)	(1,333)	(1,143)	(1,190)	(5,022)
Share of profit in associates and joint ventures	3	2	(1)	2	1	5
Profit/(loss) before tax	(536)	(719)	(577)	(518)	(543)	(2,078)
	Balance sheet date					Balance sheet date
Balance sheet – reported (\$m)	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	8,730	9,359	9,586	9,032	9,213	9,586
Loans and advances to customers (net)	8,708	9,138	9,512	8,949	9,133	9,512
Total external assets	40,299	48,993	48,262	40,483	36,698	48,262
Customer accounts	13,344	14,713	15,312	15,833	15,053	15,312
Risk-weighted assets	680	5,120	6,625	(3,018)	(94)	6,625
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	8,708	8,794	9,042	8,674	8,746	9,512
Customer accounts	13,344	14,068	14,410	15,017	14,097	15,312

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Europe – Other

RECONCILING ITEMS

Europe Other – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(77)	(72)	(100)	(109)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(10)	—	—	—	—	—
Fair value movements on financial instruments	(171)	(200)	32	(73)	47	(220)
Restructuring and other related costs	102	91	124	100	104	366
Currency translation on significant items		(8)	(11)	(7)	(10)	
ECL currency translation		(1)	4	—	(2)	
Operating expenses (\$m)						
Currency translation		70	53	82	94	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(187)	(184)	(121)	(122)	(125)	(489)
Settlements and provisions in connection with legal and regulatory matters	—	—	2	—	(1)	—
Currency translation on significant items		11	10	9	11	
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		—	—	—	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items		—	—	—	—	
Europe - Other – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	(5)	10	12	17	30	(16)
ECL significant items and currency translation (\$m)	—	1	4	(2)	(1)	—
Operating expense significant items and currency translation (\$m)	(15)	(13)	(31)	(19)	(32)	(17)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

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Europe – Other

Europe - Other – Commercial Banking

Revenue significant items and currency translation (\$m)	(1)	3	2	9	11	(2)
ECL significant items and currency translation (\$m)	—	(1)	3	—	—	—
Operating expense significant items and currency translation (\$m)	10	(13)	—	(5)	(19)	(20)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Europe - Other – Global Banking and Markets

Revenue significant items and currency translation (\$m)	(2)	18	5	18	22	(5)
ECL significant items and currency translation (\$m)	—	—	(2)	—	1	—
Operating expense significant items and currency translation (\$m)	(4)	(34)	(11)	(16)	(27)	3
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Europe - Other – Corporate Centre

Revenue significant items and currency translation (\$m)	(73)	(71)	191	74	186	167
ECL significant items and currency translation (\$m)	—	—	—	—	2	—
Operating expense significant items and currency translation (\$m)	(174)	(183)	(113)	(152)	(134)	(457)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	1	(3)	—	1	—

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Asia

Asia – Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,856	2,431	2,552	2,764	2,980	11,224
<i>of which: net interest income</i>	<i>1,826</i>	<i>1,673</i>	<i>1,628</i>	<i>1,614</i>	<i>1,618</i>	<i>6,514</i>
Change in expected credit losses and other credit impairment charges	(36)	(43)	(22)	(69)	(6)	(157)
Total operating expenses	(1,746)	(1,723)	(1,732)	(1,677)	(1,662)	(6,719)
Share of profit in associates and joint ventures	(2)	6	9	2	—	18
Profit/(loss) before tax	1,072	671	807	1,020	1,312	4,366
Reported Significant items – Totals (\$m)						
Revenue	6	5	5	4	(2)	14
ECL	—	—	—	—	—	—
Operating expenses	(11)	(17)	(25)	(16)	(19)	(72)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	2,850	2,391	2,505	2,716	2,920	11,210
<i>of which: net interest income</i>	<i>1,826</i>	<i>1,651</i>	<i>1,604</i>	<i>1,588</i>	<i>1,582</i>	<i>6,514</i>
Change in expected credit losses and other credit impairment charges	(36)	(43)	(21)	(67)	(7)	(157)
Total operating expenses	(1,735)	(1,677)	(1,677)	(1,626)	(1,596)	(6,647)
Share of profit in associates and joint ventures	(2)	5	8	2	—	18
Profit/(loss) before tax	1,077	676	815	1,025	1,317	4,424
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	198,603	200,368	198,812	196,771	205,547	198,812
Loans and advances to customers (net)	197,887	199,604	198,044	195,985	204,738	198,044
Total external assets	419,581	418,674	409,817	406,773	404,637	409,817
Customer accounts	437,429	443,077	436,980	428,522	425,545	436,980
Risk-weighted assets	86,865	87,036	84,585	84,006	90,669	84,585
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	197,887	195,653	193,980	192,204	199,581	198,044
Customer accounts	437,429	438,257	430,692	422,397	417,625	436,980

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Asia

Asia – Commercial Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,543	1,496	1,320	1,391	1,364	5,503
<i>of which: net interest income</i>	<i>1,158</i>	<i>997</i>	<i>954</i>	<i>938</i>	<i>924</i>	<i>3,745</i>
Change in expected credit losses and other credit impairment charges	(192)	(203)	(190)	(53)	(160)	(423)
Total operating expenses	(687)	(680)	(697)	(671)	(701)	(2,716)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	664	613	433	667	503	2,364
Reported Significant items – Totals (\$m)						
Revenue	1	1	1	—	(1)	1
ECL	—	—	—	—	—	—
Operating expenses	(12)	(8)	(15)	(6)	(12)	(32)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,542	1,465	1,294	1,361	1,327	5,502
<i>of which: net interest income</i>	<i>1,158</i>	<i>976</i>	<i>932</i>	<i>918</i>	<i>900</i>	<i>3,745</i>
Change in expected credit losses and other credit impairment charges	(192)	(200)	(184)	(53)	(156)	(423)
Total operating expenses	(675)	(659)	(669)	(650)	(670)	(2,684)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	675	606	441	658	501	2,395
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	172,936	174,625	171,463	168,089	170,406	171,463
Loans and advances to customers (net)	169,985	171,736	168,745	165,488	167,805	168,745
Total external assets	263,111	264,768	256,860	253,286	247,119	256,860
Customer accounts	208,741	210,941	212,793	197,645	194,835	212,793
Risk-weighted assets	161,984	157,380	149,323	145,206	144,951	149,323
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	169,985	168,008	164,540	161,678	163,353	168,745
Customer accounts	208,741	207,343	208,408	193,787	190,328	212,793

HSBC

Asia

Asia – Global Banking and Markets

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	1,944	1,832	1,553	1,883	1,756	7,202
<i>of which: net interest income</i>	<i>733</i>	<i>686</i>	<i>703</i>	<i>679</i>	<i>654</i>	<i>2,704</i>
Change in expected credit losses and other credit impairment charges	9	(64)	(319)	17	(7)	(258)
Total operating expenses	(956)	(934)	(980)	(916)	(938)	(3,751)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	997	834	254	984	811	3,193
Reported Significant items – Totals (\$m)						
Revenue	43	15	(5)	6	(1)	—
ECL	—	—	—	—	—	—
Operating expenses	(8)	(4)	(3)	(9)	(9)	(26)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,901	1,773	1,513	1,828	1,697	7,202
<i>of which: net interest income</i>	<i>733</i>	<i>669</i>	<i>685</i>	<i>663</i>	<i>635</i>	<i>2,704</i>
Change in expected credit losses and other credit impairment charges	9	(63)	(316)	18	(7)	(258)
Total operating expenses	(948)	(910)	(952)	(882)	(900)	(3,725)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	962	800	245	964	790	3,219
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	125,145	127,251	126,158	126,195	129,610	126,158
Loans and advances to customers (net)	124,489	126,584	125,538	125,893	129,299	125,538
Total external assets	490,593	486,932	471,966	471,367	452,681	471,966
Customer accounts	132,979	140,696	142,322	145,293	139,563	142,322
Risk-weighted assets	119,528	118,841	116,560	116,274	118,973	116,560
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	124,489	123,966	122,493	123,206	125,943	125,538
Customer accounts	132,979	136,640	137,059	140,474	133,777	142,322

HSBC

Asia

Asia – Corporate Centre

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	478	371	503	537	384	1,832
<i>of which: net interest expense</i>	<i>(210)</i>	<i>(78)</i>	<i>(94)</i>	<i>(92)</i>	<i>(86)</i>	<i>(366)</i>
Change in expected credit losses and other credit impairment charges	—	—	1	—	—	(1)
Total operating expenses	(389)	(357)	(569)	(445)	(477)	(1,973)
Share of profit in associates and joint ventures	673	675	576	541	648	2,468
Profit/(loss) before tax	762	689	511	633	555	2,326
Reported Significant items – Totals (\$m)						
Revenue	49	45	48	48	36	149
ECL	—	—	—	—	—	—
Operating expenses	(128)	(92)	(140)	(93)	(102)	(377)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	429	313	442	476	339	1,683
<i>of which: net interest expense</i>	<i>(210)</i>	<i>(77)</i>	<i>(90)</i>	<i>(91)</i>	<i>(85)</i>	<i>(366)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	(1)
Total operating expenses	(261)	(254)	(418)	(340)	(369)	(1,596)
Share of profit in associates and joint ventures	673	647	556	529	633	2,468
Profit/(loss) before tax	841	706	580	665	603	2,554
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	186	196	197	193	517	197
Loans and advances to customers (net)	186	196	197	193	517	197
Total external assets	92,388	92,069	90,249	88,625	111,002	90,249
Customer accounts	4	4	4	4	5	4
Risk-weighted assets	42,359	42,262	45,738	47,410	52,524	45,738
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	186	194	194	190	510	197
Customer accounts	4	3	3	3	4	4

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Asia

RECONCILING ITEMS

Asia – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(122)	(128)	(139)	(169)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	56	20	(9)	3	(3)	(11)
Restructuring and other related costs	43	47	62	54	33	175
Currency translation on significant items	—	(2)	(1)	(2)	(1)	—
ECL currency translation		5	7	3	5	
Operating expenses (\$m)						
Currency translation		76	86	87	104	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(161)	(120)	(182)	(125)	(143)	(509)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	2	3	2	4	—
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		(27)	(19)	(12)	(16)	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
Asia – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	6	40	47	48	60	14
ECL significant items and currency translation (\$m)	—	—	(1)	(2)	1	—
Operating expense significant items and currency translation (\$m)	(11)	(46)	(55)	(51)	(66)	(72)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	1	1	—	—	—

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Asia

Asia – Commercial Banking

Revenue significant items and currency translation (\$m)	1	31	26	30	37	1
ECL significant items and currency translation (\$m)	—	(3)	(6)	—	(4)	—
Operating expense significant items and currency translation (\$m)	(12)	(21)	(28)	(21)	(31)	(32)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Asia – Global Banking and Markets

Revenue significant items and currency translation (\$m)	43	59	40	55	59	—
ECL significant items and currency translation (\$m)	—	(1)	(3)	(1)	—	—
Operating expense significant items and currency translation (\$m)	(8)	(24)	(28)	(34)	(38)	(26)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Asia – Corporate Centre

Revenue significant items and currency translation (\$m)	49	58	61	61	45	149
ECL significant items and currency translation (\$m)	—	—	1	—	—	—
Operating expense significant items and currency translation (\$m)	(128)	(103)	(151)	(105)	(108)	(377)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	28	20	12	15	—

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

HSBC Hong Kong

Hong Kong – Commercial Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	805	790	704	763	729	2,999
<i>of which: net interest income</i>	623	514	498	492	481	1,977
Change in expected credit losses and other credit impairment charges	(161)	(136)	(156)	(36)	2	(241)
Total operating expenses	(369)	(362)	(389)	(357)	(360)	(1,455)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	275	292	159	370	371	1,303
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	(1)	—
ECL	—	—	—	—	—	—
Operating expenses	(11)	(5)	(12)	(6)	(9)	(29)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	805	785	700	756	722	2,999
<i>of which: net interest income</i>	623	511	495	488	476	1,977
Change in expected credit losses and other credit impairment charges	(161)	(135)	(156)	(36)	2	(241)
Total operating expenses	(358)	(354)	(373)	(349)	(347)	(1,426)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	286	296	171	371	377	1,332
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	102,932	102,932	104,561	103,423	105,992	104,561
Loans and advances to customers (net)	101,567	101,684	103,438	102,402	104,983	103,438
Total external assets	148,847	148,433	147,920	147,018	146,129	147,920
Customer accounts	136,536	138,583	142,043	131,946	131,859	142,043
Risk-weighted assets	80,836	76,881	74,592	73,270	74,265	74,592
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	101,567	101,469	102,805	101,633	103,901	103,438
Customer accounts	136,536	138,290	141,173	130,956	130,499	142,043

HSBC Hong Kong

Hong Kong – Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	829	755	576	862	756	3,112
<i>of which: net interest income</i>	<i>276</i>	<i>240</i>	<i>245</i>	<i>242</i>	<i>234</i>	<i>949</i>
Change in expected credit losses and other credit impairment charges	(31)	(20)	(311)	33	(3)	(255)
Total operating expenses	(513)	(501)	(536)	(471)	(462)	(1,937)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	285	234	(271)	424	291	920
Reported Significant items – Totals (\$m)						
Revenue	28	7	(3)	4	(2)	(1)
ECL	—	—	—	—	—	—
Operating expenses	(5)	(2)	(2)	(7)	(4)	(15)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	801	744	574	852	751	3,113
<i>of which: net interest income</i>	<i>276</i>	<i>239</i>	<i>245</i>	<i>240</i>	<i>230</i>	<i>949</i>
Change in expected credit losses and other credit impairment charges	(31)	(20)	(309)	33	(3)	(255)
Total operating expenses	(508)	(497)	(531)	(460)	(453)	(1,922)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	262	227	(266)	425	295	936
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	75,985	76,205	76,016	78,449	82,536	76,016
Loans and advances to customers (net)	75,469	75,729	75,551	78,294	82,346	75,551
Total external assets	268,838	273,293	262,300	260,125	252,487	262,300
Customer accounts	51,765	59,133	53,775	57,528	51,862	53,775
Risk-weighted assets	59,681	56,239	57,151	55,858	56,976	57,151
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	75,469	75,569	75,088	77,707	81,497	75,551
Customer accounts	51,765	59,008	53,446	57,096	51,327	53,775

HSBC Hong Kong

RECONCILING ITEMS

Hong Kong – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(16)	(21)	(30)	(36)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	43	13	(7)	2	(2)	(7)
Restructuring and other related costs	(29)	(11)	(11)	(20)	(14)	(54)
Currency translation on significant items	—	—	—	—	—	—
ECL currency translation		1	3	—	—	
Operating expenses (\$m)						
Currency translation		10	14	15	18	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(80)	(52)	(97)	(44)	(61)	(227)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	—	1	—	—	—
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		—	1	(1)	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
Hong Kong – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	2	10	14	20	18	4
ECL significant items and currency translation (\$m)	—	(1)	—	—	(1)	—
Operating expense significant items and currency translation (\$m)	(6)	(15)	(22)	(18)	(15)	(39)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	1	—	(1)	—

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Hong Kong

Hong Kong – Commercial Banking

Revenue significant items and currency translation (\$m)	—	5	4	7	7	—
ECL significant items and currency translation (\$m)	—	(1)	—	—	—	—
Operating expense significant items and currency translation (\$m)	(11)	(8)	(16)	(8)	(13)	(29)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Hong Kong – Global Banking and Markets

Revenue significant items and currency translation (\$m)	28	11	2	10	5	(1)
ECL significant items and currency translation (\$m)	—	—	(2)	—	—	—
Operating expense significant items and currency translation (\$m)	(5)	(4)	(5)	(11)	(9)	(15)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Hong Kong – Corporate Centre

Revenue significant items and currency translation (\$m)	(17)	(8)	(16)	(24)	(10)	(63)
ECL significant items and currency translation (\$m)	—	—	—	—	—	—
Operating expense significant items and currency translation (\$m)	(57)	(33)	(68)	(22)	(42)	(145)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	(1)	—	—	—

HSBC Mainland China

Mainland China – Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	218	194	223	199	219	857
<i>of which: net interest income</i>	<i>114</i>	<i>111</i>	<i>107</i>	<i>101</i>	<i>101</i>	<i>409</i>
Change in expected credit losses and other credit impairment charges	(10)	(6)	(13)	(6)	(4)	(25)
Total operating expenses	(225)	(226)	(276)	(219)	(227)	(927)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(17)	(38)	(66)	(26)	(12)	(95)
Reported Significant items – Totals (\$m)						
Revenue	—	—	1	—	—	1
ECL	—	—	—	—	—	—
Operating expenses	(1)	(1)	(4)	(1)	—	(5)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	218	186	212	195	215	856
<i>of which: net interest income</i>	<i>114</i>	<i>107</i>	<i>104</i>	<i>99</i>	<i>97</i>	<i>409</i>
Change in expected credit losses and other credit impairment charges	(10)	(6)	(12)	(6)	(4)	(25)
Total operating expenses	(224)	(216)	(261)	(213)	(222)	(922)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(16)	(36)	(61)	(24)	(11)	(91)
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	11,092	11,684	11,629	11,384	11,091	11,629
Loans and advances to customers (net)	11,018	11,608	11,553	11,308	11,015	11,553
Total external assets	18,669	19,667	19,933	19,793	18,199	19,933
Customer accounts	13,815	14,131	13,976	13,234	12,942	13,976
Risk-weighted assets	5,681	5,961	6,005	5,865	5,669	6,005
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	11,018	10,995	10,971	10,904	10,627	11,553
Customer accounts	13,815	13,385	13,272	12,760	12,486	13,976

HSBC Mainland China

Mainland China – Commercial Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	204	226	194	204	197	787
<i>of which: net interest income</i>	<i>165</i>	<i>165</i>	<i>161</i>	<i>161</i>	<i>151</i>	<i>616</i>
Change in expected credit losses and other credit impairment charges	(38)	(34)	(21)	(26)	(20)	(48)
Total operating expenses	(111)	(110)	(116)	(117)	(119)	(451)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	55	82	57	61	58	288
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(1)	—	—	2
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	204	216	187	200	192	787
<i>of which: net interest income</i>	<i>165</i>	<i>158</i>	<i>156</i>	<i>157</i>	<i>148</i>	<i>616</i>
Change in expected credit losses and other credit impairment charges	(38)	(32)	(20)	(25)	(19)	(48)
Total operating expenses	(111)	(106)	(111)	(115)	(116)	(453)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	55	78	56	60	57	286
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	25,146	26,539	24,612	23,997	23,942	24,612
Loans and advances to customers (net)	24,917	26,325	24,429	23,821	23,763	24,429
Total external assets	36,463	38,454	36,546	35,821	33,388	36,546
Customer accounts	19,163	19,281	20,481	18,536	18,443	20,481
Risk-weighted assets	29,532	29,485	27,601	25,738	25,379	27,601
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	24,917	24,935	23,198	22,969	22,927	24,429
Customer accounts	19,163	18,263	19,449	17,873	17,793	20,481

HSBC Mainland China

Mainland China – Global Banking and Markets

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	314	271	264	274	266	1,077
<i>of which: net interest income</i>	<i>158</i>	<i>168</i>	<i>178</i>	<i>167</i>	<i>164</i>	<i>669</i>
Change in expected credit losses and other credit impairment charges	(18)	(34)	(11)	(6)	4	(14)
Total operating expenses	(115)	(109)	(116)	(122)	(123)	(477)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	181	128	137	146	147	586
Reported Significant items - Totals (\$m)						
Revenue	1	1	(2)	—	1	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	313	259	258	268	259	1,078
<i>of which: net interest income</i>	<i>158</i>	<i>161</i>	<i>170</i>	<i>163</i>	<i>161</i>	<i>669</i>
Change in expected credit losses and other credit impairment charges	(18)	(32)	(13)	(6)	5	(14)
Total operating expenses	(115)	(104)	(114)	(120)	(119)	(477)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	180	123	131	142	145	587
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	17,026	17,982	18,274	16,941	16,343	18,274
Loans and advances to customers (net)	16,962	17,924	18,231	16,910	16,319	18,231
Total external assets	50,717	54,850	51,277	51,092	46,459	51,277
Customer accounts	22,602	21,068	24,809	22,688	25,842	24,809
Risk-weighted assets	19,699	19,914	17,637	17,272	17,633	17,637
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	16,962	16,977	17,312	16,305	15,744	18,231
Customer accounts	22,602	19,956	23,559	21,876	24,932	24,809

HSBC Mainland China

Mainland China – Corporate Centre

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	428	303	304	282	226	1,012
<i>of which: net interest expense</i>	<i>(1)</i>	<i>(10)</i>	<i>(14)</i>	<i>(3)</i>	<i>(2)</i>	<i>(21)</i>
Change in expected credit losses and other credit impairment charges	—	—	(2)	(1)	1	(1)
Total operating expenses	(258)	(268)	(249)	(254)	(210)	(918)
Share of profit in associates and joint ventures	671	672	572	539	648	2,461
Profit/(loss) before tax	841	707	625	566	665	2,554
Reported Significant items – Totals (\$m)						
Revenue	18	17	14	3	12	39
ECL	—	—	—	—	—	—
Operating expenses	(4)	(8)	(3)	(9)	(8)	(28)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	410	273	275	274	211	973
<i>of which: net interest expense</i>	<i>(1)</i>	<i>(9)</i>	<i>(15)</i>	<i>(3)</i>	<i>(1)</i>	<i>(21)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	(1)	—	(1)
Total operating expenses	(254)	(249)	(234)	(240)	(199)	(890)
Share of profit in associates and joint ventures	671	645	555	527	631	2,461
Profit/(loss) before tax	827	669	596	560	643	2,543
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	25	27	27	26	26	27
Loans and advances to customers (net)	25	27	27	26	26	27
Total external assets	28,556	31,453	32,033	28,802	35,696	32,033
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	29,577	31,957	34,261	34,079	34,796	34,261
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	25	25	25	25	25	27
Customer accounts	—	—	—	—	—	—

HSBC Mainland China

RECONCILING ITEMS

Mainland China – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(41)	(34)	(22)	(23)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	1	1	—	—	—	—
Restructuring and other related costs	18	18	17	3	11	41
Currency translation on significant items	—	(1)	—	(1)	—	—
ECL currency translation		2	3	—	—	
Operating expenses (\$m)						
Currency translation		29	25	16	16	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(5)	(10)	(11)	(10)	(7)	(32)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	—	1	—	—	—
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		(27)	(19)	(12)	(15)	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
Mainland China – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	8	11	4	4	1
ECL significant items and currency translation (\$m)	—	—	(1)	—	—	—
Operating expense significant items and currency translation (\$m)	(1)	(10)	(15)	(6)	(5)	(5)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

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Mainland China

Mainland China – Commercial Banking

Revenue significant items and currency translation (\$m)	—	10	7	4	5	—
ECL significant items and currency translation (\$m)	—	(2)	(1)	(1)	(1)	—
Operating expense significant items and currency translation (\$m)	—	(4)	(5)	(2)	(3)	2
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Mainland China – Global Banking and Markets

Revenue significant items and currency translation (\$m)	1	12	6	6	7	—
ECL significant items and currency translation (\$m)	—	(2)	2	—	(1)	—
Operating expense significant items and currency translation (\$m)	—	(5)	(2)	(2)	(4)	—
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Mainland China – Corporate Centre

Revenue significant items and currency translation (\$m)	18	30	29	8	15	39
ECL significant items and currency translation (\$m)	—	—	(2)	—	1	—
Operating expense significant items and currency translation (\$m)	(4)	(19)	(15)	(14)	(11)	(28)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	27	17	12	17	—

HSBC Middle East and North Africa

Middle East and North Africa – TOTAL

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net interest income	362	341	328	321	320	1,299
Net fee income	216	215	215	187	185	774
Other operating income	36	168	138	119	115	487
Net operating income before change in expected credit losses and other credit impairment charges¹	614	724	681	627	620	2,560
Change in expected credit losses and other credit impairment charges ¹	6	43	(28)	44	61	132
Total operating expenses ¹	(376)	(380)	(401)	(358)	(397)	(1,544)
Share of profit/(loss) in associates and joint ventures	119	(2)	70	65	102	275
Profit/(loss) before tax¹	363	385	322	378	386	1,423
Reported Significant items – Totals (\$m)						
Revenue	4	1	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(10)	(12)	(19)	(15)	(11)	(56)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	610	693	636	577	571	2,560
<i>of which: net interest income</i>	<i>362</i>	<i>323</i>	<i>301</i>	<i>291</i>	<i>288</i>	<i>1,299</i>
Change in expected credit losses and other credit impairment charges	6	45	(26)	47	59	132
Total operating expenses	(366)	(359)	(366)	(319)	(358)	(1,488)
Share of profit/(loss) in associates and joint ventures	119	(2)	70	66	102	275
Profit/(loss) before tax	369	377	314	371	374	1,479
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	29,479	27,873	27,756	28,547	29,211	27,756
Loans and advances to customers (net)	28,348	26,708	26,375	27,095	27,608	26,375
Total external assets	68,921	67,689	66,945	64,478	63,515	66,945
Customer accounts	44,008	43,873	42,629	42,089	41,086	42,629
Risk-weighted assets ²	60,856	60,738	60,223	60,319	59,476	60,223
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	28,348	26,357	25,573	25,555	25,835	26,375
Customer accounts	44,008	43,180	40,634	38,881	37,861	42,629

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Middle East and North Africa

Middle East and North Africa – Commercial Banking

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	105	156	156	158	153	612
<i>of which: net interest income</i>	108	95	97	99	95	380
Change in expected credit losses and other credit impairment charges	—	19	(39)	(16)	(2)	(39)
Total operating expenses	(79)	(80)	(97)	(74)	(84)	(338)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	26	95	20	68	67	235
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	(1)	(1)	—	(2)	(5)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	105	149	143	142	140	612
<i>of which: net interest income</i>	108	90	89	87	82	380
Change in expected credit losses and other credit impairment charges	—	20	(35)	(14)	(4)	(39)
Total operating expenses	(77)	(77)	(91)	(68)	(78)	(333)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	28	92	17	60	58	240
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	10,854	10,817	10,988	11,342	11,765	10,988
Loans and advances to customers (net)	9,946	9,885	9,867	10,197	10,538	9,867
Total external assets	16,257	16,832	17,229	17,205	17,516	17,229
Customer accounts	9,552	9,752	9,173	8,772	8,748	9,173
Risk-weighted assets	14,749	14,465	14,763	15,498	15,736	14,763
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	9,946	9,671	9,401	9,340	9,508	9,867
Customer accounts	9,552	9,657	8,918	8,323	8,274	9,173

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Middle East and North Africa

Middle East and North Africa – Corporate Centre

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	1	3	5	6	5	25
<i>of which: net interest income/(expense)</i>	<i>(11)</i>	<i>(10)</i>	<i>(9)</i>	<i>(11)</i>	<i>(10)</i>	<i>(22)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	1
Total operating expenses	(23)	(26)	(23)	(30)	(30)	(112)
Share of profit/(loss) in associates and joint ventures	119	(2)	69	66	102	275
Profit/(loss) before tax	97	(25)	51	42	77	189
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(6)	(9)	(13)	(13)	(8)	(43)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1	3	4	7	7	25
<i>of which: net interest income/(expense)</i>	<i>(11)</i>	<i>(9)</i>	<i>(8)</i>	<i>(7)</i>	<i>(7)</i>	<i>(22)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	1
Total operating expenses	(17)	(17)	(9)	(18)	(24)	(69)
Share of profit/(loss) in associates and joint ventures	119	(2)	70	66	102	275
Profit/(loss) before tax	103	(16)	65	55	85	232
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	6,832	6,467	6,502	6,403	6,231	6,502
Customer accounts	1	8	3	—	2	3
Risk-weighted assets	23,400	22,347	22,310	21,459	20,929	22,310
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	1	8	3	—	2	3

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Middle East and North Africa

RECONCILING ITEMS

Middle East and North Africa – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(30)	(45)	(50)	(49)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	4	1	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—
Currency translation on significant items	—	—	—	—	—	—
ECL currency translation		2	2	3	(2)	
Operating expenses (\$m)						
Currency translation		10	17	25	29	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(10)	(12)	(19)	(15)	(11)	(56)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	1	1	1	1	—
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		—	—	1	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
Middle East and North Africa – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	9	17	18	17	—
ECL significant items and currency translation (\$m)	—	—	—	(1)	—	—
Operating expense significant items and currency translation (\$m)	(1)	(7)	(13)	(15)	(17)	(7)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

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Middle East and North Africa

Middle East and North Africa – Commercial Banking

Revenue significant items and currency translation (\$m)	—	7	13	16	13	—
ECL significant items and currency translation (\$m)	—	(1)	(4)	(2)	2	—
Operating expense significant items and currency translation (\$m)	(2)	(3)	(6)	(6)	(6)	(5)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Middle East and North Africa – Global Banking and Markets

Revenue significant items and currency translation (\$m)	4	15	21	18	18	—
ECL significant items and currency translation (\$m)	—	—	2	—	—	—
Operating expense significant items and currency translation (\$m)	(1)	(4)	(4)	(6)	(7)	(1)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Middle East and North Africa – Corporate Centre

Revenue significant items and currency translation (\$m)	—	—	1	(1)	(2)	—
ECL significant items and currency translation (\$m)	—	—	—	—	—	—
Operating expense significant items and currency translation (\$m)	(6)	(9)	(14)	(12)	(6)	(43)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	(1)	—	—	—

1 Losses due to the impacts of hyperinflation on monetary items in Turkey. The total impact of applying IAS 29 and the hyperinflation provisions of IAS 21 in the current quarter is a decrease in the Group's profit before tax of \$114m, comprising a decrease in revenue of \$113m, and an increase in ECL and operating expenses of \$1m.

2 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

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North America

North America – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net interest income	803	724	700	712	729	2,845
Net fee income	475	522	524	522	501	2,056
Other operating income	274	391	329	216	272	1,153
Net operating income before change in expected credit losses and other credit impairment charges	1,552	1,637	1,553	1,450	1,502	6,054
Change in expected credit losses and other credit impairment charges	(105)	58	(19)	45	108	238
Total operating expenses	(1,142)	(1,142)	(1,323)	(1,137)	(1,289)	(4,918)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	305	553	211	358	321	1,374
Reported Significant items – Totals (\$m)						
Revenue	4	101	14	(21)	(3)	(10)
ECL	—	—	—	—	—	—
Operating expenses	(92)	(63)	(179)	(62)	(153)	(432)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,548	1,534	1,532	1,465	1,486	6,064
<i>of which: net interest income</i>	<i>803</i>	<i>721</i>	<i>698</i>	<i>708</i>	<i>719</i>	<i>2,845</i>
Change in expected credit losses and other credit impairment charges	(105)	58	(19)	45	107	238
Total operating expenses	(1,050)	(1,077)	(1,139)	(1,071)	(1,127)	(4,486)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	393	515	374	439	466	1,816
	Balance sheet date					Balance sheet date
Balance sheet – reported (\$m)	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	116,685	113,270	109,392	107,088	107,244	109,392
Loans and advances to customers (net)	116,075	112,660	108,717	106,422	106,414	108,717
Total external assets	339,424	338,927	341,935	364,292	354,717	341,935
Customer accounts	168,699	174,376	178,565	179,100	176,152	178,565
Risk-weighted assets ¹	111,990	113,634	110,412	113,170	115,208	110,412
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	116,075	110,906	107,693	105,521	104,232	108,717
Customer accounts	168,699	172,618	177,468	178,144	173,800	178,565

HSBC North America

North America – Commercial Banking

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	531	493	508	487	473	1,914
<i>of which: net interest income</i>	<i>356</i>	<i>311</i>	<i>318</i>	<i>319</i>	<i>304</i>	<i>1,226</i>
Change in expected credit losses and other credit impairment charges	(110)	58	(6)	(23)	38	54
Total operating expenses	(234)	(240)	(241)	(225)	(241)	(945)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	187	311	261	239	270	1,023
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(7)	(4)	(2)	(6)	(6)	(14)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	531	491	505	484	465	1,914
<i>of which: net interest income</i>	<i>356</i>	<i>310</i>	<i>316</i>	<i>317</i>	<i>300</i>	<i>1,226</i>
Change in expected credit losses and other credit impairment charges	(110)	58	(7)	(23)	37	54
Total operating expenses	(227)	(235)	(235)	(217)	(233)	(931)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	194	314	263	244	269	1,037
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	50,808	48,621	45,323	43,578	44,615	45,323
Loans and advances to customers (net)	50,440	48,277	44,933	43,182	44,197	44,933
Total external assets	88,231	87,916	77,197	79,585	77,260	77,197
Customer accounts	63,521	64,407	68,844	67,329	66,303	68,844
Risk-weighted assets	54,655	52,734	51,280	50,207	49,459	51,280
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	50,440	47,499	44,498	42,803	43,264	44,933
Customer accounts	63,521	63,769	68,436	66,989	65,432	68,844

HSBC North America

North America – Corporate Centre

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	69	48	73	28	85	231
<i>of which: net interest expense</i>	<i>1</i>	18	(2)	(8)	5	(12)
Change in expected credit losses and other credit impairment charges	—	—	1	—	—	—
Total operating expenses	(179)	(129)	(234)	(135)	(161)	(637)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(110)	(81)	(160)	(107)	(76)	(406)
Reported Significant items – Totals (\$m)						
Revenue	3	6	4	(17)	3	(6)
ECL	—	—	—	—	—	—
Operating expenses	(66)	(50)	(154)	(45)	(67)	(299)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	66	41	72	43	81	237
<i>of which: net interest expense</i>	<i>1</i>	18	(1)	(8)	5	(12)
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(113)	(80)	(76)	(91)	(94)	(338)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(47)	(39)	(4)	(48)	(13)	(101)
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	5,823	5,624	5,383	4,893	4,933	5,383
Customer accounts	—	—	(5)	(5)	(5)	(5)
Risk-weighted assets	4,171	3,963	3,133	3,479	3,761	3,133
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	(5)	(5)	(5)	(5)

HSBC
North America

RECONCILING ITEMS

North America – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		(4)	(7)	(6)	(19)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	4	2	(1)	(4)	—	(5)
Restructuring and other related costs	—	99	15	(17)	(3)	(5)
Currency translation on significant items	—	(2)	—	—	—	—
ECL currency translation		—	—	—	(1)	
Operating expenses (\$m)						
Currency translation		2	5	4	11	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(92)	(63)	(179)	(62)	(153)	(432)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	—	—	—	2	—
Share of profit in associates and joint ventures significant items						
Currency translation		—	—	—	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items (\$m)	—	—	—	—	—	—
North America – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	94	19	1	7	14
ECL significant items and currency translation (\$m)	—	—	—	—	—	—
Operating expense significant items and currency translation (\$m)	(12)	(7)	(10)	(6)	(79)	(92)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

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North America

North America – Commercial Banking

Revenue significant items and currency translation (\$m)	—	2	3	3	8	—
ECL significant items and currency translation (\$m)	—	—	1	—	1	—
Operating expense significant items and currency translation (\$m)	(7)	(5)	(6)	(8)	(8)	(14)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

North America – Global Banking and Markets

Revenue significant items and currency translation (\$m)	2	2	(3)	(3)	(3)	(19)
ECL significant items and currency translation (\$m)	—	—	(1)	—	—	—
Operating expense significant items and currency translation (\$m)	(7)	(4)	(10)	(7)	(9)	(27)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

North America – Corporate Centre

Revenue significant items and currency translation (\$m)	3	7	1	(15)	4	(6)
ECL significant items and currency translation (\$m)	—	—	1	—	—	—
Operating expense significant items and currency translation (\$m)	(66)	(49)	(158)	(44)	(67)	(299)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

1 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

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US

RECONCILING ITEMS

US – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		—	—	—	1	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	3	1	(1)	(4)	1	(5)
Restructuring and other related costs	(1)	98	13	(18)	(3)	(9)
Currency translation on significant items		(2)	(1)	1	(1)	
ECL currency translation		—	—	—	1	
Operating expenses (\$m)						
Currency translation		—	(1)	—	2	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(75)	(52)	(157)	(45)	(121)	(355)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items		—	—	—	1	
Share of profit in associates and joint ventures significant items						
Currency translation		—	—	—	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items (\$m)		—	—	—	—	
US – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	92	19	(1)	(2)	14
ECL significant items and currency translation (\$m)	—	—	(1)	—	—	—
Operating expense significant items and currency translation (\$m)	(11)	(5)	(9)	(2)	(70)	(86)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

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US

US – Commercial Banking

Revenue significant items and currency translation (\$m)	—	—	—	—	—	—
ECL significant items and currency translation (\$m)	—	—	1	—	(1)	—
Operating expense significant items and currency translation (\$m)	(6)	(3)	(4)	(2)	(4)	(8)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

US – Global Banking and Markets

Revenue significant items and currency translation (\$m)	(1)	1	—	(4)	(9)	(19)
ECL significant items and currency translation (\$m)	—	—	(2)	—	1	—
Operating expense significant items and currency translation (\$m)	(6)	(4)	(7)	(7)	(7)	(24)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

US – Corporate Centre

Revenue significant items and currency translation (\$m)	2	4	(3)	(17)	4	(11)
ECL significant items and currency translation (\$m)	—	—	—	—	—	—
Operating expense significant items and currency translation (\$m)	(51)	(40)	(141)	(34)	(37)	(236)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

HSBC
Latin America

Latin America – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net interest income	653	607	611	574	524	2,195
Net fee income	138	125	129	131	126	514
Other operating income	165	93	56	72	123	349
Net operating income before change in expected credit losses and other credit impairment charges¹	956	825	796	777	773	3,058
Change in expected credit losses and other credit impairment charges ¹	(158)	(103)	(149)	18	(43)	(203)
Total operating expenses ¹	(583)	(554)	(1,196)	(585)	(528)	(2,791)
Share of profit in associates and joint ventures	1	3	1	12	2	17
Profit/(loss) before tax¹	216	171	(548)	222	204	81
Reported Significant items – Totals (\$m)						
Revenue	1	(1)	1	1	(1)	(5)
ECL	—	—	—	—	—	—
Operating expenses	(23)	(20)	(622)	(21)	(18)	(670)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	955	826	791	744	744	3,063
<i>of which: net interest income</i>	<i>653</i>	<i>601</i>	<i>598</i>	<i>543</i>	<i>496</i>	<i>2,195</i>
Change in expected credit losses and other credit impairment charges	(158)	(105)	(155)	13	(40)	(203)
Total operating expenses	(560)	(531)	(564)	(540)	(485)	(2,121)
Share of profit in associates and joint ventures	1	3	2	12	2	17
Profit/(loss) before tax	238	193	74	229	221	756
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	23,597	23,220	22,217	21,380	21,562	22,217
Loans and advances to customers (net)	22,462	22,094	21,107	20,293	20,351	21,107
Total external assets	47,550	48,241	44,539	45,583	46,407	44,539
Customer accounts	30,464	31,115	29,513	28,362	27,909	29,513
Risk-weighted assets ²	37,870	37,956	35,915	34,438	34,845	35,915
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	22,462	21,639	21,148	20,347	19,797	21,107
Customer accounts	30,464	30,263	29,178	27,974	26,686	29,513

HSBC Latin America

Latin America – Wealth and Personal Banking

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	557	512	490	497	483	1,901
<i>of which: net interest income</i>	<i>436</i>	<i>390</i>	<i>393</i>	<i>369</i>	<i>340</i>	<i>1,422</i>
Change in expected credit losses and other credit impairment charges	(148)	(122)	(124)	(10)	(71)	(246)
Total operating expenses	(363)	(333)	(955)	(380)	(338)	(1,976)
Share of profit in associates and joint ventures	1	3	1	12	2	17
Profit/(loss) before tax	47	60	(588)	119	76	(304)
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(5)	(1)	(591)	(4)	(3)	(599)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	557	515	494	482	470	1,901
<i>of which: net interest income</i>	<i>436</i>	<i>390</i>	<i>392</i>	<i>357</i>	<i>328</i>	<i>1,422</i>
Change in expected credit losses and other credit impairment charges	(148)	(124)	(127)	(13)	(69)	(246)
Total operating expenses	(358)	(330)	(358)	(361)	(321)	(1,377)
Share of profit in associates and joint ventures	1	3	2	12	2	17
Profit/(loss) before tax	52	64	11	120	82	295
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	11,145	10,682	10,039	9,382	9,020	10,039
Loans and advances to customers (net)	10,428	9,991	9,377	8,750	8,299	9,377
Total external assets	18,825	19,110	16,995	17,319	17,049	16,995
Customer accounts	14,861	14,650	14,553	13,553	13,773	14,553
Risk-weighted assets	13,611	13,422	12,648	11,942	11,695	12,648
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	10,428	9,842	9,418	8,822	8,113	9,377
Customer accounts	14,861	14,363	14,481	13,499	13,304	14,553

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Latin America – Commercial Banking

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	194	167	169	162	152	625
<i>of which: net interest income</i>	<i>177</i>	<i>150</i>	<i>160</i>	<i>143</i>	<i>134</i>	<i>559</i>
Change in expected credit losses and other credit impairment charges	(9)	12	(53)	11	(14)	(60)
Total operating expenses	(112)	(104)	(115)	(114)	(91)	(404)
Share of profit in associates and joint ventures	—	—	—	—	—	1
Profit/(loss) before tax	73	75	1	59	47	162
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(2)	(2)	(1)	(5)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	194	165	163	153	144	625
<i>of which: net interest income</i>	<i>177</i>	<i>146</i>	<i>153</i>	<i>133</i>	<i>124</i>	<i>559</i>
Change in expected credit losses and other credit impairment charges	(9)	12	(55)	11	(14)	(60)
Total operating expenses	(112)	(103)	(110)	(106)	(84)	(399)
Share of profit in associates and joint ventures	—	—	—	—	—	1
Profit/(loss) before tax	73	74	(2)	58	46	167
Balance sheet – reported (\$m)						
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	8,393	8,368	8,080	7,421	7,450	8,080
Loans and advances to customers (net)	7,998	7,960	7,673	7,044	7,047	7,673
Total external assets	12,221	12,439	11,380	11,182	10,990	11,380
Customer accounts	9,567	10,364	9,093	8,783	8,550	9,093
Risk-weighted assets	12,533	12,315	11,512	10,532	10,427	11,512
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	7,998	7,798	7,691	7,044	6,858	7,673
Customer accounts	9,567	10,156	9,048	8,767	8,294	9,093

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Latin America – Global Banking and Markets

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	130	142	116	134	133	495
<i>of which: net interest income</i>	98	126	107	114	101	423
Change in expected credit losses and other credit impairment charges	(1)	7	28	16	39	97
Total operating expenses	(65)	(68)	(74)	(67)	(64)	(266)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	64	81	70	83	108	326
Reported Significant items – Totals (\$m)						
Revenue	1	(2)	—	1	—	(6)
ECL	—	—	—	—	—	—
Operating expenses	—	(1)	(2)	—	—	(3)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	129	142	115	123	126	501
<i>of which: net interest income</i>	98	122	101	104	92	423
Change in expected credit losses and other credit impairment charges	(1)	7	28	15	39	97
Total operating expenses	(65)	(66)	(72)	(64)	(60)	(263)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	63	83	71	74	105	335
	Balance sheet date					Balance sheet date
Balance sheet – reported (\$m)	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	4,059	4,170	4,097	4,577	5,091	4,097
Loans and advances to customers (net)	4,035	4,142	4,057	4,499	5,005	4,057
Total external assets	16,237	16,584	15,972	16,899	18,219	15,972
Customer accounts	6,035	6,102	5,866	6,025	5,587	5,866
Risk-weighted assets	10,889	11,206	10,885	11,343	11,929	10,885
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	4,035	3,999	4,039	4,482	4,825	4,057
Customer accounts	6,035	5,744	5,648	5,708	5,088	5,866

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Latin America – Corporate Centre

Reported (\$m)	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Net operating income before change in expected credit losses and other credit impairment charges	74	4	20	(16)	4	36
<i>of which: net interest expense</i>	<i>(58)</i>	<i>(58)</i>	<i>(48)</i>	<i>(52)</i>	<i>(50)</i>	<i>(209)</i>
Change in expected credit losses and other credit impairment charges	—	—	1	—	4	6
Total operating expenses	(43)	(48)	(51)	(24)	(36)	(145)
Share of profit in associates and joint ventures	—	—	1	—	—	—
Profit/(loss) before tax	31	(44)	(29)	(40)	(28)	(103)
Reported Significant items – Totals (\$m)						
Revenue	—	1	3	—	—	2
ECL	—	—	—	—	—	—
Operating expenses	(18)	(18)	(30)	(15)	(15)	(65)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	74	4	20	(15)	4	34
<i>of which: net interest expense</i>	<i>(58)</i>	<i>(58)</i>	<i>(48)</i>	<i>(50)</i>	<i>(48)</i>	<i>(209)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	4	6
Total operating expenses	(25)	(31)	(23)	(9)	(20)	(80)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	49	(27)	(3)	(24)	(12)	(40)
Balance sheet – reported (\$m)						
Balance sheet data – at most recent balance sheet date FX rates (\$m)	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	266	108	193	182	150	193
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	837	1,013	870	621	794	870
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

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Latin America

RECONCILING ITEMS

Latin America – TOTAL

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Revenue (\$m)						
Currency translation		—	(4)	(32)	(30)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	2	(1)	—	1	—	—
Restructuring and other related costs	(1)	—	1	—	(1)	(5)
Currency translation on significant items	—	—	—	—	—	—
ECL currency translation		(2)	(6)	(5)	3	
Operating expenses (\$m)						
Currency translation		3	6	24	25	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	(587)	—	—	(587)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(23)	(20)	(35)	(21)	(18)	(83)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	—	(4)	—	—	—
Share of profit in associates and joint ventures significant items						
Currency translation		—	1	—	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
Latin America – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	(3)	(4)	15	13	—
ECL significant items and currency translation (\$m)	—	2	3	3	(2)	—
Operating expense significant items and currency translation (\$m)	(5)	(3)	(597)	(19)	(17)	(599)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	(1)	—	—	—

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Latin America

Latin America – Commercial Banking

Revenue significant items and currency translation (\$m)	—	2	6	9	8	—
ECL significant items and currency translation (\$m)	—	—	2	—	—	—
Operating expense significant items and currency translation (\$m)	—	(1)	(5)	(8)	(7)	(5)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Latin America – Global Banking and Markets

Revenue significant items and currency translation (\$m)	1	—	1	11	7	(6)
ECL significant items and currency translation (\$m)	—	—	—	1	—	—
Operating expense significant items and currency translation (\$m)	—	(2)	(2)	(3)	(4)	(3)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Latin America – Corporate Centre

Revenue significant items and currency translation (\$m)	—	—	—	(1)	—	2
ECL significant items and currency translation (\$m)	—	—	1	—	—	—
Operating expense significant items and currency translation (\$m)	(18)	(17)	(28)	(15)	(16)	(65)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	1	—	—	—

1 Losses due to the impacts of hyperinflation on monetary items in Argentina. The total impact of applying IAS 29 and the hyperinflation provisions of IAS 21 in the current quarter is a decrease in the Group's profit before tax of \$90m, comprising a decrease in revenue of \$85m and an increase in operating expenses of \$5m.

2 Risk-weighted assets are non-additive across geographical regions due to market risk diversification effects within the Group.

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Mexico – TOTAL						
Reported (\$m)						
Net interest income	448	430	407	395	376	1,542
Net fee income	110	97	102	104	98	406
Other operating income	118	93	77	107	119	393
Net operating income before change in expected credit losses and other credit impairment charges	676	620	586	606	593	2,341
Change in expected credit losses and other credit impairment charges	(142)	(101)	(144)	(12)	(33)	(224)
Total operating expenses	(398)	(392)	(412)	(428)	(381)	(1,565)
Share of profit in associates and joint ventures	1	3	1	12	2	17
Profit/(loss) before tax	137	130	31	178	181	569
Reported Significant items – Totals (\$m)						
Revenue	1	(2)	—	1	—	(15)
ECL	—	—	—	—	—	—
Operating expenses	(18)	(18)	(35)	(14)	(12)	(59)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	675	635	607	604	592	2,356
<i>of which: net interest income</i>	448	439	421	394	376	1,542
Change in expected credit losses and other credit impairment charges	(142)	(104)	(149)	(12)	(33)	(224)
Total operating expenses	(380)	(382)	(392)	(413)	(366)	(1,506)
Share of profit in associates and joint ventures	1	3	2	12	2	17
Profit/(loss) before tax	154	152	68	191	195	643
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	20,053	19,705	19,067	18,443	18,918	19,067
Loans and advances to customers (net)	18,996	18,656	18,043	17,439	17,793	18,043
Total external assets	36,330	36,798	34,734	35,074	36,544	34,734
Customer accounts	23,659	24,379	23,583	22,497	22,516	23,583
Risk-weighted assets	24,998	25,227	24,578	23,695	25,630	24,578
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	18,996	18,464	18,270	17,778	17,541	18,043
Customer accounts	23,659	24,128	23,880	22,934	22,198	23,583

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Mexico

Mexico – Wealth and Personal Banking

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	473	434	416	416	416	1,612
<i>of which: net interest income</i>	<i>345</i>	<i>317</i>	<i>311</i>	<i>303</i>	<i>285</i>	<i>1,172</i>
Change in expected credit losses and other credit impairment charges	(136)	(117)	(118)	(26)	(62)	(247)
Total operating expenses	(276)	(258)	(278)	(298)	(265)	(1,077)
Share of profit in associates and joint ventures	1	3	1	12	2	17
Profit/(loss) before tax	62	62	21	104	91	305
Reported Significant items – Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(5)	(1)	(4)	(3)	(2)	(9)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	473	444	431	415	415	1,612
<i>of which: net interest income</i>	<i>345</i>	<i>324</i>	<i>323</i>	<i>302</i>	<i>284</i>	<i>1,172</i>
Change in expected credit losses and other credit impairment charges	(136)	(119)	(123)	(26)	(62)	(247)
Total operating expenses	(271)	(262)	(280)	(295)	(263)	(1,068)
Share of profit in associates and joint ventures	1	3	2	12	2	17
Profit/(loss) before tax	67	66	30	106	92	314
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	10,158	9,799	9,209	8,616	8,334	9,209
Loans and advances to customers (net)	9,477	9,141	8,580	8,016	7,648	8,580
Total external assets	15,689	16,132	14,358	14,200	14,159	14,358
Customer accounts	12,505	12,431	12,381	11,444	11,661	12,381
Risk-weighted assets	10,067	10,129	9,399	9,007	9,312	9,399
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	9,477	9,047	8,688	8,172	7,540	8,580
Customer accounts	12,505	12,303	12,537	11,666	11,495	12,381

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Mexico

Mexico – Corporate Centre

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	10	—	16	17	5	56
<i>of which: net interest expense</i>	<i>(37)</i>	<i>(44)</i>	<i>(43)</i>	<i>(42)</i>	<i>(42)</i>	<i>(177)</i>
Change in expected credit losses and other credit impairment charges	—	—	1	—	—	—
Total operating expenses	(27)	(39)	(34)	(19)	(24)	(102)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(17)	(39)	(17)	(2)	(19)	(46)
Reported Significant items – Totals (\$m)						
Revenue	—	—	2	—	(1)	(9)
ECL	—	—	—	—	—	—
Operating expenses	(13)	(15)	(31)	(9)	(9)	(45)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	10	—	16	17	5	65
<i>of which: net interest expense</i>	<i>(37)</i>	<i>(45)</i>	<i>(44)</i>	<i>(42)</i>	<i>(42)</i>	<i>(177)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(14)	(24)	(7)	(10)	(13)	(57)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(4)	(24)	9	7	(8)	8
	Balance sheet date					Balance sheet date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Balance sheet – reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	186	24	121	116	83	121
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	—	130	566	91	283	566
Balance sheet data – at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

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Mexico

RECONCILING ITEMS

	Quarter ended					Year to date
	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21	30-Jun-21	31-Dec-21
Mexico – TOTAL						
Revenue (\$m)						
Currency translation		14	20	(1)	(1)	
Significant items						
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	2	(1)	—	1	—	—
Restructuring and other related costs	(1)	(1)	—	—	—	(15)
Currency translation on significant items	—	1	(1)	—	—	—
ECL currency translation		(3)	(5)	—	—	
Operating expenses (\$m)						
Currency translation		(8)	(19)	1	2	
Significant items						
Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	—	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(18)	(18)	(35)	(14)	(12)	(59)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—
Currency translation on significant items	—	—	(4)	—	(1)	—
Share of profit in associates and joint ventures significant items (\$m)						
Currency translation		—	1	—	—	
Significant items						
Impairment of goodwill	—	—	—	—	—	—
Currency translation on Share of profit in associates and joint ventures significant items	—	—	—	—	—	—
Mexico – Wealth and Personal Banking						
Revenue significant items and currency translation (\$m)	—	(10)	(15)	1	1	—
ECL significant items and currency translation (\$m)	—	2	5	—	—	—
Operating expense significant items and currency translation (\$m)	(5)	4	2	(3)	(2)	(9)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	(1)	—	—	—

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Mexico – Commercial Banking

Revenue significant items and currency translation (\$m)	—	(3)	(4)	—	—	—
ECL significant items and currency translation (\$m)	—	(1)	2	—	—	—
Operating expense significant items and currency translation (\$m)	—	1	1	(3)	(1)	(4)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Mexico – Global Banking and Markets

Revenue significant items and currency translation (\$m)	—	(3)	(3)	2	—	(6)
ECL significant items and currency translation (\$m)	—	—	(2)	—	—	—
Operating expense significant items and currency translation (\$m)	—	1	1	—	—	—
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

Mexico – Corporate Centre

Revenue significant items and currency translation (\$m)	—	—	—	—	—	(9)
ECL significant items and currency translation (\$m)	—	—	1	—	—	—
Operating expense significant items and currency translation (\$m)	(13)	(15)	(27)	(9)	(11)	(45)
Share of profit in associates and joint ventures significant items and currency translation (\$m)	—	—	—	—	—	—

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Credit risk

Summary of credit risk (excluding debt instruments measured at FVOCI) by stage distribution and ECL coverage by industry sector at 30 June 2022

	Gross carrying/nominal amount ¹				Total	Allowance for ECL				Total	ECL coverage %			
	Stage 1	Stage 2	Stage 3	POCI ²		Stage 1	Stage 2	Stage 3	POCI ²		Stage 1	Stage 2	Stage 3	POCI ²
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%	%	%	%
Loans and advances to customers at amortised cost	891,822	128,105	19,086	117	1,039,130	(1,116)	(2,998)	(6,617)	(43)	(10,274)	0.1%	2.3%	34.7%	36.8%
– personal	431,517	28,086	4,018	—	463,621	(554)	(1,434)	(930)	—	(2,918)	0.1%	5.1%	23.1%	—
– corporate and commercial	399,152	95,590	14,707	117	509,566	(523)	(1,525)	(5,593)	(43)	(7,684)	0.1%	1.6%	38.0%	36.8%
– non-bank financial institutions	61,153	4,429	361	—	65,943	(39)	(39)	(94)	—	(172)	0.1%	0.9%	26.0%	—
Loans and advances to banks at amortised cost	95,091	1,311	79	—	96,481	(8)	(25)	(19)	—	(52)	—	1.9%	24.1%	—
Other financial assets measured at amortised cost	944,983	4,715	264	45	950,007	(71)	(119)	(85)	(6)	(281)	—	2.5%	32.2%	13.3%
Loans and other credit-related commitments	608,589	23,487	1,015	—	633,091	(124)	(159)	(54)	—	(337)	—	0.7%	5.3%	—
– personal	235,413	1,504	160	—	237,077	(29)	(1)	—	—	(30)	—	0.1%	—	—
– corporate and commercial	242,263	20,337	852	—	263,452	(90)	(147)	(54)	—	(291)	—	0.7%	6.3%	—
– financial	130,913	1,646	3	—	132,562	(5)	(11)	—	—	(16)	—	0.7%	—	—
Financial guarantees	15,198	2,208	180	—	17,586	(6)	(19)	(17)	—	(42)	—	0.9%	9.4%	—
– personal	1,108	11	1	—	1,120	—	—	—	—	—	—	—	—	—
– corporate and commercial	10,521	1,696	176	—	12,393	(6)	(18)	(17)	—	(41)	0.1%	1.1%	9.7%	—
– financial	3,569	501	3	—	4,073	—	(1)	—	—	(1)	—	0.2%	—	—
At 30 Jun 2022	2,555,683	159,826	20,624	162	2,736,295	(1,325)	(3,320)	(6,792)	(49)	(11,486)	0.1%	2.1%	32.9%	30.2%

1 Represents the maximum amount at risk should the contracts be fully drawn upon and clients default.

2 Purchased or originated credit impaired ('POCI').

Stage 2 days past due analysis at 30 June 2022

	Gross carrying amount				Total	Allowance for ECL				Total	ECL coverage %			
	Stage 2	Up-to-date	1 to 29 DPD ^{1,2}	30 and > DPD ^{1,2}		Stage 2	Up-to-date	1 to 29 DPD ^{1,2}	30 and > DPD ^{1,2}		Stage 2	Up-to-date	1 to 29 DPD ^{1,2}	30 and > DPD ^{1,2}
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	%	%	%	%		
Loans and advances to customers at amortised cost	128,105	123,235	2,644	2,226	(2,998)	(2,587)	(214)	(197)	2.3%	2.1%	8.1%	8.8%		
– personal	28,086	25,756	1,548	782	(1,434)	(1,093)	(174)	(167)	5.1%	4.2%	11.2%	21.4%		
– corporate and commercial	95,590	93,503	1,075	1,012	(1,525)	(1,456)	(29)	(29)	1.6%	1.6%	3.7%	2.9%		
– non-bank financial institutions	4,429	3,976	21	432	(39)	(38)	(1)	(1)	0.9%	1.0%	—	0.2%		
Loans and advances to banks at amortised cost	1,311	1,303	—	8	(25)	(25)	—	—	1.9%	1.9%	—	—		
Other financial assets measured at amortised cost	4,715	4,699	9	7	(119)	(117)	—	(2)	2.5%	2.5%	—	28.6%		

1 Days past due ('DPD').

2 The days past due amounts presented above are on a contractual basis and include the benefit of any customer relief payment holidays granted.

Total personal lending for loans and advances to customers by stage distribution

	Gross carrying amount				Total	Allowance for ECL				Total
	Stage 1	Stage 2	Stage 3	Total		Stage 1	Stage 2	Stage 3	Total	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
First lien residential mortgages	341,328	16,958	2,418	360,704	(89)	(172)	(312)	(573)		
– of which:										
– interest only (including offset)	24,434	2,774	192	27,400	(4)	(30)	(69)	(103)		
– affordability (including US adjustable rate mortgages)	14,070	507	300	14,877	(2)	(3)	(3)	(8)		
Other personal lending	90,189	11,128	1,600	102,917	(465)	(1,262)	(618)	(2,345)		
– second lien residential mortgages	316	31	18	365	(1)	(3)	(6)	(10)		
– guaranteed loans in respect of residential property	18,660	1,264	284	20,208	(10)	(7)	(35)	(52)		
– other personal lending which is secured	37,477	964	257	38,698	(14)	(20)	(48)	(82)		
– credit cards	16,455	4,626	277	21,358	(214)	(754)	(158)	(1,126)		
– other personal lending which is unsecured	15,725	4,058	757	20,540	(211)	(468)	(366)	(1,045)		
– motor vehicle finance	1,556	185	7	1,748	(15)	(10)	(5)	(30)		
At 30 Jun 2022	431,517	28,086	4,018	463,621	(554)	(1,434)	(930)	(2,918)		
By geography										
Europe	187,287	15,285	1,550	204,122	(141)	(659)	(380)	(1,180)		
– of which: UK	155,423	13,631	1,068	170,122	(121)	(632)	(263)	(1,016)		
Asia	185,481	9,543	1,324	196,348	(143)	(354)	(215)	(712)		
– of which: Hong Kong	126,385	5,226	225	131,836	(58)	(243)	(43)	(344)		
MENA	5,347	284	149	5,780	(28)	(43)	(79)	(150)		
North America	43,910	2,068	667	46,645	(32)	(86)	(90)	(208)		
Latin America	9,492	906	328	10,726	(210)	(292)	(166)	(668)		
At 30 Jun 2022	431,517	28,086	4,018	463,621	(554)	(1,434)	(930)	(2,918)		

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Credit risk

Total wholesale lending for loans and advances to banks and customers by stage distribution

	Gross carrying amount					Allowance for ECL				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Corporate and commercial	399,152	95,590	14,707	117	509,566	(523)	(1,525)	(5,593)	(43)	(7,684)
– agriculture, forestry and fishing	6,455	884	366	–	7,705	(13)	(25)	(102)	–	(140)
– mining and quarrying	7,732	1,956	336	3	10,027	(7)	(28)	(151)	(1)	(187)
– manufacturing	74,788	17,584	1,922	52	94,346	(77)	(176)	(892)	(30)	(1,175)
– electricity, gas, steam and air-conditioning supply	14,199	1,749	242	–	16,190	(9)	(16)	(54)	–	(79)
remediation	3,141	358	43	–	3,542	(3)	(4)	(17)	–	(24)
– construction	9,914	3,458	803	1	14,176	(26)	(62)	(367)	(1)	(456)
– wholesale and retail trade, repair of motor vehicles and motorcycles	80,879	13,641	2,813	2	97,335	(76)	(162)	(1,706)	(1)	(1,945)
– transportation and storage	20,620	6,959	520	8	28,107	(56)	(98)	(150)	–	(304)
– accommodation and food	10,997	8,225	1,217	1	20,440	(26)	(161)	(118)	(1)	(306)
– publishing, audiovisual and broadcasting	19,953	1,925	237	26	22,141	(22)	(29)	(82)	(8)	(141)
– real estate	86,978	25,456	3,745	–	116,179	(105)	(557)	(1,237)	–	(1,899)
– professional, scientific and technical activities	15,740	2,181	499	–	18,420	(23)	(47)	(141)	–	(211)
– administrative and support services	19,520	7,411	838	24	27,793	(32)	(85)	(280)	(1)	(398)
– public administration and defence, compulsory social security	1,204	207	34	–	1,445	(1)	(2)	–	–	(3)
– education	1,320	218	60	–	1,598	(4)	(8)	(13)	–	(25)
– health and care	3,540	689	140	–	4,369	(7)	(12)	(23)	–	(42)
– arts, entertainment and recreation	1,135	761	135	–	2,031	(5)	(15)	(30)	–	(50)
– other services	10,383	1,486	556	–	12,425	(29)	(28)	(225)	–	(282)
– activities of households	827	30	–	–	857	–	–	–	–	–
– extra-territorial organisations and bodies activities	–	–	–	–	–	–	–	–	–	–
– government	9,808	399	201	–	10,408	(2)	–	(5)	–	(7)
– asset-backed securities	19	13	–	–	32	–	(10)	–	–	(10)
Non-bank financial institutions	61,153	4,429	361	–	65,943	(39)	(39)	(94)	–	(172)
Loans and advances to banks	95,091	1,311	79	–	96,481	(8)	(25)	(19)	–	(52)
At 30 Jun 2022	555,396	101,330	15,147	117	671,990	(570)	(1,589)	(5,706)	(43)	(7,908)
By geography										
Europe	151,487	29,194	6,577	27	187,285	(276)	(581)	(1,567)	(11)	(2,435)
– of which: UK	109,746	16,645	5,048	26	131,465	(226)	(404)	(937)	(8)	(1,575)
Asia	305,524	52,054	5,784	73	363,435	(165)	(641)	(2,795)	(22)	(3,623)
– of which: Hong Kong	171,301	24,612	3,845	48	199,806	(66)	(439)	(1,355)	(22)	(1,882)
MENA	27,567	4,432	1,545	17	33,561	(22)	(75)	(873)	(10)	(980)
North America	58,350	12,821	495	–	71,666	(41)	(244)	(115)	–	(400)
Latin America	12,468	2,829	746	–	16,043	(66)	(48)	(356)	–	(470)
At 30 Jun 2022	555,396	101,330	15,147	117	671,990	(570)	(1,589)	(5,706)	(43)	(7,908)
Corporate and commercial										
Europe	115,674	28,317	6,185	27	150,203	(271)	(542)	(1,474)	(10)	(2,297)
– of which: UK	84,147	16,223	4,661	26	105,057	(222)	(381)	(839)	(8)	(1,450)
Asia	210,256	49,395	5,785	72	265,508	(127)	(627)	(2,787)	(22)	(3,563)
– of which: Hong Kong	134,050	24,025	3,843	48	161,966	(60)	(435)	(1,354)	(22)	(1,871)
MENA	17,500	4,286	1,543	18	23,347	(19)	(74)	(873)	(11)	(977)
North America	45,842	11,948	449	–	58,239	(40)	(236)	(104)	–	(380)
Latin America	9,880	1,644	745	–	12,269	(66)	(46)	(355)	–	(467)
At 30 Jun 2022	399,152	95,590	14,707	117	509,566	(523)	(1,525)	(5,593)	(43)	(7,684)

HSBC Holdings plc

8 Canada Square

London E14 5HQ

United Kingdom

Telephone: 44 020 7991 8888

www.hsbc.com

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