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3 August 2020

(Hong Kong Stock Code: 5)

**HSBC Holdings plc
2020 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, Laura Cha†, Henri de Castries†, James Anthony Forese†, Steven Guggenheimer†, Irene Lee†, José Antonio Meade Kuribreña†, Heidi Miller†, Eileen K Murray†, David Nish†, Ewen Stevenson, Jackson Tai† and Pauline van der Meer Mohr†.

* Non-executive Group Chairman

† Independent non-executive Director

HSBC Holdings plc

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

3 August 2020

HSBC HOLDINGS PLC

2020 INTERIM RESULTS – HIGHLIGHTS

Noel Quinn, Group Chief Executive, said:

“Our first half performance was impacted by the Covid-19 pandemic, falling interest rates, increased geopolitical risk and heightened levels of market volatility. Despite this, our Asia franchise showed resilience, and our Global Markets business delivered strong growth compared with last year’s first half. Having paused parts of our transformation programme in response to the Covid-19 outbreak, we now intend to accelerate implementation of the plans we announced in February. We are also looking at what additional actions we need to take in light of the new economic environment to make HSBC a stronger and more sustainable business.”

“Current tensions between China and the US inevitably create challenging situations for an organisation with HSBC’s footprint. We will face any political challenges that arise with a focus on the long-term needs of our customers and the best interests of our investors.”

Financial performance (vs 1H19)

- **Reported profit after tax down 69% to \$3.1bn and reported profit before tax down 65% to \$4.3bn** from higher expected credit losses and other credit impairment charges (‘ECL’) and lower revenue. Reported profit in 1H20 also included a \$1.2bn impairment of software intangibles, mainly in Europe.
- **In Asia, we reported profit before tax of \$7.4bn in 1H20, despite higher ECL, demonstrating the strength and continued resilience of our operations in the region and underlining the importance of Asia to the Group.** Higher ECL charges materially impacted profitability in our markets across the rest of the world, notably in our operations throughout Europe.
- **Reported revenue down 9% to \$26.7bn**, reflecting the impact of interest rate reductions, as well as adverse market impacts in life insurance manufacturing and adverse valuation adjustments in Global Banking and Markets (‘GBM’), notably in 1Q20. These factors more than offset higher revenue in Global Markets.
- **Net interest margin (‘NIM’) of 1.43% in 1H20, down 18 basis points (‘bps’) from 1H19.** NIM in 2Q20 was 1.33%, down 21bps from 1Q20, primarily reflecting the initial impact of the reduction in interest rates due to the Covid-19 outbreak.
- **Reported ECL increased by \$5.7bn to \$6.9bn** due to the impact of the Covid-19 outbreak and the forward economic outlook, and due to an increase in charges related to specific wholesale customers. ECL (annualised) as a percentage of average gross loans and advances to customers was 1.33% in 1H20, while allowance for ECL against loans and advances to customers increased from \$8.7bn at 31 December 2019 to \$13.2bn at 30 June 2020.
- **Reported operating expenses down 4%**, despite a \$1.2bn impairment of software intangibles. **Adjusted operating expenses fell 5%**, despite continued investment, due to lower performance-related pay and reduced discretionary costs.
- **In 1H20, lending decreased by \$18bn on a reported basis. On a constant currency basis, lending increased by \$12bn**, reflecting corporate customers drawing on existing and new credit lines and re-depositing these to increase cash balances in 1Q20, which was partly offset by paydowns in 2Q20. **Deposits grew by \$93bn on a reported basis and \$133bn on a constant currency basis**, with growth in all global businesses, including through the depositing of loans from government-backed schemes.
- **Common equity tier 1 capital (‘CET1’) ratio of 15.0%, up 30bps from 4Q19**, as higher CET1 capital, which included an increase from the cancellation of the 4Q19 dividend and the current suspension of dividends on ordinary shares, more than offset the impact of risk-weighted asset (‘RWA’) growth.

Outlook for 2020

- **We continue to face a wide range of potential economic outcomes for the second half of 2020 and into 2021**, partly dependent on the extent of any potential impacts from new waves of Covid-19, the path to the development of a possible vaccine and market and consumer confidence levels. Heightened geopolitical risk could also impact a number of our markets, including Hong Kong and the UK.
- **Applying a range of weightings to our ECL sensitivity analysis, as disclosed on pages 56 to 62 of the *Interim Report 2020*, could result in an ECL charge in the range of \$8bn to \$13bn for 2020.** This range, which continues to be subject to a high degree of uncertainty due to Covid-19 and geopolitical tensions, is higher than at 1Q20 given the deterioration in consensus economic forecasts and actual loss experience during 2Q20.
- **Lower global interest rates and reduced customer activity have put increasing pressure on revenue**, and are expected to continue to do so.
- **We intend to accelerate our transformation programme** and execute additional cost actions to help mitigate pressures on revenue and create capacity for further investments in technology.
- **We expect mid-to-high single-digit RWA percentage growth in 2020**, primarily from credit rating migration movements, which is expected to have an adverse impact on our CET1 ratio. We will continue to aim to reduce RWAs in low-returning areas, and improve efficiency to allow resources to be further and faster allocated to areas of competitive advantage, higher returns and growth.
- **Given the current high degree of uncertainty, we are continuing to monitor closely the implications on our business plan and medium-term financial targets, while also undertaking a review of our future dividend policy.** We intend to provide an update on our medium-term financial targets and dividend policy at our year-end results for 2020.

Key financial metrics

	Footnotes	Half-year to		
		30 Jun 2020	30 Jun 2019	31 Dec 2019
Reported results				
Reported revenue (\$m)		26,745	29,372	26,726
Reported profit before tax (\$m)		4,318	12,407	940
Reported profit after tax (\$m)		3,125	9,937	(1,229)
Profit attributable to the ordinary shareholders of the parent company (\$m)		1,977	8,507	(2,538)
Cost efficiency ratio (%)		61.8	58.4	94.3
Basic earnings per share (\$)		0.10	0.42	(0.13)
Diluted earnings per share (\$)		0.10	0.42	(0.13)
Return on average ordinary shareholders' equity (annualised) (%)		2.4	10.4	(3.0)
Net interest margin (%)	1	1.43	1.61	1.58
Alternative performance measures				
Adjusted revenue (\$m)		26,477	27,815	26,632
Adjusted profit before tax (\$m)		5,635	12,273	9,660
Adjusted cost efficiency ratio (%)		56.4	56.6	61.8
Annualised expected credit losses and other credit impairment charges ('ECL') as a % of average gross loans and advances to customers (%)		1.33	0.22	0.30
Return on average tangible equity (annualised) (%)	1, 2	3.8	11.2	8.4
		At		
		30 Jun 2020	30 Jun 2019	31 Dec 2019
Balance sheet				
Total assets (\$m)		2,922,798	2,751,273	2,715,152
Net loans and advances to customers (\$m)		1,018,681	1,021,632	1,036,743
Customer accounts (\$m)		1,532,380	1,380,124	1,439,115
Average interest-earning assets (\$m)	1	2,034,939	1,912,708	1,922,822
Loans and advances to customers as % of customer accounts (%)		66.5	74.0	72.0
Total shareholders' equity (\$m)		187,036	192,676	183,955
Tangible ordinary shareholders' equity (\$m)		147,879	145,441	144,144
Net asset value per ordinary share at period end (\$)	3, 4	8.17	8.35	8.00
Tangible net asset value per ordinary share at period end (\$)	4	7.34	7.19	7.13
Capital, leverage and liquidity				
Common equity tier 1 capital ratio (%)	5	15.0	14.3	14.7
Risk-weighted assets (\$m)	5	854,552	885,971	843,395
Total capital ratio (%)	5	20.7	20.1	20.4
Leverage ratio (%)	5	5.3	5.4	5.3
High-quality liquid assets (liquidity value) (\$bn)		654	533	601
Liquidity coverage ratio (%)		148	136	150
Share count				
Period end basic number of \$0.50 ordinary shares outstanding (millions)		20,162	20,221	20,206
Period end basic number of \$0.50 ordinary shares outstanding and dilutive potential ordinary shares (millions)		20,198	20,286	20,280
Average basic number of \$0.50 ordinary shares outstanding (millions)		20,162	20,124	20,191
Dividend per ordinary share (in respect of the period) (\$)	1	—	0.20	0.30

- 1 For these metrics, half-year to 31 December 2019 is calculated on a full-year basis and not a 2H19 basis.
- 2 Annualised 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).
- 3 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 shares the company has purchased and are held in treasury.
- 4 Excludes impact of \$0.10 per share dividend in 1Q19, following a June 2019 change in accounting practice on the recognition of interim dividends, from the date of declaration to the date of payment.
- 5 Unless otherwise stated, regulatory capital ratios and requirements are calculated in accordance with the transitional arrangements of the Capital Requirements Regulation in force in the EU at the time, including the regulatory transitional arrangements for IFRS 9 'Financial Instruments' in article 473a. The capital ratios and requirements at 31 December 2019 and 30 June 2020 are reported in accordance with the revised Capital Requirements Regulation and Directive ('CRR II'), as implemented, whereas the Capital Requirements Regulation and Directive ('CRD IV') applied at 30 June 2019. Leverage ratios are calculated using the end point definition of capital.

Highlights

		Half-year to	
		30 Jun 2020 \$m	30 Jun 2019 \$m
	Footnotes		
Reported			
Revenue	1	26,745	29,372
Change in expected credit losses and other credit impairment charges		(6,858)	(1,140)
Operating expenses		(16,527)	(17,149)
Profit before tax		4,318	12,407
Adjusted	2		
Revenue	1	26,477	27,815
Change in expected credit losses and other credit impairment charges		(6,858)	(1,088)
Operating expenses		(14,942)	(15,739)
Profit before tax		5,635	12,273
Significant items affecting adjusted performance			
Revenue			
Customer redress programmes		26	—
Disposals, acquisitions and investment in new businesses		(8)	827
Fair value movements on financial instruments	3	299	50
Restructuring and other related costs		(49)	—
Operating expenses			
Costs of structural reform	4	—	(91)
Customer redress programmes		(50)	(610)
Impairment of goodwill and other intangibles		(1,025)	—
Restructuring and other related costs	5	(505)	(287)
Settlements and provisions in connection with legal and regulatory matters		(5)	2

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 year-on-year effects of foreign currency translation differences and significant items which distort year-on-year comparisons.

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

4 Comprises costs associated with preparations for the UK's exit from the European Union.

5 Includes impairment of software intangible assets of \$173m.

Review by Noel Quinn, Group Chief Executive

The first six months of 2020 have been some of the most challenging in living memory. Due to the Covid-19 pandemic, much of the global economy slowed significantly and some sectors drew to a near total halt.

This meant two things for HSBC. First, that the financial performance of the bank inevitably suffered in line with the rest of the global economy. But second, that the real measure of our performance became our success in supporting our customers, colleagues and communities during the pandemic, and in laying the groundwork for the recovery to come.

Covid-19

In difficult times, HSBC's job has always been to support our communities, provide stability and help build economic growth. I have been immensely proud of the way our people have delivered this purpose as the Covid-19 outbreak has unfolded.

Our approach has hinged on three themes – securing a continuous service for all who rely on us; providing a financial bridge for our personal and business customers beyond the crisis; and ensuring that HSBC retains the strength to help our customers thrive once restrictions begin to ease.

We maintained a high level of business continuity with 85% of colleagues equipped to work from home, all of our customer contact centres fully operational, and between 70% and 90% of our branches open for business in the first half. We enhanced our digital capabilities to serve more customers remotely, with faster access and improved security. We also engaged with our regulators to better enable customers to access a broad range of banking products and services from their homes, including through remote consultations and sales.

This underpinned our ability to get our customers the support they need. For our personal lending customers, we granted more than 700,000 payment holidays on loans, credit cards and mortgages, providing more than \$27bn in customer relief in the first half of the year. For our wholesale lending customers, we provided more than \$52bn of facilities to more than 172,000 customers globally over the same period, both through government schemes and our own relief initiatives.

As a global bank, HSBC played a vital role in keeping capital flowing for our clients, arranging more than \$1.1tn of loan, debt and equity financing for our wholesale customers in the first six months of 2020. Global Banking and Markets made a direct contribution to the Covid-19 relief effort, helping to arrange more than \$48bn of financing for our clients through social and Covid-19 relief bonds.

We also took an early decision not to apply for government support packages for employees across the countries in which we operate.

Throughout all of this, the well-being of our people has been our paramount concern. We have taken steps to enable our front-line colleagues to do their jobs safely and effectively. For all our colleagues, we have maintained a regular flow of communication and listened closely to their needs, providing the support and flexibility to help them manage their lives during the pandemic.

This has been one of the most demanding periods that I can remember for all of our people across HSBC. Many have had to juggle personal and professional priorities, while adapting to new and unfamiliar ways of working. I have been humbled by the dedication and commitment that they have shown in incredibly tough circumstances, and thank them deeply for all they have done – and are doing – for our customers, communities and each other.

Transformation

On 18 February, we announced a substantial transformation programme to ensure that HSBC is fit for the future. We published plans to reshape underperforming businesses, simplify our complex organisation and reduce our costs.

We are moving forward with these plans wherever we can. We have already begun combining our wholesale back office operations, and brought our retail, wealth and private banking businesses together into a single global business – Wealth and Personal Banking. Our US business has reduced its branch footprint, and Global Banking and Markets has made good early progress in reducing its risk-weighted assets. The lessons of the past six months are also being applied more broadly, particularly from parts of the business that have responded to a fast-moving situation with exceptional pace and agility.

The operational risks posed by the Covid-19 outbreak meant that we had to move more slowly in some areas than others. In March, I paused the redundancy programme intended to deliver the reduction in headcount we promised in February. It would have been wrong to proceed with job losses at a time of significant stress for our people and communities, and at a point when we needed to protect our capacity to serve our customers. Now, many countries have slowed the spread of the virus and are emerging from lockdown, and we have adapted to new ways of working. I therefore decided in June to lift the pause on redundancies, proceeding thoughtfully but purposefully, while taking local considerations into account.

Now that many governments have become better accustomed to managing the ebb and flow of the pandemic, we intend to accelerate implementation of the plans we announced in February. At the same time, our operating environment has changed significantly since the start of the year. We will also therefore look at what additional actions we need to take in light of the new economic environment to make HSBC a stronger and more sustainable business.

Financial performance

A good start to the year in January and February was overshadowed from March onwards by the Covid-19 outbreak and the impact of falling interest rates.

The sharp increase in expected credit losses that followed impacted all markets, but particularly those outside Asia. ECL grew further from the first to the second quarter as the economic outlook deteriorated, with increases in both stage 1 and 2 allowances. Stage 3 ECL were up overall but broadly stable during the first half, although the first quarter included a charge in Singapore unrelated to the Covid-19 crisis.

First half reported revenue was 9% lower than last year's first half, due mainly to the effects of interest rate cuts made at the start of the year across our deposit franchises. By contrast, our Asia businesses showed good resilience and Global Markets grew revenue on the back of higher client activity.

We took further action on costs in response to the weaker revenue environment, reducing both performance-related pay and discretionary spending. Together with our ongoing cost-saving initiatives, this helped reduce reported operating expenses by 4%.

While these cost measures mitigated some of the adverse effects of the radically changed economic environment, reported first half profit before tax was 65% lower than the same period last year, and adjusted profit before tax fell by 54%.

Lending decreased by \$18bn in the first half. Customers initially drew on new and existing credit lines in the first quarter in response to the Covid-19 outbreak, but began to pay these down in the second quarter as circumstances changed. Deposits rose by \$93bn in the first half, as customers increased their cash reserves and reduced their spending during lockdown.

We continued to invest in the future of the business while managing costs down, spending \$2.8bn on technology in the first six months of the year.

Our balance sheet remains robust with a CET1 ratio of 15.0% and strong liquidity and funding.

Facing the future

Our performance in the second half of the year will continue to be influenced by the path and economic impact of the Covid-19 outbreak. Geopolitical uncertainty could also weigh heavily on our clients, particularly those impacted by heightened US-China and UK-China tensions, and the future of UK-EU trade relations.

Amid the current uncertainty, we remain focused on the things we can control – helping our customers navigate their own path to a complex future, and acting with pace and decisiveness to adapt HSBC to an environment in which no business can afford to stand still.

HSBC has always helped our clients manage complexity. There have been many times in the last 155 years when geopolitics has altered the nature of trade, or disruptive forces have changed entire industries. On each occasion, HSBC has adapted and innovated to help our customers when they need us most, and we will do so again.

We start from a strong position. As the world's leading trade bank¹, we have the knowledge and network to help customers reorder their supply chains securely and sustainably. As the world's number one bank for green, social and sustainable bonds², we have the experience and expertise to help customers finance their transition to a cleaner, more resilient future. These are important strengths, but we have to keep investing to maintain them and to provide the agile, responsive and entrepreneurial service that our clients require.

Like our clients, HSBC has to operate in a difficult geopolitical environment. Current tensions between China and the US inevitably create challenging situations for an organisation with HSBC's footprint. However, the need for a bank capable of bridging the economies of east and west is acute, and we are well placed to fulfil this role. We will face any political challenges that arise with a focus on the long-term needs of our customers and the best interests of our investors.

As we seek to accelerate our transformation in the second half of the year, I am mindful of the impact it will have for some of our people, particularly those leaving us. As necessary as these changes are, the human impact is a matter of deep personal regret to me. We will make sure that all those leaving HSBC as part of our transformation will be treated with fairness and consideration, and will receive support in finding new employment.

Finally, HSBC is a global bank serving customers from many different backgrounds. We therefore need to resemble the communities we serve. In May, we launched a new global ethnicity inclusion programme to better enable careers and career progression for colleagues from ethnic minorities, and in July, we made a series of commitments to address feedback from Black colleagues in particular. However, I want us to be judged by our actions, not our words. We will therefore provide more information about the ethnicity of our workforce in our annual reporting in February, so that our stakeholders can hold us accountable.

¹ Euromoney, *Trade Finance Survey*, January 2020

² Dealogic, *Sustainable Finance Bond league table*, 1H20

Financial summary

	Footnotes	Half-year to		
		30 Jun 2020 \$m	30 Jun 2019 \$m	31 Dec 2019 \$m
For the period				
Profit before tax		4,318	12,407	940
Profit attributable to:				
– ordinary shareholders of the parent company		1,977	8,507	(2,538)
Dividends on ordinary shares		—	4,206	6,063
At the period end				
Total shareholders' equity		187,036	192,676	183,955
Total regulatory capital		177,242	176,610	172,150
Customer accounts		1,532,380	1,380,124	1,439,115
Total assets		2,922,798	2,751,273	2,715,152
Risk-weighted assets		854,552	885,971	865,318
Per ordinary share		\$	\$	\$
Basic earnings		0.10	0.42	(0.13)
Dividend per ordinary share (declared in the period)	1	—	0.31	0.20
Net asset value	2	8.17	8.35	8.00

1 Dividends recorded in the financial statements are dividends per ordinary share declared in a year and are not dividends in respect of, or for, that year.

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

	Half-year to					
	30 Jun 2020 \$m	%	30 Jun 2019 \$m	%	31 Dec 2019 \$m	%
Wealth and Personal Banking	1,695	30.1	4,824	39.3	3,989	41.3
Commercial Banking	184	3.2	3,911	31.9	3,197	33.1
Global Banking and Markets	2,548	45.2	2,735	22.3	2,396	24.8
Corporate Centre	1,208	21.5	803	6.5	78	0.8
Profit before tax	5,635	100.0	12,273	100.0	9,660	100.0

Distribution of results by geographical region

Reported profit/(loss) before tax

	Half-year to					
	30 Jun 2020 \$m	%	30 Jun 2019 \$m	%	31 Dec 2019 \$m	%
Europe	(3,060)	(70.9)	(520)	(4.2)	(4,133)	(439.7)
Asia	7,369	170.7	9,780	78.8	8,688	924.3
Middle East and North Africa	(26)	(0.6)	1,736	14.0	591	62.9
North America	23	0.5	746	6.0	21	2.2
Latin America	12	0.3	665	5.4	(265)	(28.2)
Global GBM goodwill impairment	–	–	–	–	(3,962)	(421.5)
Profit before tax	4,318	100.0	12,407	100.0	940	100.0

HSBC adjusted profit before tax and balance sheet data

	Footnotes	Half-year to 30 Jun 2020				
		Wealth and Personal Banking \$m	Commercial Banking \$m	Global Banking and Markets \$m	Corporate Centre \$m	Total \$m
Net operating income before change in expected credit losses and other credit impairment charges	1	11,251	7,000	8,178	48	26,477
– external		9,684	7,431	10,105	(743)	26,477
– inter-segment		1,567	(431)	(1,927)	791	—
<i>of which: net interest income/(expense)</i>		8,032	4,883	2,372	(804)	14,483
Change in expected credit losses and other credit impairment charges		(2,202)	(3,526)	(1,118)	(12)	(6,858)
Net operating income		9,049	3,474	7,060	36	19,619
Total operating expenses		(7,346)	(3,290)	(4,512)	206	(14,942)
Operating profit		1,703	184	2,548	242	4,677
Share of profit in associates and joint ventures		(8)	—	—	966	958
Adjusted profit before tax		1,695	184	2,548	1,208	5,635
		%	%	%	%	%
Share of HSBC's adjusted profit before tax		30.1	3.3	45.2	21.4	100.0
Adjusted cost efficiency ratio		65.3	47.0	55.2	(429.2)	56.4
Adjusted balance sheet data		\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)		429,487	344,567	243,355	1,272	1,018,681
Interests in associates and joint ventures		425	13	136	24,226	24,800
Total external assets		814,719	549,530	1,390,006	168,543	2,922,798
Customer accounts		775,870	418,263	337,573	674	1,532,380
Adjusted risk-weighted assets	3	161,744	330,887	277,633	84,288	854,552
Half-year to 30 Jun 2019 ²						
Net operating income/(expense) before change in expected credit losses and other credit impairment charges	1	12,861	7,647	7,590	(283)	27,815
– external		10,747	8,087	10,258	(1,277)	27,815
– inter-segment		2,114	(440)	(2,668)	994	—
<i>of which: net interest income/(expense)</i>		8,525	5,466	2,667	(1,761)	14,897
Change in expected credit losses and other credit impairment (charges)/recoveries		(527)	(478)	(97)	14	(1,088)
Net operating income/(expense)		12,334	7,169	7,493	(269)	26,727
Total operating expenses		(7,551)	(3,258)	(4,758)	(172)	(15,739)
Operating profit/(loss)		4,783	3,911	2,735	(441)	10,988
Share of profit in associates and joint ventures		41	—	—	1,244	1,285
Adjusted profit before tax		4,824	3,911	2,735	803	12,273
		%	%	%	%	%
Share of HSBC's adjusted profit before tax		39.3	31.9	22.3	6.5	100.0
Adjusted cost efficiency ratio		58.7	42.6	62.7	(60.8)	56.6
Adjusted balance sheet data		\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)		414,611	340,976	246,209	1,184	1,002,980
Interests in associates and joint ventures		451	12	14	23,046	23,523
Total external assets		729,032	506,223	1,319,642	148,668	2,703,565
Customer accounts		714,969	354,806	286,867	505	1,357,147
Adjusted risk-weighted assets	3	160,993	331,912	298,777	77,272	868,954

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

2 A change in reportable segments was made in 2Q20. Comparative data have been re-presented accordingly. For further guidance, refer to Note 5 on page 100 of the Interim Report 2020.

3 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)

	Footnotes	Half-year to 31 Dec 2019 ³				Total
		Wealth and Personal Banking	Commercial Banking	Global Banking and Markets	Corporate Centre	
		\$m	\$m	\$m	\$m	\$m
Net operating income/(expense) before change in expected credit losses and other credit impairment charges	1	12,492	7,379	7,113	(352)	26,632
– external		10,320	7,871	9,886	(1,445)	26,632
– inter-segment		2,172	(492)	(2,773)	1,093	—
of which: net interest income/(expense)		8,769	5,409	2,533	(1,495)	15,216
Change in expected credit losses and other credit impairment (charges)/ recoveries		(829)	(684)	(61)	20	(1,554)
Net operating income/(expense)		11,663	6,695	7,052	(332)	25,078
Total operating expenses		(7,685)	(3,498)	(4,656)	(609)	(16,448)
Operating profit/(loss)		3,978	3,197	2,396	(941)	8,630
Share of profit in associates and joint ventures		11	—	—	1,019	1,030
Adjusted profit before tax		3,989	3,197	2,396	78	9,660
		%	%	%	%	%
Share of HSBC's adjusted profit before tax		41.3	33.1	24.8	0.8	100.0
Adjusted cost efficiency ratio		61.5	47.4	65.5	(173.0)	61.8
Adjusted balance sheet data		\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)		428,834	336,345	240,411	1,071	1,006,661
Interests in associates and joint ventures		445	13	13	23,760	24,231
Total external assets		754,369	496,757	1,233,829	153,539	2,638,494
Customer accounts		735,301	377,691	285,954	710	1,399,656
Adjusted risk-weighted assets	2	157,777	315,605	267,075	80,807	821,264

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.

3 A change in reportable segments was made in 2Q20. Comparative data have been presented accordingly.

Consolidated income statement

	Half-year to		
	30 Jun 2020 \$m	30 Jun 2019 \$m	31 Dec 2019 \$m
Net interest income	14,509	15,240	15,222
– interest income	23,000	27,750	26,945
– interest expense	(8,491)	(12,510)	(11,723)
Net fee income	5,926	6,124	5,899
– fee income	7,480	7,804	7,635
– fee expense	(1,554)	(1,680)	(1,736)
Net income from financial instruments held for trading or managed on a fair value basis	5,768	5,331	4,900
Net income/(expense) from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss	(1,290)	2,196	1,282
Change in fair value of designated debt and related derivatives	197	88	2
Changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	80	457	355
Gains less losses from financial investments	466	201	134
Net insurance premium income	5,020	6,323	4,313
Other operating income	471	2,072	885
Total operating income	31,147	38,032	32,992
Net insurance claims and benefits paid and movement in liabilities to policyholders	(4,402)	(8,660)	(6,266)
Net operating income before change in expected credit losses and other credit impairment charges	26,745	29,372	26,726
Change in expected credit losses and other credit impairment charges	(6,858)	(1,140)	(1,616)
Net operating income	19,887	28,232	25,110
Employee compensation and benefits	(8,514)	(9,255)	(8,747)
General and administrative expenses	(4,918)	(6,372)	(7,456)
Depreciation and impairment of property, plant and equipment and right-of-use assets	(1,209)	(1,010)	(1,090)
Amortisation and impairment of intangible assets	(1,845)	(512)	(558)
Goodwill impairment	(41)	–	(7,349)
Total operating expenses	(16,527)	(17,149)	(25,200)
Operating profit/(loss)	3,360	11,083	(90)
Share of profit in associates and joint ventures	958	1,324	1,030
Profit before tax	4,318	12,407	940
Tax expense	(1,193)	(2,470)	(2,169)
Profit/(loss) for the period	3,125	9,937	(1,229)
Attributable to:			
– ordinary shareholders of the parent company	1,977	8,507	(2,538)
– preference shareholders of the parent company	45	45	45
– other equity holders	617	664	660
– non-controlling interests	486	721	604
Profit/(loss) for the period	3,125	9,937	(1,229)
	\$	\$	\$
Basic earnings per ordinary share	0.10	0.42	(0.13)
Diluted earnings per ordinary share	0.10	0.42	(0.13)

Consolidated statement of comprehensive income

	Half-year to		
	30 Jun 2020 \$m	30 Jun 2019 \$m	31 Dec 2019 \$m
Profit/(loss) for the period	3,125	9,937	(1,229)
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	1,747	1,015	137
– fair value gains/(losses)	2,654	2,141	(348)
– fair value (gains)/losses transferred to the income statement on disposal	(454)	(794)	429
– expected credit recoveries/(losses) recognised in the income statement	109	(5)	114
– income taxes	(562)	(327)	(58)
Cash flow hedges	476	239	(33)
– fair value gains	255	241	310
– fair value losses/(gains) reclassified to the income statement	364	68	(354)
– income taxes and other movements	(143)	(70)	11
Share of other comprehensive income/(expense) of associates and joint ventures	(115)	73	(52)
– share for the period	(115)	85	(64)
– fair value (gains)/losses transferred to the income statement on disposal	–	(12)	12
Exchange differences	(4,552)	109	935
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit asset/liability	1,182	(45)	58
– before income taxes	1,703	(50)	33
– income taxes	(521)	5	25
Changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	2,354	(1,445)	(557)
– before income taxes	2,936	(1,816)	(823)
– income taxes	(582)	371	266
Equity instruments designated at fair value through other comprehensive income	(123)	268	98
– fair value gains/(losses)	(122)	265	99
– income taxes	(1)	3	(1)
Effects of hyperinflation	72	113	104
Other comprehensive expense for the period, net of tax	1,041	327	690
Total comprehensive income/(expense)	4,166	10,264	(539)
Attributable to:			
– ordinary shareholders of the parent company	3,043	8,741	(1,903)
– preference shareholders of the parent company	45	45	45
– other equity holders	617	664	660
– non-controlling interests	461	814	659
Total comprehensive income/(expense)	4,166	10,264	(539)

Consolidated balance sheet

	At	
	30 Jun 2020 \$m	31 Dec 2019 \$m
Assets		
Cash and balances at central banks	249,673	154,099
Items in the course of collection from other banks	6,289	4,956
Hong Kong Government certificates of indebtedness	39,519	38,380
Trading assets	208,964	254,271
Financial assets designated and otherwise mandatorily measured at fair value through profit and loss	41,785	43,627
Derivatives	313,781	242,995
Loans and advances to banks	77,015	69,203
Loans and advances to customers	1,018,681	1,036,743
Reverse repurchase agreements – non-trading	226,345	240,862
Financial investments	494,109	443,312
Prepayments, accrued income and other assets	197,425	136,680
Current tax assets	821	755
Interests in associates and joint ventures	24,800	24,474
Goodwill and intangible assets	19,438	20,163
Deferred tax assets	4,153	4,632
Total assets	2,922,798	2,715,152
Liabilities and equity		
Liabilities		
Hong Kong currency notes in circulation	39,519	38,380
Deposits by banks	82,715	59,022
Customer accounts	1,532,380	1,439,115
Repurchase agreements – non-trading	112,799	140,344
Items in the course of transmission to other banks	6,296	4,817
Trading liabilities	79,612	83,170
Financial liabilities designated at fair value	156,608	164,466
Derivatives	303,059	239,497
Debt securities in issue	110,114	104,555
Accruals, deferred income and other liabilities	173,181	118,156
Current tax liabilities	1,141	2,150
Liabilities under insurance contracts	98,832	97,439
Provisions	3,209	3,398
Deferred tax liabilities	4,491	3,375
Subordinated liabilities	23,621	24,600
Total liabilities	2,727,577	2,522,484
Equity		
Called up share capital	10,346	10,319
Share premium account	14,268	13,959
Other equity instruments	20,914	20,871
Other reserves	(301)	2,127
Retained earnings	141,809	136,679
Total shareholders' equity	187,036	183,955
Non-controlling interests	8,185	8,713
Total equity	195,221	192,668
Total liabilities and equity	2,922,798	2,715,152

Consolidated statement of cash flows

	Half-year to		
	30 Jun 2020 \$m	30 Jun 2019 \$m	31 Dec 2019 \$m
Profit before tax	4,318	12,407	940
Adjustments for non-cash items:			
Depreciation, amortisation and impairment	3,095	1,522	8,997
Net gain from investing activities	(405)	(352)	(47)
Share of profits in associates and joint ventures	(958)	(1,324)	(1,030)
Gain on disposal of subsidiaries, businesses, associates and joint ventures	—	(828)	(101)
Change in expected credit losses gross of recoveries and other credit impairment charges	6,875	1,347	1,665
Provisions including pensions	277	1,012	1,411
Share-based payment expense	195	288	190
Other non-cash items included in profit before tax	(718)	(1,401)	(896)
Change in operating assets	11,185	(114,049)	9,818
Change in operating liabilities	134,734	136,627	(20,544)
Elimination of exchange differences ¹	3,775	(10,266)	6,524
Dividends received from associates	120	170	463
Contributions paid to defined benefit plans	(335)	(153)	(380)
Tax paid	(2,373)	(1,347)	(920)
Net cash from operating activities	159,785	23,653	6,090
Purchase of financial investments	(271,830)	(234,762)	(211,145)
Proceeds from the sale and maturity of financial investments	225,733	204,600	208,586
Net cash flows from the purchase and sale of property, plant and equipment	(447)	(532)	(811)
Net cash flows from purchase of customer and loan portfolios	244	435	683
Net investment in intangible assets	(957)	(951)	(1,338)
Net cash flow on (purchase)/disposal of subsidiaries, businesses, associates and joint ventures	(409)	(75)	(8)
Net cash from investing activities	(47,666)	(31,285)	(4,033)
Cancellation of shares	—	—	(1,000)
Net sales/(purchases) of own shares for market-making and investment purposes	(48)	27	114
Redemption of preference shares and other equity instruments	(398)	—	—
Subordinated loan capital repaid	(1,538)	(4,138)	(72)
Dividends paid to shareholders of the parent company and non-controlling interests	(1,204)	(4,271)	(5,502)
Net cash from financing activities	(3,188)	(8,382)	(6,460)
Net increase/(decrease) in cash and cash equivalents	108,931	(16,014)	(4,403)
Cash and cash equivalents at the beginning of the period ²	293,742	312,911	296,723
Exchange differences in respect of cash and cash equivalents	(7,455)	(174)	1,422
Cash and cash equivalents at the end of the period²	395,218	296,723	293,742

- 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.
- ² At 31 December 2019, HSBC re-presented cash and cash equivalents to reflect a consistent global approach to these amounts. The net effect of these changes decreased cash and cash equivalents by \$15.3bn at 30 June 2019.

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 share-holders' equity	Non-controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jan 2020	24,278	20,871	136,679	(108)	(2)	(25,133)	27,370	183,955	8,713	192,668
Profit for the period	—	—	2,639	—	—	—	—	2,639	486	3,125
Other comprehensive income (net of tax)	—	—	3,506	1,654	465	(4,559)	—	1,066	(25)	1,041
– debt instruments at fair value through other comprehensive income	—	—	—	1,735	—	—	—	1,735	12	1,747
– equity instruments designated at fair value through other comprehensive income	—	—	—	(81)	—	—	—	(81)	(42)	(123)
– cash flow hedges	—	—	—	—	465	—	—	465	11	476
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	2,354	—	—	—	—	2,354	—	2,354
– remeasurement of defined benefit asset/liability	—	—	1,195	—	—	—	—	1,195	(13)	1,182
– share of other comprehensive income of associates and joint ventures	—	—	(115)	—	—	—	—	(115)	—	(115)
– effects of hyperinflation	—	—	72	—	—	—	—	72	—	72
– exchange differences	—	—	—	—	—	(4,559)	—	(4,559)	7	(4,552)
Total comprehensive income for the period	—	—	6,145	1,654	465	(4,559)	—	3,705	461	4,166
Shares issued under employee remuneration and share plans	336	—	(329)	—	—	—	—	7	—	7
Dividends to shareholders	—	—	(662)	—	—	—	—	(662)	(542)	(1,204)
Cost of share-based payment arrangements	—	—	195	—	—	—	—	195	—	195
Other movements	—	43	(219)	12	—	—	—	(164)	(447)	(611)
At 30 Jun 2020	24,614	20,914	141,809	1,558	463	(29,692)	27,370	187,036	8,185	195,221
At 1 Jan 2019	23,789	22,367	138,191	(1,532)	(206)	(26,133)	29,777	186,253	7,996	194,249
Profit for the period	—	—	9,216	—	—	—	—	9,216	721	9,937
Other comprehensive income (net of tax)	—	—	(1,297)	1,202	237	92	—	234	93	327
– debt instruments at fair value through other comprehensive income	—	—	—	1,001	—	—	—	1,001	14	1,015
– equity instruments designated at fair value through other comprehensive income	—	—	—	201	—	—	—	201	67	268
– cash flow hedges	—	—	—	—	237	—	—	237	2	239
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	(1,445)	—	—	—	—	(1,445)	—	(1,445)
– remeasurement of defined benefit asset/liability	—	—	(38)	—	—	—	—	(38)	(7)	(45)
– share of other comprehensive income of associates and joint ventures	—	—	73	—	—	—	—	73	—	73
– effects of hyperinflation	—	—	113	—	—	—	—	113	—	113
– exchange differences	—	—	—	—	—	92	—	92	17	109
Total comprehensive income for the period	—	—	7,919	1,202	237	92	—	9,450	814	10,264
Shares issued under employee remuneration and share plans	490	—	(475)	—	—	—	—	15	—	15
Shares issued in lieu of dividends and amounts arising thereon	—	—	1,160	—	—	—	—	1,160	—	1,160
Dividends to shareholders	—	—	(4,915)	—	—	—	—	(4,915)	(516)	(5,431)
Cost of share-based payment arrangements	—	—	255	—	—	—	—	255	—	255
Other movements	—	—	458	—	—	—	—	458	(96)	362
At 30 Jun 2019	24,279	22,367	142,593	(330)	31	(26,041)	29,777	192,676	8,198	200,874

Consolidated statement of changes in equity (continued)

	Other reserves									
	Called up share capital and share premium	Other equity instru- ments	Retained earnings	Financial assets at FVOCI reserve	Cash flow hedging reserve	Foreign exchange reserve	Merger and other reserves	Total share- holders' equity	Non- controlling interests	Total equity
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
At 1 Jul 2019	24,279	22,367	142,593	(330)	31	(26,041)	29,777	192,676	8,198	200,874
Profit for the period	—	—	(1,833)	—	—	—	—	(1,833)	604	(1,229)
Other comprehensive income (net of tax)	—	—	(462)	222	(33)	908	—	635	55	690
– debt instruments at fair value through other comprehensive income	—	—	—	145	—	—	—	145	(8)	137
– equity instruments designated at fair value through other comprehensive income	—	—	—	77	—	—	—	77	21	98
– cash flow hedges	—	—	—	—	(33)	—	—	(33)	—	(33)
– changes in fair value of financial liabilities designated at fair value upon initial recognition arising from changes in own credit risk	—	—	(557)	—	—	—	—	(557)	—	(557)
– remeasurement of defined benefit asset/ liability	—	—	43	—	—	—	—	43	15	58
– share of other comprehensive income of associates and joint ventures	—	—	(52)	—	—	—	—	(52)	—	(52)
– effects of hyperinflation	—	—	104	—	—	—	—	104	—	104
– exchange differences	—	—	—	—	—	908	—	908	27	935
Total comprehensive income for the period	—	—	(2,295)	222	(33)	908	—	(1,198)	659	(539)
Shares issued under employee remuneration and share plans	67	—	(20)	—	—	—	—	47	—	47
Shares issued in lieu of dividends and amounts arising thereon	—	—	1,527	—	—	—	—	1,527	—	1,527
Dividends to shareholders	—	—	(6,768)	—	—	—	—	(6,768)	(261)	(7,029)
Redemption of securities ¹	—	(1,496)	(12)	—	—	—	—	(1,508)	—	(1,508)
Transfers ²	—	—	2,475	—	—	—	(2,475)	—	—	—
Cost of share-based payment arrangements	—	—	223	—	—	—	—	223	—	223
Cancellation of shares ³	(68)	—	(1,000)	—	—	—	68	(1,000)	—	(1,000)
Other movements	—	—	(44)	—	—	—	—	(44)	117	73
At 31 Dec 2019	24,278	20,871	136,679	(108)	(2)	(25,133)	27,370	183,955	8,713	192,668

¹ In 2019, HSBC Holdings called and later redeemed \$1,500m 5.625% perpetual subordinated capital securities on which there were \$12m of external issuance costs.

² Permitted transfers from the merger reserve to retained earnings were made when the investment in HSBC Overseas Holdings (UK) Limited was previously impaired. In 2019, an additional impairment of \$2,475m was recognised and a permitted transfer of this amount was made from the merger reserve to retained earnings.

³ In August 2019, HSBC announced a share buy-back of up to \$1.0bn, which was completed in September 2019.

1 Basis of preparation and significant accounting policies

(a) Compliance with International Financial Reporting Standards

Our interim condensed consolidated financial statements have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and IAS 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board ('IASB') and as endorsed by the EU. 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 2019. These financial statements should be read in conjunction with the *Annual Report and Accounts 2019*.

At 30 June 2020, there were no unendorsed standards effective for the half-year to 30 June 2020 affecting these financial statements, and there was no difference between IFRSs endorsed 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 2020

There were no new standards or amendments to standards that had an effect on these interim condensed consolidated 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, goodwill impairment, the valuation of financial instruments, deferred tax assets, provisions for liabilities, defined benefit obligations and interests in associates. There were no changes in the current period to the critical accounting estimates and judgements applied in 2019, which are stated on pages 47 and 242 of the *Annual Report and Accounts 2019*. However, the level of estimation uncertainty and judgement for the calculation of expected credit losses ('ECL') has increased since 31 December 2019 as a result of the economic effects of the Covid-19 outbreak as set out in 'Measurement uncertainty and sensitivity analysis' on page 56 of the *Interim Report 2020*. In addition, as a result of the heightened economic uncertainty together with the plans announced in the 2020 business update and historical underperformance of certain businesses, the estimates and judgements with regard to the expected cash flows of cash generating units, which are applied to the impairment of non-financial assets other than goodwill, particularly intangible assets, have become more sensitive and resulted in significant impairment charges in the interim reporting period. See Note 11 'Goodwill and intangible assets' of the *Interim Report 2020*.

(c) Composition of Group

There were no material changes in the composition of the Group in the half-year to 30 June 2020.

(d) Future accounting developments

IFRS 17 'Insurance Contracts' was issued in May 2017, with amendments to the standard issued in June 2020. It has not been endorsed for use in the EU. 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 is 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.

(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 that reflect the increasing uncertainty that the global Covid-19 pandemic has had on HSBC's operations, as well as considering potential impacts from other top and emerging risks, and the related impact on profitability, capital and liquidity.

(f) Accounting policies

Except as described above, the accounting policies that we applied for these interim condensed consolidated financial statements are consistent with those described on pages 240 to 251 of the *Annual Report and Accounts 2019*, as are the methods of computation.

2 Dividends

On 31 March 2020, HSBC announced that, in response to a request from the Bank of England through the UK's Prudential Regulation Authority ('PRA'), the Board had cancelled the fourth interim dividend for 2019 of \$0.21 per ordinary share, which was scheduled to be paid on 14 April 2020. The Board also announced that until the end of 2020 HSBC will make no quarterly or interim dividend payments or accruals in respect of ordinary shares.

The Board intend to provide an update on our dividend policy at our year-end results for 2020, when the economic impact of the Covid-19 outbreak is better understood. We will also take into account the views of our shareholders, the interests of our other stakeholders and other factors, including our financial performance and capital position.

Dividends paid to shareholders of HSBC Holdings plc

	Half-year to								
	30 Jun 2020			30 Jun 2019			31 Dec 2019		
	Per share \$	Total \$m	Settled in scrip \$m	Per share \$	Total \$m	Settled in scrip \$m	Per share \$	Total \$m	Settled in scrip \$m
Dividends paid on ordinary shares									
In respect of previous year:									
– fourth interim dividend	–	–	–	0.21	4,206	1,160	–	–	–
In respect of current year:									
– first interim dividend ¹	–	–	–	–	–	–	0.10	2,013	375
– second interim dividend	–	–	–	–	–	–	0.10	2,021	795
– third interim dividend	–	–	–	–	–	–	0.10	2,029	357
Total	–	–	–	0.21	4,206	1,160	0.30	6,063	1,527
Total dividends on preference shares classified as equity (paid quarterly)	31.00	45		31.00	45		31.00	45	
Total coupons on capital securities classified as equity		617			664			660	
Dividends to shareholders		662			4,915			6,768	

¹ At 30 June 2019, HSBC changed its accounting practice on the recognition of interim dividends to recognise them on the date of payment rather than the date of declaration, in line with generally accepted accounting practice.

Dividend on preference shares

A quarterly dividend of \$15.50 per 6.20% non-cumulative US dollar preference share, Series A ('Series A dollar preference share') (equivalent to a dividend of \$0.3875 per Series A American Depositary Share ('ADS'), each of which represents one-fortieth of a Series A dollar preference share), and £0.01 per Series A sterling preference share is payable on 15 March, 15 June, 15 September and 15 December 2020 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 2020 to holders of record on 31 August 2020.

The Series A dollar preference share quarterly dividend, announced on 28 April 2020 to be payable on 15 June 2020, was paid on 16 June 2020 due to an administrative error and may not have been received by a limited number of ADS holders who were on the record on 29 May 2020. ADS holders who have not received their expected dividend should contact HSBC Investor Relations at investorrelations@hsbc.com to discuss this further.

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/(loss) attributable to ordinary shareholders of the parent company

	Half-year to		
	30 Jun 2020	30 Jun 2019	31 Dec 2019
	\$m	\$m	\$m
Profit attributable to shareholders of the parent company	2,639	9,216	(1,833)
Dividend payable on preference shares classified as equity	(45)	(45)	(45)
Coupon payable on capital securities classified as equity	(617)	(664)	(660)
Profit/(loss) attributable to ordinary shareholders of the parent company	1,977	8,507	(2,538)

Basic and diluted earnings per share

	Half-year to								
	30 Jun 2020			30 Jun 2019			31 Dec 2019		
	Profit \$m	Number of shares (millions)	Amount per share \$	Profit \$m	Number of shares (millions)	Amount per share \$	Profit/(loss) \$m	Number of shares (millions)	Amount per share \$
Basic	1,977	20,162	0.10	8,507	20,124	0.42	(2,538)	20,191	(0.13)
Effect of dilutive potential ordinary shares		58			65			–	
Diluted	1,977	20,220	0.10	8,507	20,189	0.42	(2,538)	20,191	(0.13)

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

4 Adjusted balance sheet reconciliation

	At			
	30 Jun 2020	31 Dec 2019		
	Reported and adjusted \$m	Adjusted \$m	Currency translation \$m	Reported \$m
Loans and advances to customers (net)	1,018,681	1,006,661	30,082	1,036,743
Interests in associates and joint ventures	24,800	24,231	243	24,474
Total external assets	2,922,798	2,638,494	76,658	2,715,152
Customer accounts	1,532,380	1,399,656	39,459	1,439,115

5 Reconciliation of reported and adjusted items

	Footnotes	Half-year to		
		30 Jun 2020	30 Jun 2019	31 Dec 2019
		\$m	\$m	\$m
Revenue	1			
Reported		26,745	29,372	26,726
Currency translation			(681)	(281)
Significant items		(268)	(876)	187
– customer redress programmes		(26)	–	163
– disposals, acquisitions and investment in new businesses		8	(827)	59
– fair value movements on financial instruments	2	(299)	(50)	(34)
– restructuring and other related costs		49	–	–
– currency translation on significant items			1	(1)
Adjusted		26,477	27,815	26,632
ECL				
Reported		(6,858)	(1,140)	(1,616)
Currency translation			52	62
Adjusted		(6,858)	(1,088)	(1,554)
Operating expenses				
Reported		(16,527)	(17,149)	(25,200)
Currency translation			453	228
Significant items		1,585	957	8,524
– costs of structural reform	3	–	91	67
– customer redress programmes		50	610	671
– impairment of goodwill and other intangibles		1,025	–	7,349
– restructuring and other related costs	4	505	287	540
– settlements and provisions in connection with legal and regulatory matters		5	(2)	(59)
– currency translation on significant items		–	(29)	(44)
Adjusted		(14,942)	(15,739)	(16,448)
Share of profit in associates and joint ventures				
Reported		958	1,324	1,030
Currency translation			(39)	–
Adjusted		958	1,285	1,030
Profit before tax				
Reported		4,318	12,407	940
Currency translation			(215)	9
Significant items		1,317	81	8,711
– revenue		(268)	(876)	187
– operating expenses		1,585	957	8,524
Adjusted		5,635	12,273	9,660

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

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

3 Comprises costs associated with preparations for the UK's exit from the European Union.

4 Includes impairment of software intangible assets of \$173m.

6 Contingent liabilities, contractual commitments and guarantees

	At	
	30 Jun	31 Dec
	2020	2019
	\$m	\$m
<i>Footnotes</i>		
Guarantees and contingent liabilities:		
– financial guarantees	18,328	20,214
– performance and other guarantees	73,078	75,933
– other contingent liabilities	1,094	1,576
At the end of the period	92,500	97,723
Commitments:		
– documentary credits and short-term trade-related transactions	6,201	6,316
– forward asset purchases and forward deposits placed	91,849	56,326
– standby facilities, credit lines and other commitments to lend	740,023	734,966
At the end of the period	838,073	797,608

¹ Includes \$648,156m of commitments at 30 June 2020 (31 December 2019: \$600,029m), to which the impairment requirements in IFRS 9 are applied where HSBC has become party to an irrevocable commitment.

The preceding table discloses the nominal principal amounts of off-balance sheet liabilities and commitments for the Group, which represent the maximum amounts at risk should the contracts be fully drawn upon and the clients default. As a significant portion of guarantees and commitments are expected to expire without being drawn upon, the total of the nominal principal amounts is not indicative of future liquidity requirements. The expected credit loss provision relating to guarantees and commitments under IFRS 9 is disclosed in Note 12 of the *Interim Report 2020*.

The majority of the guarantees have a term of less than one year, while guarantees with terms of more than one year are subject to HSBC's annual credit review process.

Contingent liabilities arising from legal proceedings, regulatory and other matters against Group companies are disclosed in Note 7 below and Note 14 of the *Interim Report 2020*.

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 2019*. 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 2020 (see Note 12 of the *Interim Report 2020*). 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

Bernard L. Madoff ('Madoff') was arrested in December 2008 and later pleaded guilty to running a Ponzi scheme. His firm, Bernard L. Madoff Investment Securities LLC ('Madoff Securities'), is being liquidated in the US by a trustee (the 'Trustee').

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 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 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. HSBC and other parties to the actions have moved to dismiss the Trustee's claims. The US Bankruptcy Court granted HSBC's motion to dismiss with respect to certain of the Trustee's claims in November 2016. In February 2019, the US Court of Appeals for the Second Circuit (the 'Second Circuit Court of Appeals') reversed that dismissal. Following the US Supreme Court's denial of certiorari in June 2020, 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 issued an opinion, which ruled in favour of the defendants' motion to dismiss in respect of certain claims by the liquidators for Fairfield and granted a motion by the liquidators to file amended complaints. As a result of that opinion, all claims against one of the HSBC companies were dismissed, and certain claims against the remaining HSBC defendants were also dismissed. 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, in January 2020, the liquidators filed amended complaints on the claims remaining in the US Bankruptcy Court. In March 2020, HSBC and other parties to the action moved to dismiss the amended complaints in the US Bankruptcy Court.

UK litigation: The 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 2020 for UK-based defendants and November 2020 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, which has listed the hearing for April 2021.

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 claim and its claim for money damages. 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.

Ireland litigation: In November 2013, Defender Limited brought an action against HSBC Institutional Trust Services (Ireland) Limited ('HTIE') and others, based on allegations of breach of contract and claiming damages and indemnification for fund losses. The trial commenced in October 2018. In December 2018, the Irish High Court issued a judgment in HTIE's favour on a preliminary issue, holding that Defender Limited had no effective claim against HTIE. This judgment concluded the trial without further issues in dispute being heard. In February 2019, Defender Limited appealed the decision. In July 2020, the Irish Supreme Court ruled in part in favour of Defender Limited and returned the case to the High Court for further proceedings.

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 up to or exceeding \$500m, 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, among other agreements, HSBC Holdings agreed to an undertaking with the UK Financial Services Authority, which was replaced by a Direction issued by the UK Financial Conduct Authority ('FCA') in 2013, and again in July 2020, and consented to 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. HSBC also agreed to retain an independent compliance monitor (who is, for FCA purposes, a 'Skilled Person' under section 166 of the Financial Services and Markets Act and, for FRB purposes, an 'Independent Consultant') to produce periodic assessments of the Group's AML and sanctions compliance programme (the 'Skilled Person/Independent Consultant'). In December 2012, HSBC Holdings also entered into an agreement with the Office of Foreign Assets Control ('OFAC') regarding historical transactions involving parties subject to OFAC sanctions. HSBC's engagement with the Skilled Person appointed pursuant to the 2013 Direction was terminated in February 2020 and a new Skilled Person with a narrower mandate has been appointed to assess the remaining areas that require further work in order for HSBC to transition fully to business-as-usual financial crime risk management. The Independent Consultant will continue to carry out an annual OFAC compliance review at the FRB's discretion. The role of the Skilled Person/Independent Consultant is discussed on page 145 of the *Annual Report and Accounts 2019*.

Through the Skilled Person/Independent Consultant's prior reviews, as well as internal reviews conducted by HSBC, certain potential AML and sanctions compliance issues have been identified that HSBC is reviewing further with the FRB, FCA and/or OFAC. The Financial Crimes Enforcement Network of the US Treasury Department, as well as the Civil Division of the US Attorney's Office for the Southern District of New York, are investigating the collection and transmittal of third-party originator information in certain payments instructed over HSBC's proprietary payment systems. The FCA is also conducting an investigation into HSBC Bank plc's and HSBC UK Bank plc's compliance with UK money laundering regulations and financial crime systems and controls requirements. HSBC is cooperating with all of these investigations.

In May 2014, a shareholder derivative action was filed by a shareholder of HSBC Holdings purportedly on behalf of HSBC Holdings, HSBC Bank USA N.A. ('HSBC Bank USA'), HSBC North America Holdings Inc. and HSBC USA Inc. (the 'Nominal Corporate Defendants') in New York state court against certain current and former directors and officers of the Nominal Corporate Defendants (the 'Individual Defendants'). The complaint alleges that the Individual Defendants breached their fiduciary duties to the Nominal Corporate Defendants and caused a waste of corporate assets by allegedly permitting and/or causing the conduct underlying the five-year deferred prosecution agreement with the US Department of Justice ('DoJ'), entered into in December 2012. In November 2015, the New York state court granted the Nominal Corporate Defendants' motion to dismiss, but the appellate court reversed the decision in November 2018 and reinstated the action. In June 2020, the parties reached an agreement to resolve this derivative action. In July 2020, the court granted preliminary approval of the settlement, under which HSBC will receive a payment from directors and officers liability insurance carriers and will continue for a period of time certain corporate governance practices. The final settlement approval hearing has been scheduled for October 2020.

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 or of cartel violence in Mexico. 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, 10 actions remain pending in federal courts in New York or the District of Columbia. In March, September and October 2019, the courts granted HSBC's motions to dismiss in three of these cases. The plaintiffs have appealed the decisions in two of these cases and are seeking certification to appeal in the third case. HSBC has filed motions to dismiss in three further cases, two of which were granted in June 2020, while the third remains pending. The four remaining actions are at a very 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 (the '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. HSBC appealed the decision and, 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 have both appealed the General Court's decision to the European Court of Justice.

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.

In 2017 and 2018, HSBC reached agreements with plaintiffs to resolve putative class actions brought on behalf of the following five groups of plaintiffs: persons who purchased US dollar Libor-indexed bonds; persons who purchased US dollar Libor-indexed exchange-traded instruments; US-based lending institutions that made or purchased US dollar Libor-indexed loans (the 'Lender class'); persons who purchased US dollar Libor-indexed interest rate swaps and other instruments directly from the defendant banks and their affiliates (the 'OTC class'); and persons who purchased US dollar Libor-indexed interest rate swaps and other instruments from certain financial institutions that are not the defendant banks or their affiliates. During 2018, the New York District Court granted final approval of the settlements with the OTC and Lender classes. The remaining settlements are subject to final court approval. Additionally, a number of other US dollar Libor-related actions remain pending against HSBC in the New York District Court and the Second Circuit Court of Appeals.

Intercontinental Exchange ('ICE') Libor: Between January and March 2019, HSBC and other panel banks were named as defendants in three putative class actions filed in the New York District Court on behalf of persons and entities who purchased instruments paying interest indexed to US dollar ICE Libor from a panel bank. The complaints allege, among other things, misconduct related to the suppression of this benchmark rate in violation of US antitrust and state law. In July 2019, the three putative class actions were consolidated, and the plaintiffs filed a consolidated amended complaint. In March 2020, the court granted the defendants' joint motion to dismiss in its entirety. The plaintiffs have appealed.

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

In the Sibor/SOR litigation, following a decision on the defendants' motion to dismiss in October 2018, the claims against a number of HSBC entities were dismissed, and The Hongkong and Shanghai Banking Corporation Limited ('HBAP') remained as the only HSBC defendant in this action. In October 2018, HBAP filed a motion for reconsideration of the decision based on the issue of personal jurisdiction. This motion was denied in April 2019. Also in October 2018, the plaintiffs filed a third amended complaint naming only the Sibor panel members, including HBAP, as defendants. The court dismissed the third amended complaint in its entirety in July 2019 against all defendants. In August 2019, the plaintiffs filed an appeal to the Second Circuit Court of Appeals, which remains pending.

In the BBSW litigation, in November 2018, the court dismissed all foreign defendants, including all the HSBC entities, on personal jurisdiction grounds. In April 2019, the plaintiffs filed an amended complaint, which the defendants moved to dismiss. In February 2020, the court again dismissed the plaintiffs' amended complaint against all the HSBC entities.

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

Various regulators and competition authorities around the world, including in the EU, Brazil and South Africa, are conducting investigations and reviews into trading by HSBC and others on the foreign exchange markets. HSBC is cooperating with these investigations and reviews.

In January 2018, HSBC Holdings entered into a three-year deferred prosecution agreement with the Criminal Division of the DoJ (the 'FX DPA'), regarding fraudulent conduct in connection with two particular transactions in 2010 and 2011. This concluded the DoJ's investigation into HSBC's historical foreign exchange activities. Under the terms of the FX DPA, HSBC has a number of ongoing obligations, including implementing enhancements to its internal controls and procedures in its Global Markets business, which will be the subject of annual reports to the DoJ. In addition, HSBC agreed to pay a financial penalty and restitution.

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 October 2018, HSBC Holdings and HSBC Bank plc received an information request from the EC concerning potential coordination in foreign exchange options trading. In May 2020, HSBC was informed that the EC had discontinued its investigation and does not intend to take further action.

In late 2013 and early 2014, various HSBC companies and other banks were named as defendants in various putative class actions consolidated in the New York District Court. The consolidated complaint alleged, among other things, that the defendants conspired to manipulate the WM/Reuters foreign exchange benchmark rates. In September 2015, HSBC reached an agreement with the plaintiffs to resolve the consolidated action, and the court granted final approval of the settlement in August 2018.

A putative class action complaint making similar allegations on behalf of retail customers of foreign exchange products was filed in the US District Court for the Northern District of California in 2015, and was subsequently transferred to the New York District Court where it remains pending. In 2017, putative class action complaints making similar allegations on behalf of purported indirect purchasers of foreign exchange products were filed in New York and were subsequently consolidated in the New York District Court. In April 2020, HSBC reached an agreement with the plaintiffs to resolve the indirect purchaser action. The settlement remains subject to final court approval.

In September 2018, various HSBC companies and other banks were named as defendants in two motions for certification of class actions filed in Israel alleging foreign exchange-related misconduct. In July 2019, the Tel Aviv Court allowed the plaintiffs to consolidate their claims and, in September 2019, the plaintiffs filed a motion for certification of the consolidated class action.

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 US class action settlement. In May 2020, the court granted in part and denied in part the defendants' motion to dismiss the US opt-out actions. These matters remain at an early stage. It is possible that additional civil actions will be initiated against HSBC in relation to its historical foreign exchange activities.

There are many factors that may affect the range of outcomes, and the resulting financial impact, of these matters, 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 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. The actions were consolidated in the New York District Court. The defendants' motion to dismiss the consolidated action was granted in part and denied in part in October 2016. In June 2017, the court granted the plaintiffs leave to file a third amended complaint, naming a new defendant. The court has denied the pre-existing defendants' request for leave to file a joint motion to dismiss, and discovery is proceeding.

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 at an early stage.

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 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. The actions were consolidated in the New York District Court. The defendants' motion to dismiss the consolidated action was granted in part and denied in part in October 2016. In June 2017, the court granted the plaintiffs leave to file a third amended complaint, which names several new defendants. The court has denied the pre-existing defendants' request for leave to file a joint motion to dismiss, and discovery is proceeding.

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. The Ontario action is at an early stage. The Quebec action has been temporarily stayed.

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 2017, the defendants' motion to dismiss the second amended consolidated complaint was granted in part and denied in part. In June 2017, the plaintiffs filed a third amended complaint. In March 2020, the court granted the defendants' motion to dismiss the 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. These actions are ongoing.

In December 2018, a separate action was brought against PBGB in the High Court of England and Wales by multiple claimants seeking damages for alleged unlawful means conspiracy and dishonest assistance in connection with lending provided by PBGB to third parties in respect of certain Ingenious film finance schemes in which the claimants participated. In June 2019, a similar claim was issued against PBGB in the High Court of England and Wales by additional claimants. These actions are ongoing.

In June 2020, two separate claims were issued against HSBC UK Bank plc (as successor to PBGB's business) by two separate groups of investors in Eclipse film finance schemes in connection with PBGB's role in facilitating the design, promotion and operation of such schemes. Only one of these claims has been served to date. These matters are at an early stage.

In February 2020, a claim was issued against HSBC UK Bank plc (as successor to PBGB's business) by two individuals in relation to the Zeus film finance schemes. Separately, in June 2020, HSBC UK Bank plc received an application for disclosure of documents by a law firm acting on behalf of a number of investors in the Zeus schemes. These matters are at an early stage.

It is possible that additional actions or investigations will be initiated against HSBC UK Bank plc as a result of PBGB's historical involvement in the provision of certain film finance-related services.

Based on the facts currently known, it is not practicable to predict the resolution of these matters, including the timing or any possible impact on HSBC, 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;
- an investigation by the Swiss Competition Commission in connection with the setting of Euribor and Japanese yen Libor;
- an investigation by the FCA in connection with collections and recoveries operations in the UK;
- an information request from the UK Competition and Markets Authority concerning the financial services sector;
- putative class actions brought in the New York District Court relating to the Mexican government bond market, the US government-sponsored enterprise bond market, and the market for US dollar-denominated supranational sovereign and agency bonds;
- 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 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.

9 Capital structure

Capital ratios

	At	
	30 Jun 2020 %	31 Dec 2019 %
Transitional basis		
Common equity tier 1 ratio	15.0	14.7
Tier 1 ratio	17.8	17.6
Total capital ratio	20.7	20.4
End point basis		
Common equity tier 1 ratio	15.0	601.4
Tier 1 ratio	17.5	400.5
Total capital ratio	19.2	150.2

Total regulatory capital and risk-weighted assets

	At	
	30 Jun 2020 \$m	31 Dec 2019 \$m
Transitional basis		
Common equity tier 1 capital	128,446	123,966
Additional tier 1 capital	24,031	24,393
Tier 2 capital	24,765	23,791
Total regulatory capital	177,242	172,150
Risk-weighted assets	854,552	843,395
End point basis		
Common equity tier 1 capital	128,446	121,022
Additional tier 1 capital	20,914	22,525
Tier 2 capital	15,021	24,511
Total regulatory capital	164,381	168,058
Risk-weighted assets	854,552	865,318

Leverage ratio

		At	
Ref*		30 Jun 2020 \$bn	31 Dec 2019 \$bn
20	Tier 1 capital	149.4	144.8
21	Total leverage ratio exposure	2,801.4	2,726.5
		%	%
22	Leverage ratio	5.3	5.3
EU-23	Choice of transitional arrangements for the definition of the capital measure	Fully phased-in	Fully phased-in
	UK leverage ratio exposure – quarterly average ¹	2,565.8	2,535.4
		%	%
	UK leverage ratio – quarterly average	5.7	5.8
	UK leverage ratio – quarter end	5.9	5.7

* The references identify the lines prescribed in the European Banking Authority ('EBA') template.

1 UK leverage ratio here and below denotes the Group's leverage ratio calculated under the PRA's UK leverage framework.

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.

10 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 2019 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 their 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 consolidated financial statements which are contained in the *Interim Report 2020*. The *Interim Report 2020* was approved by the Board of Directors on 3 August 2020. The unaudited interim consolidated 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 2020*.

11 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, 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 2020.

12 Earnings release and final results

An earnings release for the three-month period ending 30 September 2020 is expected to be issued on 27 October 2020. The results for the year to 31 December 2020 are expected to be announced on 23 February 2021.

13 Corporate governance

We are subject to corporate governance requirements in both the UK and Hong Kong. Throughout the six months ended 30 June 2020, we complied with the applicable provisions of the UK Corporate Governance Code and also the requirements of the Hong Kong Corporate Governance Code, save to the extent referred to in the next paragraph. 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

Following the UK Government's introduction of social distancing measures and prohibition on non-essential travel and public gatherings, it was not possible for shareholders to attend this year's Annual General Meeting ('AGM') in person. The Board was fully informed of all relevant AGM and shareholder matters but only a limited number of directors and essential personnel attended the AGM to ensure the meeting was quorate and to enable the business of the meeting to be conducted. Shareholders were advised to vote by submitting a proxy in advance of the AGM and that they should only appoint the Chairman of the AGM to act as their proxy. To ensure that shareholders did not lose the opportunity to raise questions, shareholders were encouraged to submit questions for the Board via email in advance of the AGM. Responses to the most frequent questions across key themes were published on the HSBC website after due consideration by the Board. None of the questions submitted covered a topic that required consideration by the auditor. Given these measures, not all of the persons set out in paragraphs A.6.7 and E.1.2 of the Hong Kong Corporate Governance Code were able to attend the AGM.

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 and except as disclosed on page 121 of the *Interim Report 2020*, 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 2019* 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 29 of the *Interim Report 2020*.

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

Mark Tucker*, Laura Cha†, Henri de Castries†, James Anthony Forese†, Steven Guggenheimer†, Irene Lee†, José Antonio Meade Kuribreña†, Heidi Miller†, Eileen K Murray†, David Nish†, Noel Quinn, Ewen Stevenson, Jackson Tai† and Pauline van der Meer Mohr†.

* Non-executive Group Chairman

† Independent non-executive Director

14 Interim Report 2020

The *Interim Report 2020* will be made available to shareholders on or about 26 August 2020. Copies of the *Interim Report 2020* and this Media 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 2020* and this News Release may also be downloaded from the HSBC website, www.hsbc.com.

A Chinese translation of the *Interim Report 2020* 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 2020* will be available on The Stock Exchange of Hong Kong Limited's website www.hkex.com.hk.

15 Cautionary statement regarding forward-looking statements

This news release may contain projections, estimates, forecasts, targets, 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 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 conditions, regulatory changes or Covid-19).

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 2019* for the fiscal year ended 31 December 2019 filed with the Securities and Exchange Commission (the 'SEC') on Form 20-F on 19 February 2020, our *1Q 2020 Earnings Release* furnished to the SEC on Form 6-K on 28 April 2020, and our *Interim Report 2020* for the six months ended 30 June 2020 which we expect to furnish to the SEC on Form 6-K on or around 3 August 2020.

16 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.

17 For further information contact:

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Incorporated in England with limited liability
Registered number 617987

HSBC HOLDINGS PLC

Data Pack

2Q 2020

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 2019*. 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 2019*, the *Interim Report 2020*, 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.

'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 2Q20 exchange rates for the income statement or at the prevailing rates of exchange on 30 June 2020 for the balance sheet. The yearly comparatives are translated at average FY19 exchange rates for the income statement or at the prevailing rates of exchange on 31 December 2019 for the balance sheet.

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)	29
Europe - HSBC Bank (non UK ring-fenced bank)	38
Europe - other	47
Asia	56
Hong Kong	65
Mainland China	74
Middle East and North Africa - MENA	83
North America	92
US	101
Latin America	110
Mexico	119
Credit risk	128

	Quarter ended					Year to date
Reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net interest income	6,897	7,612	7,654	7,568	7,772	30,462
Net fee income	2,803	3,123	2,938	2,961	3,098	12,023
Other operating income	3,359	2,951	2,779	2,826	4,074	13,613
Net operating income before change in expected credit losses and other credit impairment charges¹	13,059	13,686	13,371	13,355	14,944	56,098
Change in expected credit losses and other credit impairment charges	(3,832)	(3,026)	(733)	(883)	(555)	(2,756)
Total operating expenses ¹	(8,675)	(7,852)	(17,053)	(8,147)	(8,927)	(42,349)
<i>of which: staff expenses</i>	<i>(4,206)</i>	<i>(4,308)</i>	<i>(4,545)</i>	<i>(4,202)</i>	<i>(4,678)</i>	<i>(18,002)</i>
Share of profit in associates and joint ventures	537	421	518	512	732	2,354
Profit/(loss) before tax	1,089	3,229	(3,897)	4,837	6,194	13,347
Tax expense	(472)	(721)	(1,127)	(1,042)	(1,167)	(4,639)
Profit/(loss) after tax	617	2,508	(5,024)	3,795	5,027	8,708
Profit/(loss) attributable to:						
- ordinary shareholders of the parent company ("PAOS")	192	1,785	(5,509)	2,971	4,373	5,969
- preference shareholders of the parent company	23	22	23	22	23	90
- other equity holders of the parent company	176	441	176	484	254	1,324
- non-controlling interests	226	260	286	318	377	1,325
(Increase)/decrease in present value of in-force insurance business ("PVIF") (net of tax)	(56)	(254)	42	(652)	(192)	(1,248)
Impairment of goodwill and other intangible assets (net of tax)	1,154	—	7,349	—	—	7,349
PAOS net of PVIF and goodwill impairment	1,290	1,531	1,882	2,319	4,181	12,070
Reported significant items - Totals (\$m)						
Revenue	(91)	359	(276)	88	855	689
ECL	—	—	—	—	—	—
Operating expenses	(1,413)	(172)	(7,969)	(599)	(827)	(9,554)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges¹	13,150	13,055	13,300	13,068	13,666	55,409
<i>of which: net interest income</i>	<i>6,871</i>	<i>7,463</i>	<i>7,518</i>	<i>7,551</i>	<i>7,541</i>	<i>30,619</i>
<i>of which: net fee income</i>	<i>2,803</i>	<i>3,083</i>	<i>2,885</i>	<i>2,925</i>	<i>3,037</i>	<i>12,023</i>
Change in expected credit losses and other credit impairment charges	(3,832)	(2,945)	(686)	(828)	(519)	(2,756)
Total operating expenses ¹	(7,262)	(7,514)	(8,867)	(7,418)	(7,828)	(32,795)
Share of profit in associates and joint ventures	537	417	515	506	708	2,354
Profit/(loss) before tax	2,593	3,013	4,262	5,328	6,027	22,212

HSBC

HSBC Holdings plc consolidated

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Earnings metrics						
Return on equity (annualised)	0.5%	4.4%	(13.3)%	7.0%	10.5%	3.6%
Return on tangible equity (annualised)	3.5%	4.2%	5.2%	6.4%	11.7%	8.4%
Earnings per share (\$)	0.01	0.09	(0.27)	0.15	0.22	0.30
Adjusted ECL / average gross loans (annualised)	1.48%	1.14%	0.27%	0.32%	0.21%	0.27%
Dividends						
Dividends per share - declared in respect of the period (\$) ²	—	—	—	0.10	0.10	0.30
Dividends paid during the period, net of scrip (\$m)	—	—	1,672	2,864	3,046	7,582
Value of scrip issued during period (\$m)	—	—	357	1,170	1,160	2,687
Revenue significant items (\$m)						
Customer redress programmes	26	—	(45)	(118)	—	(163)
Disposals, acquisitions and investment in new businesses	(1)	(7)	(55)	(4)	827	768
Fair value movements on financial instruments	(58)	357	(176)	210	28	84
Restructuring and other related costs	(58)	9	—	—	—	—
Cost significant items (\$m)						
Costs of structural reform	—	—	(32)	(35)	(38)	(158)
Customer redress programmes	(49)	(1)	(183)	(488)	(554)	(1,281)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(1,025)	—	(7,349)	—	—	(7,349)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(335)	(170)	(400)	(140)	(237)	(827)
Settlements and provisions in connection with legal and regulatory matters	(4)	(1)	(5)	64	2	61
Reconciling items - Currency translation on reported items- Totals (\$m)						
Revenue		(277)	(344)	(200)	(424)	
ECL		81	47	55	36	
Operating expenses		167	280	129	297	
Share of profit in associates and joint ventures		(4)	(3)	(6)	(24)	
Currency translation on revenue significant items		(5)	3	(1)	(1)	
Currency translation on operating expense significant items		1	63	(1)	25	

1 The difference between the consolidated group result and the sum of geographical regions is attributable to inter-segment eliminations and goodwill impairment recognised on the Global Banking and Markets cash-generating unit, which is monitored on a global basis.

2 On 31st March 2020, HSBC announced the cancellation of the fourth 2019 interim dividend.

3

HSBC

HSBC Holdings plc consolidated

Equity -- reported (\$m)

Called up share capital	10,346	10,345	10,319	10,292	10,281	10,319
Share premium account	14,268	14,263	13,959	13,931	13,998	13,959
Other equity instruments	20,914	20,914	20,871	22,367	22,367	20,871
Other reserves	(301)	(2,250)	2,128	(151)	3,438	2,128
Retained earnings	141,809	146,499	136,678	143,078	142,592	136,678
Total shareholders' equity	187,036	189,771	183,955	189,517	192,676	183,955
Non-controlling interests	8,185	8,500	8,713	8,270	8,198	8,713
Total equity	195,221	198,271	192,668	197,787	200,874	192,668
Total liabilities and equity	2,922,798	2,917,810	2,715,152	2,728,347	2,751,273	2,715,152

Other balance sheet data - reported (\$m)

Loans and advances to customers (gross)	1,031,908	1,050,667	1,045,475	1,026,414	1,030,152	1,045,475
Risk-weighted assets ¹	854,552	857,078	843,395	865,238	885,971	843,395
Total shareholders' equity	187,036	189,771	183,955	189,517	192,676	183,955
AT1 capital	(20,914)	(20,914)	(20,871)	(22,367)	(22,367)	(20,871)
Preference shares	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)	(1,405)
Perpetual capital securities	—	—	—	—	—	—
Ordinary shareholders' equity ("NAV")	164,717	167,452	161,679	165,745	168,904	161,679
Goodwill, PVIF and other intangibles (net of deferred tax)	(16,838)	(17,433)	(17,535)	(23,913)	(23,463)	(17,535)
Tangible equity ("TNAV")	147,879	150,019	144,144	141,832	145,441	144,144

	Year to date					Year ended
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Average TNAV	148,015	147,082	142,847	142,763	142,315	142,847
Fair value of own debt, DVA and other adjustments	(852)	(373)	1,032	529	1,140	1,032
Average TNAV excluding fair value of own debt, DVA and other adjustments (RoTE TNAV)	147,163	146,709	143,879	143,292	143,455	143,879

HSBC

HSBC Holdings plc consolidated

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

Loans and advances to customers (net)

Customer accounts

Risk-weighted assets¹

Regulatory capital - Transitional basis (\$m)

Common equity tier 1 capital

Additional tier 1 capital

Tier 2 capital

Total regulatory capital

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

Common equity tier 1 capital

Additional tier 1 capital

Tier 2 capital

Total regulatory capital

Capital ratios - transitional basis

Common equity tier 1 ratio

Tier 1 ratio

Total capital ratio

Capital ratios - end-point basis

Common equity tier 1 ratio

Tier 1 ratio

Total capital ratio

Leverage exposures (\$m)

Leverage Ratio

	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (net)	1,018,681	1,047,629	1,006,661	1,018,978	1,002,980	1,036,743
Customer accounts	1,532,380	1,447,062	1,399,656	1,375,924	1,357,147	1,439,115
Risk-weighted assets ¹	854,552	861,407	821,264	860,648	868,954	843,395
Common equity tier 1 capital	128,446	125,218	123,966	123,791	126,949	123,966
Additional tier 1 capital	24,031	24,026	24,393	25,886	25,878	24,393
Tier 2 capital	24,765	24,713	23,791	25,446	25,432	23,791
Total regulatory capital	177,242	173,957	172,150	175,123	178,259	172,150
Common equity tier 1 capital	128,446	125,218	123,966	123,791	126,949	123,966
Additional tier 1 capital	20,914	20,909	20,870	22,363	22,363	20,870
Tier 2 capital	15,021	15,001	14,473	15,984	16,107	14,473
Total regulatory capital	164,381	161,128	159,309	162,138	165,419	159,309
Common equity tier 1 ratio	15.0%	14.6%	14.7%	14.3%	14.3%	14.3%
Tier 1 ratio	17.8%	17.4%	17.6%	17.3%	17.2%	17.3%
Total capital ratio	20.7%	20.3%	20.4%	20.2%	20.1%	20.2%
Common equity tier 1 ratio	15.0%	14.6%	14.7%	14.3%	14.3%	14.7%
Tier 1 ratio	17.5%	17 %	17.2%	16.9%	16.9%	17.2%
Total capital ratio	19.2%	18.8%	18.9%	18.7%	18.7%	18.9%
Leverage exposures (\$m)	2,801,386	2,782,705	2,726,543	2,708,219	2,786,468	2,726,543
Leverage Ratio	5.3%	5.3%	5.3%	5.4%	5.4%	5.3%

HSBC

HSBC Holdings plc consolidated

Balance sheet metrics

NAV / share (\$) at the end of the period	\$8.17	\$8.30	\$8.00	\$8.21	\$8.35	\$8.00
TNAV / share (\$) at the end of the period	\$7.34	\$7.44	\$7.13	\$7.02	\$7.19	\$7.13

Ordinary \$0.50 shares

Basic number of ordinary shares in issue (m)	20,162	20,172	20,206	20,191	20,221	20,206
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	Quarter ended					Year ended
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Ordinary shares issued during the period (m)	1	52	55	156	143	413
<i>of which scrip</i>	—	—	46	155	141	342
Shares bought back during the period (m)	—	—	—	(136)	—	(136)
Other movements in basic number of ordinary shares during the period	(11)	(86)	(40)	(50)	(4)	(52)
Average basic number of ordinary shares outstanding during the period (m)	20,190	20,161	20,433	20,201	20,203	20,158

Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	(814)	(814)	—
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Balance sheet data - currency translation on reported items- Totals (\$m)

Loans and advances to customers (net)		7,347	(30,082)	1,145	(18,652)	
Customer accounts		6,533	(39,459)	2,183	(22,977)	
Risk-weighted assets ¹		4,329	(22,131)	(3,776)	(16,203)	

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

HSBC

HSBC Holdings plc

Net Interest Margin

Average balances during period (\$m)

Short-term funds and loans and advances to banks
Loans and advances to customers
Reverse repurchase agreements – non-trading
Financial investments
Other interest-earning assets
Total interest-earning assets

Interest income during period (\$m)

Short-term funds and loans and advances to banks
Loans and advances to customers
Reverse repurchase agreements – non-trading
Financial investments
Other interest-earning assets
Total

Average balances during period (\$m)

Deposits by banks
Customer accounts
Repurchase agreements – non-trading
Debt securities in issue – non-trading
Other interest-bearing liabilities
Total interest-bearing liabilities
Non-interest bearing current accounts

Interest expense during period (\$m)

Deposits by banks
Customer accounts
Repurchase agreements – non-trading
Debt securities in issue – non-trading
Other interest-bearing liabilities
Total

Net interest margin (%)

	Quarter to date					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Average balances during period (\$m)						
Short-term funds and loans and advances to banks	286,614	224,505	216,741	200,141	217,418	212,920
Loans and advances to customers	1,047,307	1,036,554	1,038,625	1,023,422	1,018,818	1,021,554
Reverse repurchase agreements – non-trading	211,848	232,455	216,353	221,009	228,196	224,942
Financial investments	467,079	435,609	426,054	428,057	410,005	417,939
Other interest-earning assets	65,330	62,579	47,823	47,326	47,955	45,467
Total interest-earning assets	2,078,178	1,991,702	1,945,596	1,919,955	1,922,392	1,922,822
Interest income during period (\$m)						
Short-term funds and loans and advances to banks	277	483	524	602	626	2,411
Loans and advances to customers	7,444	8,534	8,697	9,048	9,071	35,578
Reverse repurchase agreements – non-trading	384	908	835	1,220	1,328	4,690
Financial investments	2,048	2,403	2,500	2,823	2,768	10,705
Other interest-earning assets	219	300	673	23	414	1,311
Total	10,372	12,628	13,229	13,716	14,207	54,695
Average balances during period (\$m)						
Deposits by banks	66,641	56,890	53,930	53,687	50,741	52,515
Customer accounts	1,228,367	1,178,914	1,175,998	1,145,175	1,143,983	1,149,483
Repurchase agreements – non-trading	122,228	156,767	135,341	167,684	169,224	160,850
Debt securities in issue – non-trading	224,735	221,774	219,806	214,531	219,025	211,229
Other interest-bearing liabilities	80,124	74,389	63,644	57,725	58,866	59,980
Total interest-bearing liabilities	1,722,095	1,688,734	1,648,719	1,638,802	1,641,839	1,634,057
Non-interest bearing current accounts	266,841	237,514	229,763	223,823	225,167	227,651
Interest expense during period (\$m)						
Deposits by banks	92	134	123	209	183	702
Customer accounts	1,670	2,400	2,722	2,879	2,858	11,238
Repurchase agreements – non-trading	130	624	600	1,103	1,183	4,023
Debt securities in issue – non-trading	1,257	1,462	1,548	1,613	1,784	6,522
Other interest-bearing liabilities	326	396	582	344	427	1,748
Total	3,475	5,016	5,575	6,148	6,435	24,233
Net interest margin (%)	1.33%	1.54%	1.56%	1.56%	1.62%	1.58%

Reported (\$m)

Net interest income	3,689	4,368	4,392	4,315	4,467	17,423
Net fee income	1,224	1,467	1,351	1,414	1,485	5,635
Other operating income/(expense)	743	(221)	571	355	632	2,494
Net operating income before change in expected credit losses and other credit impairment charges	5,656	5,614	6,314	6,084	6,584	25,552
Change in expected credit losses and other credit impairment charges	(1,094)	(1,108)	(425)	(451)	(256)	(1,437)
Total operating expenses	(3,745)	(3,824)	(4,682)	(4,241)	(4,542)	(17,351)
<i>of which: staff expenses</i>	<i>(1,322)</i>	<i>(1,453)</i>	<i>(1,552)</i>	<i>(1,423)</i>	<i>(1,479)</i>	<i>(5,882)</i>
Share of profit in associates and joint ventures	(4)	(4)	5	7	30	55
Profit/(loss) before tax	813	678	1,212	1,399	1,816	6,819

Reported Significant items - Totals (\$m)

Revenue	26	(7)	(95)	(112)	(3)	(214)
ECL	—	—	—	—	—	—
Operating expenses	(215)	(8)	(718)	(417)	(612)	(1,806)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	5,630	5,499	6,256	6,113	6,407	25,766
<i>of which: net interest income</i>	<i>3,663</i>	<i>4,279</i>	<i>4,330</i>	<i>4,350</i>	<i>4,340</i>	<i>17,574</i>
<i>of which: net fee income</i>	<i>1,224</i>	<i>1,444</i>	<i>1,325</i>	<i>1,397</i>	<i>1,455</i>	<i>5,635</i>
Change in expected credit losses and other credit impairment charges	(1,094)	(1,065)	(386)	(418)	(231)	(1,437)
Total operating expenses	(3,530)	(3,730)	(3,852)	(3,747)	(3,797)	(15,545)
Share of profit in associates and joint ventures	(4)	(4)	4	7	29	55
Profit/(loss) before tax	1,002	700	2,022	1,955	2,408	8,839

Earnings metrics - adjusted

Return on tangible equity (annualised, YTD) ¹	6.0%	2.1%	19.7%	(n/a)	22.1%	19.7%
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Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	434,000	429,462	446,269	425,609	425,029	446,269
Loans and advances to customers (net)	429,487	425,692	443,025	422,503	421,987	443,025
Total external assets	814,719	760,446	772,139	735,410	739,001	772,139
Customer accounts	775,870	749,294	753,769	718,643	724,955	753,769
Risk-weighted assets	161,744	161,095	162,627	161,543	164,236	162,627

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

Loans and advances to customers (net)	429,487	428,766	428,834	423,691	414,611	443,025
Customer accounts	775,870	752,156	735,301	720,514	714,969	753,769
Risk-weighted assets	161,744	161,662	157,776	160,540	160,993	162,627

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

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Retail Banking	3,063	3,831	3,989	3,981	4,002	15,840
Net interest income	2,818	3,482	3,570	3,571	3,577	14,107
Non-interest income	245	349	419	410	425	1,733
Wealth Management	2,183	1,423	2,107	1,948	2,180	8,594
- Investment distribution	719	883	720	839	854	3,269
- Life insurance manufacturing	793	(206)	677	395	590	2,455
- Private Banking	410	511	452	472	474	1,848
Net interest income	159	213	217	220	225	878
Non-interest income	251	298	235	252	249	970
- Asset management	261	235	258	242	262	1,022
Other	139	126	208	171	241	814
Balance Sheet Management, Holdings interest expense and Argentina hyperinflation	245	241	105	96	164	518
Net operating income	5,630	5,621	6,409	6,196	6,587	25,766

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

Retail Banking	3,063	3,740	3,877	3,910	3,872	15,840
Net interest income	2,818	3,404	3,476	3,514	3,470	14,107
Non-interest income	245	336	401	396	402	1,733
Wealth Management	2,183	1,408	2,087	1,954	2,159	8,594
- Investment distribution	719	874	711	834	845	3,269
- Life insurance manufacturing	793	(206)	670	405	583	2,455
- Private Banking	410	508	451	475	473	1,848
Net interest income	159	212	216	222	225	878
Non-interest income	251	296	235	253	248	970
- Asset management	261	232	255	240	258	1,022
Other	139	118	192	164	222	814
Balance Sheet Management, Holdings interest expense and Argentina hyperinflation	245	233	100	85	154	518
Net operating income	5,630	5,499	6,256	6,113	6,407	25,766

HSBC

Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	26	—	(47)	(108)	—	(155)
Disposals, acquisitions and investment in new businesses	—	(7)	(48)	(4)	—	(52)
Fair value movement on financial instruments	—	—	—	—	(3)	(7)
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(48)	(1)	(180)	(469)	(559)	(1,264)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(85)	—	(431)	—	—	(431)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(82)	(7)	(110)	(13)	(54)	(180)
Settlements and provisions in connection with legal and regulatory matters	—	—	3	65	1	69

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	(122)	(152)	(84)	(180)
ECL	43	39	33	25
Operating expenses	86	151	75	153
Share of profit in associates and joint ventures	—	(1)	—	(1)
Currency translation on revenue significant items	—	1	(1)	—
Currency translation on operating expense significant items	—	39	(2)	20
Loans and advances to customers (net)	3,074	(14,191)	1,188	(7,376)
Customer accounts	2,862	(18,468)	1,871	(9,986)
Risk-weighted assets	567	(4,851)	(1,003)	(3,243)

1 ROTE excluding significant items and UK bank levy (%).

HSBC
Commercial Banking

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net interest income	2,287	2,596	2,722	2,735	2,815	11,050
Net fee income	734	896	790	827	880	3,390
Other operating income	246	241	168	202	190	816
Net operating income before change in expected credit losses and other credit impairment charges	3,267	3,733	3,680	3,764	3,885	15,256
Change in expected credit losses and other credit impairment charges	(2,151)	(1,375)	(286)	(410)	(249)	(1,192)
Total operating expenses	(1,698)	(1,699)	(4,766)	(1,771)	(1,687)	(9,905)
<i>of which: staff expenses</i>	<i>(577)</i>	<i>(621)</i>	<i>(646)</i>	<i>(624)</i>	<i>(638)</i>	<i>(2,531)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(582)	659	(1,372)	1,583	1,949	4,159
Reported Significant items - Totals (\$m)						
Revenue	—	—	2	(9)	(1)	(11)
ECL	—	—	—	—	—	—
Operating expenses	(105)	(2)	(2,982)	(20)	(22)	(3,028)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	3,267	3,662	3,589	3,720	3,779	15,267
<i>of which: net interest income</i>	<i>2,287</i>	<i>2,546</i>	<i>2,657</i>	<i>2,701</i>	<i>2,735</i>	<i>11,055</i>
<i>of which: net fee income</i>	<i>734</i>	<i>882</i>	<i>773</i>	<i>818</i>	<i>859</i>	<i>3,390</i>
Change in expected credit losses and other credit impairment charges	(2,151)	(1,346)	(277)	(394)	(237)	(1,192)
Total operating expenses	(1,593)	(1,662)	(1,737)	(1,727)	(1,613)	(6,877)
Share of profit in associates and joint ventures	—	—	—	—	1	—
Profit/(loss) before tax	(477)	654	1,575	1,599	1,930	7,198
Earnings metrics - adjusted						
Return on tangible equity (annualised, YTD) ¹	(1.6)%	2.7%	13.0%	(n/a)	15.3%	13.0%
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	351,687	356,015	350,648	345,968	351,889	350,648
Loans and advances to customers (net)	344,567	350,638	346,105	341,396	347,437	346,105
Total external assets	549,530	518,904	511,474	503,242	515,897	511,474
Customer accounts	418,263	379,842	388,723	355,293	361,286	388,723
Risk-weighted assets	330,887	326,654	325,872	328,030	339,181	325,872
Adjusted balance sheet data -- at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	344,567	353,073	336,345	341,363	340,976	346,105
Customer accounts	418,263	381,568	377,691	355,553	354,806	388,723
Risk-weighted assets	330,887	328,897	315,605	326,895	331,911	325,872

HSBC

Commercial Banking

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

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Global Trade and Receivables Finance ²	423	469	432	464	470	1,833
Credit and Lending	1,359	1,382	1,328	1,367	1,385	5,441
Global Liquidity and Cash Management	1,014	1,333	1,425	1,506	1,540	5,978
Markets products, Insurance and Investments and other	413	478	501	454	499	2,040
Balance Sheet Management, Holdings interest expense and Argentina hyperinflation	58	71	(8)	(18)	(8)	(25)
Net operating income	3,267	3,733	3,678	3,773	3,886	15,267

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

Global Trade and Receivables Finance ²	423	461	424	458	459	1,833
Credit and Lending	1,359	1,356	1,297	1,353	1,348	5,441
Global Liquidity and Cash Management	1,014	1,310	1,398	1,486	1,500	5,978
Markets products, Insurance and Investments and other	413	468	483	448	483	2,040
Balance Sheet Management, Holdings interest expense and Argentina hyperinflation	58	67	(13)	(25)	(11)	(25)
Net operating income	3,267	3,662	3,589	3,720	3,779	15,267

Reported Revenue significant items (\$m)

Customer redress programmes	—	—	2	(9)	—	(7)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movement on financial instruments	—	—	—	—	(1)	(4)
Restructuring and other related costs	—	—	—	—	—	—

Reported Cost significant items (\$m)

Costs of structural reform	—	—	—	(1)	(1)	(4)
Customer redress programmes	(1)	—	(2)	(16)	1	(17)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(41)	—	(2,956)	—	—	(2,956)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(63)	(2)	(24)	(3)	(22)	(51)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Commercial Banking

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	(71)	(88)	(53)	(107)
ECL	29	9	16	12
Operating expenses	35	65	25	52
Share of profit in associates and joint ventures	—	—	—	1
Currency translation on revenue significant items	—	1	—	—
Currency translation on operating expense significant items	—	18	1	—
Loans and advances to customers (net)	2,435	(9,760)	(33)	(6,461)
Customer accounts	1,726	(11,032)	260	(6,480)
Risk-weighted assets	2,243	(10,267)	(1,135)	(7,270)

1 ROTE excluding significant items and UK bank levy (%).

2 With effect from the third quarter of 2019, a change in the transfer pricing of Acceptances within GTRF resulted in a reduction in revenue for GTRF, offset in Other, leaving CMB quarterly revenue unchanged. All prior quarters have be re-presented on the revised basis.

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Global Banking and Markets

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net interest income	1,123	1,249	1,291	1,284	1,376	5,317
Net fee income	843	765	812	738	736	3,039
Other operating income	2,274	1,931	1,568	1,505	1,540	6,538
Net operating income before change in expected credit losses and other credit impairment charges	4,240	3,945	3,671	3,527	3,652	14,894
Change in expected credit losses and other credit impairment charges	(573)	(545)	(38)	(26)	(57)	(162)
Total operating expenses ¹	(2,801)	(2,352)	(6,523)	(2,279)	(2,507)	(13,790)
<i>of which: staff expenses</i>	<i>(853)</i>	<i>(942)</i>	<i>(1,008)</i>	<i>(876)</i>	<i>(1,076)</i>	<i>(4,005)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	866	1,048	(2,890)	1,222	1,088	942
Reported Significant items - Totals (\$m)						
Revenue	(179)	186	(44)	37	(17)	(84)
ECL	—	—	—	—	—	—
Operating expenses	(625)	(16)	(4,056)	(46)	(70)	(4,223)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	4,419	3,684	3,615	3,434	3,556	14,978
<i>of which: net interest income</i>	<i>1,123</i>	<i>1,223</i>	<i>1,258</i>	<i>1,247</i>	<i>1,327</i>	<i>5,317</i>
<i>of which: net fee income</i>	<i>843</i>	<i>761</i>	<i>801</i>	<i>727</i>	<i>727</i>	<i>3,038</i>
Change in expected credit losses and other credit impairment charges	(573)	(536)	(39)	(21)	(56)	(162)
Total operating expenses	(2,176)	(2,290)	(2,404)	(2,210)	(2,371)	(9,567)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	1,670	858	1,172	1,203	1,129	5,249
Earnings metrics - adjusted						
Return on tangible equity (annualised, YTD) ²	7.7%	6.3%	9.8%	(n/a)	10.2%	9.8%
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	244,937	263,888	247,423	253,604	252,010	247,423
Loans and advances to customers (net)	243,355	262,670	246,492	252,713	250,999	246,492
Total external assets	1,390,006	1,474,089	1,272,875	1,335,032	1,344,597	1,272,875
Customer accounts	337,573	310,977	295,880	299,109	293,367	295,880
Risk-weighted assets	277,633	285,377	273,430	294,611	303,980	273,430
Adjusted balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	243,355	264,508	240,411	252,701	246,209	246,492
Customer accounts	337,573	312,921	285,954	299,155	286,867	295,880
Risk-weighted assets	277,633	286,735	267,075	292,945	298,778	273,430

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

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Global Markets	2,139	2,133	1,247	1,352	1,423	5,763
- FICC	2,069	1,844	1,073	1,145	1,189	4,770
- Foreign Exchange	788	1,129	669	713	610	2,690
- Rates	676	675	276	300	400	1,465
- Credit	605	40	128	132	179	615
- Equities	70	289	174	207	234	993
Securities Services	434	510	518	509	525	2,030
Global Banking	1,002	942	986	989	996	3,905
Global Liquidity and Cash Management	487	608	674	692	700	2,753
Global Trade and Receivables Finance	199	193	198	202	202	808
Principal Investments	223	(235)	45	93	38	260
Credit and Funding Valuation Adjustment	(9)	(346)	191	(160)	(34)	44
Other	(159)	(142)	(119)	(207)	(212)	(647)
Balance Sheet Management, Holdings interest expense and Argentina hyperinflation	103	96	(25)	20	31	62
Net operating income	4,419	3,759	3,715	3,490	3,669	14,978

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

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Global Markets	2,139	2,099	1,221	1,346	1,384	5,763
- FICC	2,069	1,812	1,049	1,140	1,153	4,770
- Foreign Exchange	788	1,107	652	705	591	2,690
- Rates	676	663	269	305	384	1,465
- Credit	605	42	128	130	178	615
- Equities	70	287	172	206	231	993
Securities Services	434	504	510	504	514	2,030
Global Banking	1,002	928	964	970	965	3,905
Global Liquidity and Cash Management	487	596	658	679	680	2,753
Global Trade and Receivables Finance	199	190	193	198	193	808
Principal Investments	223	(235)	45	92	38	260
Credit and Funding Valuation Adjustment	(9)	(335)	184	(161)	(32)	44
Other	(159)	(153)	(132)	(208)	(212)	(647)
Balance Sheet Management, Holdings interest expense and Argentina hyperinflation	103	90	(28)	14	26	62
Net operating income	4,419	3,684	3,615	3,434	3,556	14,978

HSBC

Global Banking and Markets

Reported Revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movement on financial instruments	(121)	186	(44)	37	(17)	(84)
Restructuring and other related costs	(58)	—	—	—	—	—

Reported Cost significant items (\$m)

Costs of structural reform	—	—	(6)	(7)	(16)	(42)
Customer redress programmes	—	—	—	(4)	4	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(567)	—	(3,962)	—	—	(3,962)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(58)	(14)	(86)	(35)	(58)	(217)
Settlements and provisions in connection with legal and regulatory matters	—	(2)	(2)	—	—	(2)

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	(79)	(98)	(57)	(112)	
ECL	9	(1)	5	1	
Operating expenses	47	66	24	68	
Share of profit in associates and joint ventures	—	—	—	—	
Currency translation on revenue significant items	(4)	2	(1)	1	
Currency translation on operating expense significant items	1	3	1	2	
Loans and advances to customers (net)	1,838	(6,081)	(12)	(4,790)	
Customer accounts	1,944	(9,926)	46	(6,500)	
Risk-weighted assets	1,358	(6,355)	(1,666)	(5,202)	

1 Includes the goodwill impairment recognised on the Global Banking and Markets cash-generating unit, for which goodwill is monitored on a global basis and has not been reflected in the geographical regions' or countries' data.

2 ROTE excluding significant items and UK bank levy (%).

HSBC
Corporate Centre

Reported (\$m)

Net interest income	(202)	(601)	(751)	(766)	(886)	(3,328)
Net fee income	2	(5)	(15)	(18)	(3)	(41)
Other operating income	96	1,000	472	764	1,712	3,765
Net operating income before change in expected credit losses and other credit impairment charges	(104)	394	(294)	(20)	823	396
Change in expected credit losses and other credit impairment charges	(14)	2	16	4	7	35
Total operating expenses	(431)	23	(1,082)	144	(191)	(1,303)
<i>of which: staff expenses</i>	<i>(1,454)</i>	<i>(1,292)</i>	<i>(1,339)</i>	<i>(1,279)</i>	<i>(1,485)</i>	<i>(5,584)</i>
Share of profit in associates and joint ventures	541	425	513	505	702	2,299
Profit/(loss) before tax	(8)	844	(847)	633	1,341	1,427

Reported Significant items - Totals (\$m)

Revenue	62	180	(139)	172	876	998
ECL	—	—	—	—	—	—
Operating expenses	(468)	(146)	(213)	(116)	(123)	(497)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	(166)	210	(160)	(199)	(76)	(602)
<i>of which: net interest expense</i>	<i>(202)</i>	<i>(585)</i>	<i>(727)</i>	<i>(747)</i>	<i>(860)</i>	<i>(3,328)</i>
<i>of which: net fee income/(expense)</i>	<i>2</i>	<i>(5)</i>	<i>(14)</i>	<i>(17)</i>	<i>(3)</i>	<i>(40)</i>
Change in expected credit losses and other credit impairment charges	(14)	2	15	5	6	35
Total operating expenses	37	167	(874)	265	(47)	(806)
Share of profit in associates and joint ventures	541	421	511	500	678	2,299
Profit/(loss) before tax	398	800	(508)	571	561	926

Earnings metrics - adjusted

Return on tangible equity (annualised, YTD) ¹	4.7%	4.8%	0.8%	(n/a)	0.6%	0.8%
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Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	1,284	1,302	1,135	1,233	1,224	1,135
Loans and advances to customers (net)	1,272	1,282	1,121	1,221	1,209	1,121
Total external assets	168,543	164,371	158,664	154,663	151,778	158,664
Customer accounts	674	416	743	696	516	743
Risk-weighted assets	84,288	83,952	81,466	81,054	78,574	81,466

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

Loans and advances to customers (net)	1,272	1,281	1,071	1,223	1,184	1,121
Customer accounts	674	417	710	702	505	743
Risk-weighted assets	84,288	84,113	80,808	80,268	77,272	81,466

HSBC

Corporate Centre

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Management View of Adjusted Revenue - at originally reported average FX rates (\$m)						
Central Treasury	(64)	265	(51)	90	87	169
Legacy Credit	43	(91)	13	(40)	(13)	(111)
Other	(145)	40	(117)	(242)	(127)	(660)
Net operating income	(166)	214	(155)	(192)	(53)	(602)
Memo						
Balance sheet management previously reported in Corporate Centre - now allocated to global businesses	772	756	348	544	550	2,015
Management View of Adjusted Revenue - at most recent period average FX rates (\$m)						
Central Treasury	(64)	265	(47)	88	116	169
Legacy Credit	43	(91)	13	(40)	(13)	(111)
Other	(145)	36	(126)	(247)	(179)	(660)
Net operating income	(166)	210	(160)	(199)	(76)	(602)
Memo						
Balance sheet management previously reported in Corporate Centre - now allocated to global businesses	772	745	367	542	534	2,015
Reported Revenue significant items (\$m)						
Customer redress programmes	—	—	—	(1)	—	(1)
Disposals, acquisitions and investment in new businesses	(1)	—	(7)	—	827	820
Fair value movement on financial instruments	63	171	(132)	173	49	179
Restructuring and other related costs	—	9	—	—	—	—
Reported Cost significant items (\$m)						
Costs of structural reform	—	—	(26)	(27)	(21)	(112)
Customer redress programmes	—	—	(1)	1	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(332)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(132)	(147)	(180)	(89)	(103)	(379)
Settlements and provisions in connection with legal and regulatory matters	(4)	1	(6)	(1)	1	(6)

HSBC Corporate Centre

Reported Balance sheet data - significant items- Totals (\$m)

Risk-weighted assets - disposals	—	—	—	(814)	(814)	—
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Reconciling items Currency translation on reported items - Totals (\$m)

Revenue	(4)	(6)	(8)	(24)
ECL	—	(1)	1	(1)
Operating expenses	—	(3)	6	24
Share of profit in associates and joint ventures	(4)	(2)	(5)	(24)
Currency translation on revenue significant items	—	(1)	(1)	(1)
Currency translation on operating expense significant items	2	2	1	3
Loans and advances to customers (net)	(1)	(50)	2	(25)
Customer accounts	1	(33)	6	(11)
Risk-weighted assets	161	(658)	28	(488)

1 ROTE excluding significant items and UK bank levy (%).

Europe - TOTAL	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net interest income	1,337	1,446	1,349	942	1,785	5,601
Net fee income	811	936	923	876	958	3,668
Other operating income	2,408	2,038	2,301	2,411	1,906	8,787
Net operating income before change in expected credit losses and other credit impairment charges	4,556	4,420	4,573	4,229	4,649	18,056
Change in expected credit losses and other credit impairment charges	(2,017)	(868)	(128)	(272)	(235)	(938)
Total operating expenses	(5,139)	(3,962)	(8,123)	(4,391)	(4,926)	(21,758)
<i>of which: staff expenses</i>	<i>(1,666)</i>	<i>(1,517)</i>	<i>(1,793)</i>	<i>(1,491)</i>	<i>(1,760)</i>	<i>(6,750)</i>
Share of profit in associates and joint ventures	50	(100)	(30)	11	5	(12)
Profit/(loss) before tax	(2,550)	(510)	(3,708)	(423)	(507)	(4,652)
Reported Significant items - Totals (\$m)						
Revenue	—	230	(202)	71	47	(24)
ECL	—	—	—	—	—	—
Operating expenses	(1,276)	(55)	(2,999)	(547)	(747)	(4,436)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	4,556	4,082	4,628	4,169	4,450	18,080
<i>of which: net interest income</i>	<i>1,311</i>	<i>1,397</i>	<i>1,329</i>	<i>1,068</i>	<i>1,723</i>	<i>5,758</i>
Change in expected credit losses and other credit impairment charges	(2,017)	(849)	(127)	(270)	(226)	(938)
Total operating expenses	(3,863)	(3,826)	(5,020)	(3,855)	(4,071)	(17,322)
Share of profit in associates and joint ventures	50	(98)	(29)	11	5	(12)
Profit/(loss) before tax	(1,274)	(691)	(548)	55	158	(192)
Balance sheet - reported (\$m)	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	384,410	390,277	397,464	380,625	386,927	397,464
Loans and advances to customers (net)	378,729	386,222	393,849	377,152	383,363	393,849
Total external assets	1,262,665	1,264,233	1,174,126	1,164,607	1,159,438	1,174,126
Customer accounts	562,505	531,992	528,718	496,874	504,386	528,718
Risk-weighted assets ¹	278,500	280,541	280,983	294,927	309,378	280,983

HSBC Europe

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

Loans and advances to customers (net)	378,729	385,717	373,290	379,736	373,156	393,849
Customer accounts	562,505	531,130	499,761	499,534	490,335	528,718

Europe - Wealth and Personal Banking

	Quarter ended					Year to date
Reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	1,621	1,507	2,237	1,718	1,965	7,752
<i>of which: net interest income</i>	<i>989</i>	<i>1,127</i>	<i>1,084</i>	<i>995</i>	<i>1,094</i>	<i>4,286</i>
Change in expected credit losses and other credit impairment charges	(497)	(478)	(83)	(128)	(104)	(401)
Total operating expenses	(1,534)	(1,517)	(2,126)	(2,120)	(2,249)	(8,192)
<i>of which: staff expenses</i>	<i>(433)</i>	<i>(481)</i>	<i>(556)</i>	<i>(472)</i>	<i>(515)</i>	<i>(2,046)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(410)	(488)	28	(530)	(388)	(841)
Reported Significant items - Totals (\$m)						
Revenue	26	—	(46)	(109)	—	(156)
ECL	—	—	—	—	—	—
Operating expenses	(168)	1	(261)	(409)	(598)	(1,326)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,595	1,467	2,228	1,838	1,914	7,908
<i>of which: net interest income</i>	<i>963</i>	<i>1,098</i>	<i>1,092</i>	<i>1,111</i>	<i>1,060</i>	<i>4,438</i>
Change in expected credit losses and other credit impairment charges	(497)	(467)	(80)	(129)	(101)	(401)
Total operating expenses	(1,366)	(1,488)	(1,827)	(1,717)	(1,616)	(6,866)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(268)	(488)	321	(8)	197	641
	Balance sheet date					Balance sheet date
Balance sheet - reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	191,671	191,599	201,949	185,562	188,472	201,949
Loans and advances to customers (net)	189,581	189,955	200,670	184,413	187,362	200,670
Total external assets	313,304	293,536	299,385	279,165	284,318	299,385
Customer accounts	251,921	242,663	251,243	232,187	238,326	251,243
Risk-weighted assets	45,066	46,510	46,544	(n/a)	(n/a)	46,544

HSBC Europe

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

Loans and advances to customers (net)	
Customer accounts	

189,581	189,421	189,896	185,682	182,529	200,670
251,921	241,837	237,262	233,500	231,874	251,243

Europe - 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

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	1,072	1,166	1,404	1,216	1,211	5,025
of which: net interest income	646	689	721	718	747	2,952
Change in expected credit losses and other credit impairment charges	(1,154)	(219)	(67)	(173)	(102)	(519)
Total operating expenses	(788)	(755)	(3,525)	(866)	(730)	(5,829)
of which: staff expenses	(221)	(236)	(254)	(239)	(240)	(971)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(870)	192	(2,188)	177	379	(1,323)

Reported Significant items - Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

Revenue	—	—	2	(9)	—	(8)
ECL	—	—	—	—	—	—
Operating expenses	(103)	(2)	(2,543)	(18)	(12)	(2,576)
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

Net operating income before change in expected credit losses and other credit impairment charges	1,072	1,135	1,360	1,227	1,169	5,033
of which: net interest income	646	668	693	728	718	2,958
Change in expected credit losses and other credit impairment charges	(1,154)	(215)	(67)	(171)	(98)	(519)
Total operating expenses	(685)	(736)	(959)	(850)	(701)	(3,253)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(767)	184	334	206	370	1,261

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 date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	122,473	121,582	123,152	119,715	122,987	123,152
Loans and advances to customers (net)	119,628	119,668	121,280	117,846	121,139	121,280
Total external assets	210,014	187,824	188,223	180,987	187,144	188,223
Customer accounts	169,771	155,036	149,854	135,150	137,803	149,854
Risk-weighted assets	115,515	112,848	116,617	(n/a)	(n/a)	116,617

HSBC Europe

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

Loans and advances to customers (net)	119,628	119,613	114,996	118,638	117,794	121,280
Customer accounts	169,771	154,971	141,753	135,869	133,877	149,854

Europe - Global Banking and Markets

	Quarter ended					Year to date
Reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	1,353	907	1,113	890	1,034	4,333
<i>of which: net interest income</i>	(1)	61	57	75	75	272
Change in expected credit losses and other credit impairment charges	(357)	(173)	4	25	(34)	(54)
Total operating expenses	(1,746)	(1,282)	(1,420)	(1,172)	(1,331)	(5,275)
<i>of which: staff expenses</i>	(362)	(433)	(489)	(375)	(492)	(1,821)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(750)	(548)	(303)	(257)	(331)	(996)
Reported Significant items - Totals (\$m)						
Revenue	(92)	70	(25)	16	(6)	(41)
ECL	—	—	—	—	—	—
Operating expenses	(604)	(12)	(75)	(34)	(47)	(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	1,445	805	1,092	871	1,001	4,374
<i>of which: net interest income</i>	(1)	56	51	71	65	272
Change in expected credit losses and other credit impairment charges	(357)	(170)	4	25	(34)	(54)
Total operating expenses	(1,142)	(1,241)	(1,304)	(1,140)	(1,247)	(5,078)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(54)	(606)	(208)	(244)	(280)	(758)
	Balance sheet date					Balance sheet date
Balance sheet - reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	69,387	76,198	71,412	74,380	74,408	71,412
Loans and advances to customers (net)	68,652	75,722	70,962	73,938	73,813	70,962
Total external assets	685,382	726,591	634,752	653,408	646,899	634,752
Customer accounts	140,202	133,703	126,930	128,905	127,806	126,930
Risk-weighted assets	106,312	109,687	107,559	(n/a)	(n/a)	107,559

HSBC Europe

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

Loans and advances to customers (net)	68,652	75,808	67,509	74,453	71,810	70,962
Customer accounts	140,202	133,731	120,090	129,528	124,143	126,930

Europe - Corporate Centre

	Quarter ended					Year to date
Reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	510	840	(181)	405	439	946
<i>of which: net interest income/(expense)</i>	(297)	(431)	(513)	(846)	(131)	(1,909)
Change in expected credit losses and other credit impairment charges	(9)	2	18	4	5	36
Total operating expenses	(1,071)	(408)	(1,052)	(233)	(616)	(2,462)
<i>of which: staff expenses</i>	(650)	(367)	(494)	(405)	(513)	(1,912)
Share of profit in associates and joint ventures	50	(100)	(30)	11	5	(12)
Profit/(loss) before tax	(520)	334	(1,245)	187	(167)	(1,492)

Reported Significant items - Totals (\$m)

Revenue	66	160	(133)	173	53	181
ECL	—	—	—	—	—	—
Operating expenses	(401)	(42)	(120)	(86)	(90)	(337)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	444	675	(52)	233	366	765
<i>of which: net interest expense</i>	(297)	(425)	(507)	(842)	(120)	(1,910)
Change in expected credit losses and other credit impairment charges	(9)	2	16	5	7	36
Total operating expenses	(670)	(361)	(930)	(148)	(507)	(2,125)
Share of profit in associates and joint ventures	50	(98)	(29)	11	5	(12)
Profit/(loss) before tax	(185)	218	(995)	101	(129)	(1,336)

Balance sheet - reported (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	879	898	951	968	1,060	951
Loans and advances to customers (net)	868	877	937	955	1,049	937
Total external assets	53,965	56,282	51,766	51,047	41,077	51,766
Customer accounts	611	590	691	632	451	691
Risk-weighted assets	11,607	11,496	10,263	(n/a)	(n/a)	10,263

HSBC Europe

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

Loans and advances to customers (net)	868	875	889	963	1,023	937
Customer accounts	611	591	656	637	441	691

SIGNIFICANT ITEMS

Europe - TOTAL

Reported revenue significant items (\$m)

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	26	—	(44)	(118)	—	(162)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	22	230	(158)	189	47	138
Restructuring and other related costs	(48)	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(31)	(32)	(39)	(154)
Customer redress programmes	(49)	(1)	(182)	(489)	(554)	(1,281)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(984)	—	(2,521)	—	—	(2,521)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(242)	(53)	(260)	(89)	(155)	(539)
Settlements and provisions in connection with legal and regulatory matters	(1)	(1)	(5)	63	1	59

Europe - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	26	—	(46)	(109)	—	(155)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	(1)
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(47)	(1)	(180)	(469)	(559)	(1,264)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(44)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(77)	2	(84)	(5)	(39)	(130)
Settlements and provisions in connection with legal and regulatory matters	—	—	3	65	—	68

Europe - Commercial Banking

Reported revenue significant items (\$m)

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

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	(1)	(1)	(4)
Customer redress programmes	(1)	—	(2)	(16)	1	(17)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(41)	—	(2,521)	—	—	(2,521)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(61)	(2)	(20)	(1)	(12)	(34)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Europe - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(44)	70	(25)	16	(6)	(41)
Restructuring and other related costs	(48)	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(6)	(7)	(16)	(42)
Customer redress programmes	—	—	—	(4)	4	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(567)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(37)	(10)	(67)	(23)	(35)	(153)
Settlements and provisions in connection with legal and regulatory matters	—	(2)	(2)	—	—	(2)

Europe - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	66	160	(133)	173	53	181
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(25)	(24)	(22)	(107)
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(332)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(65)	(43)	(89)	(60)	(69)	(223)
Settlements and provisions in connection with legal and regulatory matters	(4)	1	(6)	(2)	1	(7)

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

Europe - TOTAL

Revenue	(109)	(145)	9	(152)		
ECL	19	1	2	9		
Operating expenses	82	162	(12)	131		
Share of profit in associates and joint ventures	2	1	—	—		
Revenue significant items	(1)	2	(2)	—		
Operating expense significant items	1	58	(1)	23		
Loans and advances to customers (net)	(505)	(20,559)	2,584	(10,207)		
Customer accounts	(862)	(28,957)	2,660	(14,051)		

Europe - Wealth and Personal Banking

Revenue	(40)	(56)	10	(51)		
ECL	11	3	(1)	3		
Operating expenses	29	75	(8)	54		
Share of profit in associates and joint ventures	—	—	—	—		
Revenue significant items	—	(1)	(1)	—		
Operating expense significant items	(1)	37	(2)	19		
Loans and advances to customers (net)	(534)	(10,774)	1,269	(4,833)		
Customer accounts	(826)	(13,981)	1,313	(6,452)		

HSBC Europe

Europe - Commercial Banking

Revenue	(31)	(44)	2	(42)
ECL	4	—	2	4
Operating expenses	17	40	(2)	18
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	(2)	—	—
Operating expense significant items	—	17	—	1
Loans and advances to customers (net)	(55)	(6,284)	792	(3,345)
Customer accounts	(65)	(8,101)	719	(3,926)

Europe - Global Banking and Markets

Revenue	(33)	(45)	(4)	(38)
ECL	3	—	—	—
Operating expenses	30	44	(2)	38
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	(1)	1	(1)	1
Operating expense significant items	1	3	—	1
Loans and advances to customers (net)	86	(3,453)	515	(2,003)
Customer accounts	28	(6,840)	623	(3,663)

Europe - Corporate Centre

Revenue	(5)	(4)	1	(19)
ECL	—	(2)	1	2
Operating expenses	6	3	(1)	20
Share of profit in associates and joint ventures	2	1	—	—
Revenue significant items	—	—	—	1
Operating expense significant items	1	1	—	1
Loans and advances to customers (net)	(2)	(48)	8	(26)
Customer accounts	1	(35)	5	(10)

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

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HSBC UK - TOTAL

Reported (\$m)

Net interest income	1,369	1,534	1,510	1,405	1,564	6,067
Net fee income	278	391	383	386	444	1,568
Other operating income	106	207	169	136	158	639
Net operating income before change in expected credit losses and other credit impairment charges	1,753	2,132	2,062	1,927	2,166	8,274
Change in expected credit losses and other credit impairment charges	(1,450)	(569)	(102)	(249)	(184)	(780)
Total operating expenses	(1,160)	(1,194)	(1,434)	(1,701)	(1,825)	(6,191)
<i>of which: staff expenses</i>	(271)	(292)	(315)	(270)	(322)	(1,193)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(857)	369	526	(23)	157	1,303

Reported Significant items - Totals (\$m)

Revenue	26	—	(42)	(118)	—	(160)
ECL	—	—	—	—	—	—
Operating expenses	(55)	(8)	(251)	(500)	(615)	(1,423)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	1,727	2,071	2,034	2,061	2,094	8,434
<i>of which: net interest income</i>	1,343	1,490	1,495	1,534	1,512	6,225
Change in expected credit losses and other credit impairment charges	(1,450)	(552)	(98)	(251)	(178)	(780)
Total operating expenses	(1,105)	(1,151)	(1,142)	(1,210)	(1,170)	(4,768)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(828)	368	794	600	746	2,886

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	232,333	232,714	244,237	226,806	231,043	244,237
Loans and advances to customers (net)	228,617	230,181	242,018	224,730	229,085	242,018
Total external assets	352,756	328,350	338,642	313,244	315,292	338,642
Customer accounts	297,598	275,930	285,855	262,126	264,675	285,855
Risk-weighted assets	108,863	109,378	113,543	109,200	117,999	113,543

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

Loans and advances to customers (net)

Customer accounts

HSBC UK - Wealth and Personal 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

of which: staff 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

	228,617	228,146	225,726	224,858	222,062	242,018
	297,598	273,491	266,613	262,275	256,560	285,855
	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	945	1,205	1,150	1,051	1,198	4,555
<i>of which: net interest income</i>	812	943	896	802	919	3,553
Change in expected credit losses and other credit impairment charges	(485)	(406)	(83)	(121)	(106)	(399)
Total operating expenses	(770)	(764)	(1,005)	(1,249)	(1,392)	(4,487)
<i>of which: staff expenses</i>	(194)	(210)	(254)	(202)	(243)	(915)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(310)	35	62	(319)	(300)	(331)
Revenue	26	—	(45)	(109)	—	(154)
ECL	—	—	—	—	—	—
Operating expenses	(49)	1	(227)	(467)	(587)	(1,337)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Net operating income before change in expected credit losses and other credit impairment charges	919	1,170	1,153	1,169	1,159	4,709
<i>of which: net interest income</i>	786	916	905	918	888	3,704
Change in expected credit losses and other credit impairment charges	(485)	(394)	(80)	(122)	(102)	(399)
Total operating expenses	(721)	(742)	(751)	(788)	(778)	(3,150)
Share of profit in associates and joint ventures	—	—	(1)	—	—	—
Profit/(loss) before tax	(287)	34	321	259	279	1,160
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	147,285	147,806	157,058	143,633	145,919	157,058
Loans and advances to customers (net)	145,530	146,488	156,042	142,747	145,104	156,042
Total external assets	201,081	188,626	195,255	177,811	180,028	195,255
Customer accounts	184,439	178,048	185,963	171,518	174,358	185,963
Risk-weighted assets	30,358	31,149	32,097	(n/a)	(n/a)	32,097
Loans and advances to customers (net)	145,530	145,193	145,537	142,828	140,656	156,042
Customer accounts	184,439	176,474	173,445	171,616	169,012	185,963

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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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	771	874	865	830	920	3,515
<i>of which: net interest income</i>	<i>556</i>	<i>595</i>	<i>619</i>	<i>599</i>	<i>648</i>	<i>2,517</i>
Change in expected credit losses and other credit impairment charges	(967)	(163)	(19)	(128)	(78)	(381)
Total operating expenses	(376)	(381)	(416)	(422)	(393)	(1,579)
<i>of which: staff expenses</i>	<i>(108)</i>	<i>(114)</i>	<i>(115)</i>	<i>(112)</i>	<i>(122)</i>	<i>(465)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(572)	330	430	280	449	1,555
Reported Significant items - Totals (\$m)						
Revenue	—	—	3	(9)	—	(6)
ECL	—	—	—	—	—	—
Operating expenses	(1)	—	(5)	(15)	(11)	(31)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	771	849	832	846	890	3,521
<i>of which: net interest income</i>	<i>556</i>	<i>578</i>	<i>594</i>	<i>612</i>	<i>626</i>	<i>2,523</i>
Change in expected credit losses and other credit impairment charges	(967)	(158)	(19)	(129)	(75)	(381)
Total operating expenses	(375)	(370)	(398)	(410)	(369)	(1,548)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(571)	321	415	307	446	1,592
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	84,416	84,267	86,475	82,492	84,368	86,475
Loans and advances to customers (net)	82,454	83,052	85,273	81,302	83,224	85,273
Total external assets	138,449	124,794	127,237	118,589	120,479	127,237
Customer accounts	112,829	97,577	99,544	90,334	90,210	99,544
Risk-weighted assets	76,769	76,277	79,522	(n/a)	(n/a)	79,522
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	82,454	82,318	79,533	81,348	80,672	85,273
Customer accounts	112,829	96,714	92,843	90,385	87,445	99,544

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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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	42	52	57	51	54	224
<i>of which: net interest income</i>	—	—	(4)	2	2	—
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(16)	(39)	(35)	(38)	(36)	(154)
<i>of which: staff expenses</i>	(3)	(3)	(5)	(2)	(3)	(14)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	26	13	22	13	18	70
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	42	51	55	52	52	224
<i>of which: net interest income</i>	—	—	(4)	2	2	1
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(16)	(38)	(34)	(39)	(35)	(154)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	26	13	21	13	17	70
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	34	95	65	29	22	65
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	414	361	481	(n/a)	(n/a)	481
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

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HSBC UK - Corporate Centre

Reported (\$m)

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

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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/(expense)

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	(5)	1	(10)	(5)	(6)	(20)
<i>of which: net interest income/(expense)</i>	<i>1</i>	<i>(4)</i>	<i>(1)</i>	<i>2</i>	<i>(5)</i>	<i>(3)</i>
Change in expected credit losses and other credit impairment charges	2	—	—	—	—	—
Total operating expenses	2	(10)	22	8	(4)	29
<i>of which: staff expenses</i>	<i>34</i>	<i>35</i>	<i>59</i>	<i>46</i>	<i>46</i>	<i>201</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(1)	(9)	12	3	(10)	9
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(5)	(9)	(19)	(18)	(17)	(55)
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)	1	(6)	(6)	(7)	(20)
<i>of which: net interest income/(expense)</i>	<i>1</i>	<i>(4)</i>	<i>—</i>	<i>2</i>	<i>(4)</i>	<i>(3)</i>
Change in expected credit losses and other credit impairment charges	2	—	1	—	(1)	—
Total operating expenses	7	(1)	41	27	12	84
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	4	—	36	21	4	64
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	632	641	704	681	756	704
Loans and advances to customers (net)	633	641	703	681	757	703
Total external assets	13,192	14,835	16,085	16,815	14,763	16,085
Customer accounts	330	305	348	274	107	348
Risk-weighted assets	1,322	1,591	1,443	(n/a)	(n/a)	1,443
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	633	635	656	682	734	703
Customer accounts	330	303	325	274	103	348

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SIGNIFICANT ITEMS

HSBC UK - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	26	—	(42)	(118)	—	(160)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	(1)
Customer redress programmes	(49)	(1)	(182)	(484)	(559)	(1,281)
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	(6)	(7)	(69)	(16)	(56)	(141)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC UK - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	26	—	(45)	(109)	—	(154)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(47)	(1)	(180)	(469)	(560)	(1,265)
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	(2)	2	(47)	2	(27)	(72)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

HSBC UK

UK ring-fenced bank

HSBC UK - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	3	(9)	—	(6)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	—
Customer redress programmes	(1)	—	(2)	(15)	—	(17)
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	—	—	(3)	—	(11)	(14)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC UK - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	—	—
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC UK - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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Reported cost significant items (\$m)

Costs of structural reform	—	—	—	—	—	(1)
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)	(9)	(19)	(18)	(17)	(54)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

HSBC UK - TOTAL

Revenue	(61)	(70)	16	(72)	
ECL	17	4	(2)	6	
Operating expenses	35	49	(13)	61	
Share of profit in associates and joint ventures	—	—	—	—	

Revenue significant items	—	—	—	—	
Operating expense significant items	—	8	(4)	21	

Loans and advances to customers (net)	(2,035)	(16,292)	128	(7,023)	
Customer accounts	(2,439)	(19,242)	149	(8,115)	

HSBC UK - Wealth and Personal Banking

Revenue	(35)	(41)	8	(39)	
ECL	12	3	(1)	4	
Operating expenses	22	34	(9)	47	
Share of profit in associates and joint ventures	—	(1)	—	—	

Revenue significant items	—	1	(1)	—	
Operating expense significant items	(1)	7	(3)	20	

Loans and advances to customers (net)	(1,295)	(10,505)	81	(4,448)	
Customer accounts	(1,574)	(12,518)	98	(5,346)	

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HSBC UK - Commercial Banking

Revenue	(25)	(29)	7	(30)
ECL	5	—	(1)	3
Operating expenses	11	12	(3)	13
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	1	—	—
Operating expense significant items	—	(1)	—	—
Loans and advances to customers (net)	(734)	(5,740)	46	(2,552)
Customer accounts	(863)	(6,701)	51	(2,765)

HSBC UK - Global Banking and Markets

Revenue	(1)	(2)	1	(2)
ECL	—	—	—	—
Operating expenses	1	1	(1)	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC UK - Corporate Centre

Revenue	—	4	(1)	(1)
ECL	—	1	—	(1)
Operating expenses	(1)	—	1	(2)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	(1)	—	—	(1)
Loans and advances to customers (net)	(6)	(47)	1	(23)
Customer accounts	(2)	(23)	—	(4)

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank - TOTAL

Reported (\$m)

Net interest income	606	548	501	521	497	1,888
Net fee income	438	440	444	396	413	1,718
Other operating income	1,176	418	1,150	659	1,117	4,127
Net operating income before change in expected credit losses and other credit impairment charges	2,220	1,406	2,095	1,576	2,027	7,733
Change in expected credit losses and other credit impairment charges	(565)	(251)	(28)	(23)	(53)	(160)
Total operating expenses	(2,594)	(1,782)	(1,809)	(1,622)	(1,871)	(7,194)
<i>of which: staff expenses</i>	<i>(593)</i>	<i>(685)</i>	<i>(753)</i>	<i>(614)</i>	<i>(741)</i>	<i>(2,843)</i>
Share of profit in associates and joint ventures	50	(100)	(29)	10	4	(13)
Profit/(loss) before tax	(889)	(727)	229	(59)	107	366

Reported significant items - Totals (\$m)

Revenue	(92)	72	(24)	15	(4)	(34)
ECL	—	—	—	—	—	—
Operating expenses	(988)	(15)	(159)	(65)	(81)	(379)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	2,312	1,308	2,074	1,549	1,969	7,767
<i>of which: net interest income</i>	<i>606</i>	<i>544</i>	<i>496</i>	<i>516</i>	<i>486</i>	<i>1,888</i>
Change in expected credit losses and other credit impairment charges	(565)	(247)	(29)	(19)	(50)	(160)
Total operating expenses	(1,606)	(1,738)	(1,610)	(1,554)	(1,735)	(6,815)
Share of profit in associates and joint ventures	50	(98)	(28)	10	4	(13)
Profit/(loss) before tax	191	(775)	407	(14)	188	779

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	143,289	148,773	144,148	145,506	147,293	144,148
Loans and advances to customers (net)	141,397	147,323	142,776	144,132	145,709	142,776
Total external assets	869,877	895,705	799,892	814,417	809,539	799,892
Customer accounts	250,312	242,276	229,360	223,691	227,924	229,360
Risk-weighted assets	170,634	172,062	165,809	182,399	189,310	165,809

HSBC

HSBC Bank

Non ring-fenced bank

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

Loans and advances to customers (net)

Customer accounts

HSBC Bank - Wealth and Personal 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

of which: staff 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

	141,397	148,713	138,371	146,201	142,331	142,776
	250,312	243,602	219,544	225,771	221,946	229,360
	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	448	80	572	283	493	1,736
<i>of which: net interest income</i>	211	217	229	236	249	952
Change in expected credit losses and other credit impairment charges	(13)	(23)	(1)	(7)	—	(3)
Total operating expenses	(443)	(355)	(317)	(344)	(343)	(1,399)
<i>of which: staff expenses</i>	(114)	(127)	(132)	(128)	(125)	(518)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(8)	(298)	254	(68)	150	334
Reported significant items - Totals (\$m)						
Revenue	—	—	(1)	—	—	(2)
ECL	—	—	—	—	—	—
Operating expenses	(114)	—	(20)	(2)	(3)	(25)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	448	79	567	282	481	1,738
<i>of which: net interest income</i>	211	215	227	235	244	952
Change in expected credit losses and other credit impairment charges	(13)	(23)	(1)	(7)	—	(3)
Total operating expenses	(329)	(353)	(295)	(340)	(332)	(1,374)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	106	(297)	271	(65)	149	361
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	35,598	35,002	35,812	33,617	33,961	35,812
Loans and advances to customers (net)	35,336	34,749	35,573	33,375	33,688	35,573
Total external assets	88,566	81,577	84,776	81,464	84,713	84,776
Customer accounts	52,887	50,892	51,848	49,679	52,249	51,848
Risk-weighted assets	12,123	12,353	12,078	(n/a)	(n/a)	12,078
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	35,336	35,370	35,166	34,177	33,111	35,573
Customer accounts	52,887	51,388	50,277	50,464	51,099	51,848

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	375	353	378	372	394	1,547
of which: net interest income	215	220	229	247	253	969
Change in expected credit losses and other credit impairment charges	(187)	(57)	(48)	(45)	(24)	(138)
Total operating expenses	(308)	(218)	(202)	(208)	(200)	(838)
of which: staff expenses	(66)	(74)	(73)	(76)	(75)	(303)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(120)	78	128	119	170	571
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	(1)
ECL	—	—	—	—	—	—
Operating expenses	(101)	—	(6)	—	(2)	(11)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	375	350	371	368	382	1,548
of which: net interest income	215	217	225	244	245	969
Change in expected credit losses and other credit impairment charges	(187)	(56)	(48)	(42)	(22)	(138)
Total operating expenses	(207)	(216)	(193)	(205)	(193)	(827)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(19)	78	130	121	167	583
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	38,057	37,315	36,676	37,222	38,618	36,676
Loans and advances to customers (net)	37,174	36,615	36,007	36,544	37,915	36,007
Total external assets	73,060	64,539	63,244	62,155	66,397	63,244
Customer accounts	56,942	57,459	50,310	44,816	47,593	50,310
Risk-weighted assets	39,526	37,504	38,171	(n/a)	(n/a)	38,171
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	37,174	37,295	35,464	37,289	37,121	36,007
Customer accounts	56,942	58,257	48,909	45,484	46,432	50,310

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	1,452	1,014	1,200	1,006	1,178	4,787
<i>of which: net interest income</i>	<i>139</i>	<i>208</i>	<i>221</i>	<i>244</i>	<i>289</i>	<i>982</i>
Change in expected credit losses and other credit impairment charges	(357)	(173)	4	25	(34)	(54)
Total operating expenses	(1,682)	(1,166)	(1,203)	(1,058)	(1,235)	(4,698)
<i>of which: staff expenses</i>	<i>(286)</i>	<i>(349)</i>	<i>(386)</i>	<i>(297)</i>	<i>(398)</i>	<i>(1,459)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(587)	(325)	1	(27)	(91)	35
Reported Significant items - Totals (\$m)						
Revenue	(92)	70	(25)	15	(6)	(41)
ECL	—	—	—	—	—	—
Operating expenses	(604)	(12)	(71)	(38)	(41)	(188)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,544	919	1,188	986	1,146	4,828
<i>of which: net interest income</i>	<i>139</i>	<i>203</i>	<i>214</i>	<i>241</i>	<i>277</i>	<i>982</i>
Change in expected credit losses and other credit impairment charges	(357)	(170)	3	25	(34)	(54)
Total operating expenses	(1,078)	(1,131)	(1,099)	(1,022)	(1,157)	(4,510)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	109	(382)	92	(11)	(45)	264
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	69,387	76,198	71,412	74,380	74,408	71,412
Loans and advances to customers (net)	68,652	75,722	70,962	73,938	73,813	70,962
Total external assets	686,410	725,077	633,272	651,964	645,382	633,272
Customer accounts	140,202	133,639	126,861	128,838	127,737	126,861
Risk-weighted assets	107,964	111,804	107,558	(n/a)	(n/a)	107,558
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	68,652	75,808	67,509	74,453	71,810	70,962
Customer accounts	140,202	133,668	120,025	129,460	124,077	126,861

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank - Corporate Centre

Reported (\$m)

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

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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/(expense)

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(55)	(41)	(55)	(85)	(38)	(337)
<i>of which: net interest income/(expense)</i>	<i>41</i>	<i>(97)</i>	<i>(178)</i>	<i>(206)</i>	<i>(294)</i>	<i>(1,015)</i>
Change in expected credit losses and other credit impairment charges	(8)	2	17	4	5	35
Total operating expenses	(161)	(43)	(87)	(12)	(93)	(259)
<i>of which: staff expenses</i>	<i>(127)</i>	<i>(135)</i>	<i>(162)</i>	<i>(113)</i>	<i>(143)</i>	<i>(563)</i>
Share of profit in associates and joint ventures	50	(100)	(29)	10	4	(13)
Profit/(loss) before tax	(174)	(182)	(154)	(83)	(122)	(574)
Reported Significant items - Totals (\$m)						
Revenue	—	2	2	—	2	10
ECL	—	—	—	—	—	—
Operating expenses	(169)	(3)	(62)	(25)	(35)	(155)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(55)	(40)	(52)	(87)	(40)	(347)
<i>of which: net interest income/(expense)</i>	<i>41</i>	<i>(91)</i>	<i>(170)</i>	<i>(204)</i>	<i>(280)</i>	<i>(1,015)</i>
Change in expected credit losses and other credit impairment charges	(8)	2	17	5	6	35
Total operating expenses	8	(38)	(23)	13	(53)	(104)
Share of profit in associates and joint ventures	50	(98)	(28)	10	4	(13)
Profit/(loss) before tax	(5)	(174)	(86)	(59)	(83)	(429)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	247	258	248	287	306	248
Loans and advances to customers (net)	235	237	234	275	293	234
Total external assets	21,841	24,512	18,600	18,834	13,047	18,600
Customer accounts	281	286	341	358	345	341
Risk-weighted assets	11,021	10,401	8,002	(n/a)	(n/a)	8,002
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	235	240	232	282	289	234
Customer accounts	281	289	333	363	338	341

HSBC
HSBC Bank
Non ring-fenced bank

SIGNIFICANT ITEMS

HSBC Bank - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	—	—	(1)	—	—	(1)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(43)	72	(23)	15	(4)	(33)
Restructuring and other related costs	(49)	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(15)	(21)	(30)	(110)
Customer redress programmes	—	—	(1)	(3)	4	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(784)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(200)	(14)	(136)	(39)	(56)	(261)
Settlements and provisions in connection with legal and regulatory matters	(4)	(1)	(7)	(2)	1	(8)

HSBC Bank - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	(1)	—	—	(1)
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	(1)
Restructuring and other related costs	—	—	—	—	—	—

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	(44)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(70)	—	(19)	(2)	(3)	(24)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

HSBC Bank

Non ring-fenced bank

HSBC Bank - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	(1)
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	(1)	(1)	(4)
Customer redress programmes	—	—	—	1	—	1
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(41)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(60)	—	(6)	—	(1)	(8)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Bank - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(44)	70	(25)	15	(6)	(41)
Restructuring and other related costs	(48)	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(4)	(10)	(12)	(37)
Customer redress programmes	—	—	—	(4)	4	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(567)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(37)	(10)	(65)	(24)	(33)	(149)
Settlements and provisions in connection with legal and regulatory matters	—	(2)	(2)	—	—	(2)

HSBC Bank - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	2	2	—	2	10
Restructuring and other related costs	—	—	—	—	—	—

HSBC

HSBC Bank

Non ring-fenced bank

Reported cost significant items (\$m)

Costs of structural reform	—	—	(11)	(11)	(16)	(70)
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(132)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(33)	(4)	(45)	(13)	(20)	(79)
Settlements and provisions in connection with legal and regulatory matters	(4)	1	(6)	(1)	1	(6)

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

HSBC Bank - TOTAL

Revenue	(27)	(45)	(12)	(62)
ECL	4	(1)	4	3
Operating expenses	30	90	2	56
Share of profit in associates and joint ventures	2	1	—	—
Revenue significant items	(1)	—	—	—
Operating expense significant items	1	50	(1)	1
Loans and advances to customers (net)	1,390	(4,405)	2,069	(3,378)
Customer accounts	1,326	(9,816)	2,080	(5,978)

HSBC Bank - Wealth and Personal Banking

Revenue	(1)	(6)	(1)	(12)
ECL	—	—	—	—
Operating expenses	2	31	2	6
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	29	—	(2)
Loans and advances to customers (net)	621	(407)	802	(577)
Customer accounts	496	(1,571)	785	(1,150)

HSBC
HSBC Bank
Non ring-fenced bank

HSBC Bank - Commercial Banking

Revenue	(3)	(7)	(4)	(12)
ECL	1	—	3	2
Operating expenses	2	21	3	5
Share of profit in associates and joint ventures	—	—	—	—

Revenue significant items	—	—	—	—
Operating expense significant items	—	18	—	—

Loans and advances to customers (net)	680	(543)	745	(794)
Customer accounts	798	(1,401)	668	(1,161)

HSBC Bank - Global Banking and Markets

Revenue	(26)	(36)	(6)	(37)
ECL	3	(1)	—	—
Operating expenses	24	35	(1)	38
Share of profit in associates and joint ventures	—	—	—	—

Revenue significant items	(1)	1	(1)	1
Operating expense significant items	1	2	1	1

Loans and advances to customers (net)	86	(3,453)	515	(2,003)
Customer accounts	29	(6,836)	622	(3,660)

HSBC Bank - Corporate Centre

Revenue	2	6	(2)	—
ECL	—	—	1	1
Operating expenses	3	1	—	5
Share of profit in associates and joint ventures	2	1	—	—

Revenue significant items	(1)	1	—	—
Operating expense significant items	1	(1)	—	—

Loans and advances to customers (net)	3	(2)	7	(4)
Customer accounts	3	(8)	5	(7)

HSBC

Europe - Other

Europe - Other - TOTAL

Reported (\$m)

Net interest income/(expense)	(638)	(636)	(663)	(983)	(276)	(2,355)
Net fee income	95	105	96	94	101	382
Other operating income	1,126	1,413	983	1,617	631	4,022
Net operating income before change in expected credit losses and other credit impairment charges	583	882	416	728	456	2,049
Change in expected credit losses and other credit impairment charges	(2)	(48)	1	—	2	2
Total operating expenses	(1,385)	(986)	(4,882)	(1,070)	(1,230)	(8,375)
<i>of which: staff expenses</i>	<i>(802)</i>	<i>(540)</i>	<i>(725)</i>	<i>(607)</i>	<i>(697)</i>	<i>(2,713)</i>
Share of profit in associates and joint ventures	—	—	(2)	1	1	1
Profit/(loss) before tax	(804)	(152)	(4,467)	(341)	(771)	(6,323)

Reported Significant items - Totals (\$m)

Revenue	66	157	(135)	174	51	170
ECL	—	—	—	—	—	—
Operating expenses	(233)	(32)	(2,588)	19	(50)	(2,635)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	517	674	479	567	340	1,879
<i>of which: net interest income/(expense)</i>	<i>(638)</i>	<i>(634)</i>	<i>(661)</i>	<i>(983)</i>	<i>(273)</i>	<i>(2,356)</i>
Change in expected credit losses and other credit impairment charges	(2)	(49)	1	—	2	2
Total operating expenses	(1,152)	(909)	(2,226)	(1,101)	(1,117)	(5,740)
Share of profit in associates and joint ventures	—	—	(2)	1	1	1
Profit/(loss) before tax	(637)	(284)	(1,748)	(533)	(774)	(3,858)

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	8,788	8,790	9,079	8,313	8,592	9,079
Loans and advances to customers (net)	8,715	8,717	9,055	8,291	8,569	9,055
Total external assets	40,032	40,178	35,593	36,946	34,607	35,593
Customer accounts	14,595	13,786	13,502	11,056	11,787	13,502
Risk-weighted assets	(997)	(899)	1,631	3,328	2,069	1,631

HSBC

Europe - Other

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

Loans and advances to customers (net)	
Customer accounts	

8,715	8,858	9,193	8,677	8,763	9,055
14,595	14,038	13,605	11,488	11,829	13,502

HSBC Europe - Other - Wealth and Personal Banking

Reported (\$m)

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

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Quarter ended					Year to date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
228	223	518	385	272	1,465
(34)	(33)	(37)	(37)	(63)	(194)
1	(48)	1	—	2	2
(321)	(399)	(805)	(529)	(513)	(2,309)
(125)	(143)	(170)	(142)	(148)	(614)
—	—	—	—	—	—
(92)	(224)	(286)	(144)	(239)	(842)

Reported Significant items - Totals (\$m)

Revenue	
ECL	
Operating expenses	
Share of profit in associates and joint ventures	

—	—	—	—	—	—
—	—	—	—	—	—
(5)	—	(14)	61	(9)	34
—	—	—	—	—	—

Adjusted (\$m)

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

of which: net interest income/(expense)

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

228	218	510	388	273	1,465
(34)	(33)	(36)	(37)	(62)	(195)
1	(49)	1	—	2	2
(316)	(394)	(783)	(592)	(503)	(2,343)
—	—	—	—	—	—
(87)	(225)	(272)	(204)	(228)	(876)

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 date					Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
8,788	8,790	9,079	8,313	8,592	9,079
8,715	8,717	9,055	8,291	8,569	9,055
23,657	23,333	19,354	19,891	19,576	19,354
14,595	13,723	13,432	10,988	11,719	13,432
2,585	3,008	2,369	(n/a)	(n/a)	2,369

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

Loans and advances to customers (net)	
Customer accounts	

8,715	8,858	9,193	8,677	8,763	9,055
14,595	13,975	13,540	11,420	11,763	13,432

HSBC

Europe - Other

HSBC Europe - Other - Commercial Banking

Reported (\$m)

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

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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/(expense)

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(74)	(60)	163	15	(102)	(32)
<i>of which: net interest income/(expense)</i>	<i>(125)</i>	<i>(126)</i>	<i>(122)</i>	<i>(123)</i>	<i>(141)</i>	<i>(506)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(104)	(157)	(2,908)	(238)	(138)	(3,417)
<i>of which: staff expenses</i>	<i>(47)</i>	<i>(48)</i>	<i>(66)</i>	<i>(51)</i>	<i>(42)</i>	<i>(202)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(178)	(217)	(2,745)	(223)	(240)	(3,449)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(1)	(2)	(2,533)	(2)	1	(2,534)
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)	(63)	158	15	(102)	(32)
<i>of which: net interest income/(expense)</i>	<i>(125)</i>	<i>(126)</i>	<i>(122)</i>	<i>(123)</i>	<i>(141)</i>	<i>(505)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(103)	(152)	(370)	(237)	(139)	(883)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(177)	(215)	(212)	(222)	(241)	(915)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	(1,495)	(1,508)	(2,259)	244	268	(2,259)
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	(780)	(933)	(1,076)	(n/a)	(n/a)	(1,076)
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

HSBC

Europe - Other

HSBC Europe - Other - 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/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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/(expense)

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(141)	(158)	(143)	(165)	(195)	(671)
<i>of which: net interest income/(expense)</i>	<i>(140)</i>	<i>(147)</i>	<i>(132)</i>	<i>(135)</i>	<i>(157)</i>	<i>(559)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(48)	(78)	(184)	(78)	(62)	(429)
<i>of which: staff expenses</i>	<i>(73)</i>	<i>(81)</i>	<i>(98)</i>	<i>(76)</i>	<i>(91)</i>	<i>(349)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(189)	(236)	(327)	(243)	(257)	(1,100)
Reported Significant items - Totals (\$m)						
Revenue	—	(1)	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(3)	3	(6)	(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	(141)	(164)	(150)	(165)	(196)	(671)
<i>of which: net interest income/(expense)</i>	<i>(140)</i>	<i>(147)</i>	<i>(132)</i>	<i>(135)</i>	<i>(157)</i>	<i>(560)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(48)	(73)	(173)	(82)	(56)	(420)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(189)	(237)	(323)	(247)	(252)	(1,091)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	(1,062)	1,420	1,416	1,415	1,496	1,416
Customer accounts	—	63	70	68	68	70
Risk-weighted assets	(2,066)	(2,478)	(480)	(n/a)	(n/a)	(480)
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	63	65	68	66	70

HSBC

Europe - Other

HSBC Europe - Other - Corporate Centre

Reported (\$m)

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

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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/(expense)

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	570	877	(122)	493	481	1,287
<i>of which: net interest income/(expense)</i>	<i>(339)</i>	<i>(330)</i>	<i>(372)</i>	<i>(688)</i>	85	<i>(1,096)</i>
Change in expected credit losses and other credit impairment charges	(3)	—	—	—	—	—
Total operating expenses	(912)	(352)	(985)	(225)	(517)	(2,220)
<i>of which: staff expenses</i>	<i>(557)</i>	<i>(268)</i>	<i>(391)</i>	<i>(338)</i>	<i>(416)</i>	<i>(1,548)</i>
Share of profit in associates and joint ventures	—	—	(2)	1	1	1
Profit/(loss) before tax	(345)	525	(1,109)	269	(35)	(932)
Reported Significant items - Totals (\$m)						
Revenue	66	158	(135)	174	51	170
ECL	—	—	—	—	—	—
Operating expenses	(227)	(30)	(38)	(43)	(36)	(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	504	683	(39)	329	365	1,117
<i>of which: net interest income/(expense)</i>	<i>(339)</i>	<i>(328)</i>	<i>(371)</i>	<i>(688)</i>	87	<i>(1,096)</i>
Change in expected credit losses and other credit impairment charges	(3)	—	—	—	—	—
Total operating expenses	(685)	(290)	(900)	(190)	(419)	(2,094)
Share of profit in associates and joint ventures	—	—	(2)	1	1	1
Profit/(loss) before tax	(184)	393	(941)	140	(53)	(976)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	18,932	16,933	17,082	15,396	13,267	17,082
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	(736)	(496)	818	(n/a)	(n/a)	818
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

HSBC

Europe - Other

SIGNIFICANT ITEMS

HSBC Europe - Other - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	Year to date 31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	65	157	(135)	174	51	170
Restructuring and other related costs	1	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(15)	(11)	(9)	(35)
Customer redress programmes	—	—	—	(1)	1	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(200)	—	(2,521)	—	—	(2,521)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	(4)
Restructuring and other related costs	(36)	(32)	(55)	(34)	(42)	(131)
Settlements and provisions in connection with legal and regulatory matters	3	—	3	65	—	56

HSBC Europe - Other - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	—	(2)
Restructuring and other related costs	(5)	—	(17)	(4)	(9)	(30)
Settlements and provisions in connection with legal and regulatory matters	—	—	3	65	—	66

HSBC

Europe - Other

HSBC Europe - Other - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(2,521)	—	—	(2,521)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(1)	(2)	(12)	(1)	—	(13)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Europe - Other - Global Banknig and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	(1)	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(1)	3	(4)	(2)
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	—	—	(2)	—	(2)	(4)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	(3)

HSBC Europe - Other - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	66	158	(135)	174	51	170
Restructuring and other related costs	—	—	—	—	—	—

HSBC

Europe - Other

Reported cost significant items (\$m)

Costs of structural reform	—	—	(14)	(14)	(5)	(33)
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Impairment of goodwill and other intangibles	(200)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	(2)
Restructuring and other related costs	(27)	(30)	(24)	(29)	(31)	(84)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	(7)

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

HSBC Europe - Other - TOTAL

Revenue	(51)	(72)	13	(65)
ECL	(1)	—	—	—
Operating expenses	44	67	(13)	70
Share of profit in associates and joint ventures	—	—	—	—

Revenue significant items	—	—	—	—
Operating expense significant items	(1)	(1)	(1)	7

Loans and advances to customers (net)	141	138	386	194
Customer accounts	252	103	432	42

HSBC Europe - Other - Wealth and Personal Banking

Revenue	(5)	(8)	3	1
ECL	(1)	—	—	—
Operating expenses	5	8	(3)	(1)
Share of profit in associates and joint ventures	—	—	—	—

Revenue significant items	—	—	—	—
Operating expense significant items	—	—	(1)	(2)

Loans and advances to customers (net)	141	138	386	194
Customer accounts	252	108	432	44

HSBC

Europe - Other

HSBC Europe - Other - Commercial Banking

Revenue	(3)	(5)	—	—
ECL	—	—	—	—
Operating expenses	3	5	(1)	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC Europe - Other - Global Banking and Markets

Revenue	(7)	(7)	—	(1)
ECL	—	—	—	—
Operating expenses	5	8	(1)	3
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	3
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	(5)	—	(2)

HSBC Europe - Other - Corporate Centre

Revenue	(36)	(52)	10	(65)
ECL	—	—	—	—
Operating expenses	31	47	(9)	69
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	(1)	—	(1)	7
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

Asia - TOTAL

Reported (\$m)

Net interest income	3,691
Net fee income	1,259
Other operating income/(expense)	2,071
Net operating income before change in expected credit losses and other credit impairment charges	7,021
Change in expected credit losses and other credit impairment charges	(818)
Total operating expenses	(3,146)
<i>of which: staff expenses</i>	(1,618)
Share of profit in associates and joint ventures	572
Profit/(loss) before tax	3,629

Reported Significant items - Totals (\$m)

Revenue	(64)
ECL	—
Operating expenses	(17)
Share of profit in associates and joint ventures	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	7,085
<i>of which: net interest income</i>	3,691
Change in expected credit losses and other credit impairment charges	(818)
Total operating expenses	(3,129)
Share of profit in associates and joint ventures	572
Profit/(loss) before tax	3,710

Balance sheet - reported (\$m)

Loans and advances to customers (gross)	478,222
Loans and advances to customers (net)	474,739
Total external assets	1,136,614
Customer accounts	723,072
Risk-weighted assets ¹	374,684

Quarter ended						Year to date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19		31-Dec-19
3,691	4,128	4,213	4,212	4,186		16,607
1,259	1,432	1,221	1,339	1,356		5,325
2,071	1,999	1,813	2,163	2,097		8,487
7,021	7,559	7,247	7,714	7,639		30,419
(818)	(1,000)	(181)	(283)	(102)		(724)
(3,146)	(3,284)	(3,503)	(3,303)	(3,360)		(13,297)
(1,618)	(1,757)	(1,748)	(1,711)	(1,846)		(7,090)
572	465	475	523	596		2,070
3,629	3,740	4,038	4,651	4,773		18,468
(64)	98	(15)	20	(13)		(35)
—	—	—	—	—		—
(17)	(1)	(53)	(27)	(39)		(126)
—	—	—	—	—		—
7,085	7,410	7,223	7,656	7,582		30,454
3,691	4,107	4,201	4,201	4,160		16,607
(818)	(984)	(181)	(282)	(100)		(724)
(3,129)	(3,252)	(3,418)	(3,240)	(3,264)		(13,171)
572	458	473	517	574		2,070
3,710	3,632	4,097	4,651	4,792		18,629
Balance sheet date						Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19		31-Dec-19
478,222	484,408	479,960	480,223	475,687		479,960
474,739	481,512	477,727	478,015	473,627		477,727
1,136,614	1,110,489	1,083,661	1,072,056	1,079,975		1,083,661
723,072	690,917	697,358	672,557	677,289		697,358
374,684	373,453	366,375	364,687	371,747		366,375

HSBC Asia

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

Loans and advances to customers (net)	474,739	487,428	475,153	481,791	471,895	477,727
Customer accounts	723,072	696,556	694,853	677,889	676,261	697,358

Asia - Wealth and Personal 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	3,194	3,119	3,392	3,557	3,546	14,109
<i>of which: net interest income</i>	<i>1,946</i>	<i>2,349</i>	<i>2,399</i>	<i>2,410</i>	<i>2,407</i>	<i>9,413</i>
Change in expected credit losses and other credit impairment charges	(246)	(183)	(66)	(91)	(31)	(266)
Total operating expenses	(1,502)	(1,572)	(1,618)	(1,542)	(1,552)	(6,171)
<i>of which: staff expenses</i>	<i>(588)</i>	<i>(628)</i>	<i>(644)</i>	<i>(619)</i>	<i>(614)</i>	<i>(2,467)</i>
Share of profit in associates and joint ventures	(6)	(5)	3	5	23	44
Profit/(loss) before tax	1,440	1,359	1,711	1,929	1,986	7,716
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	(3)	(6)
ECL	—	—	—	—	—	—
Operating expenses	—	—	(3)	(2)	(2)	(7)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	3,194	3,112	3,396	3,566	3,551	14,115
<i>of which: net interest income</i>	<i>1,946</i>	<i>2,344</i>	<i>2,402</i>	<i>2,414</i>	<i>2,408</i>	<i>9,416</i>
Change in expected credit losses and other credit impairment charges	(246)	(182)	(66)	(91)	(29)	(266)
Total operating expenses	(1,502)	(1,563)	(1,608)	(1,534)	(1,536)	(6,164)
Share of profit in associates and joint ventures	(6)	(5)	3	5	23	44
Profit/(loss) before tax	1,440	1,362	1,725	1,946	2,009	7,729
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	181,905	178,524	181,649	179,249	176,522	181,649
Loans and advances to customers (net)	181,000	177,724	180,917	178,519	175,792	180,917
Total external assets	377,310	351,096	360,466	343,012	342,646	360,466
Customer accounts	412,834	402,816	398,212	384,992	385,357	398,212
Risk-weighted assets	77,923	76,396	75,915	(n/a)	(n/a)	75,915
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	181,000	180,400	180,123	180,281	175,587	180,917
Customer accounts	412,834	405,547	397,862	388,620	386,130	398,212

Asia - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	1,537	1,825	1,772	1,871	1,893	7,437
<i>of which: net interest income</i>	<i>1,118</i>	<i>1,327</i>	<i>1,399</i>	<i>1,425</i>	<i>1,457</i>	<i>5,693</i>
Change in expected credit losses and other credit impairment charges	(488)	(741)	(99)	(163)	(53)	(387)
Total operating expenses	(597)	(615)	(681)	(647)	(618)	(2,529)
<i>of which: staff expenses</i>	<i>(221)</i>	<i>(231)</i>	<i>(237)</i>	<i>(235)</i>	<i>(244)</i>	<i>(948)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	452	469	992	1,061	1,222	4,521
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	(1)	(3)
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	(9)	(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	1,537	1,815	1,767	1,867	1,883	7,440
<i>of which: net interest income</i>	<i>1,118</i>	<i>1,319</i>	<i>1,395</i>	<i>1,421</i>	<i>1,449</i>	<i>5,693</i>
Change in expected credit losses and other credit impairment charges	(488)	(727)	(98)	(163)	(53)	(387)
Total operating expenses	(597)	(611)	(677)	(644)	(602)	(2,520)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	452	477	992	1,060	1,228	4,533
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	160,814	163,806	160,960	161,068	164,520	160,960
Loans and advances to customers (net)	158,573	162,017	159,715	159,837	163,402	159,715
Total external assets	238,331	230,421	229,681	226,747	234,189	229,681
Customer accounts	173,342	158,802	172,701	160,543	165,323	172,701
Risk-weighted assets	136,586	135,833	134,588	(n/a)	(n/a)	134,588
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	158,573	163,689	158,907	160,949	162,734	159,715
Customer accounts	173,342	159,912	172,194	161,833	165,134	172,701

Asia - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19		31-Dec-19
1,973	2,152	1,767	1,935	1,799		7,422
754	829	843	863	890		3,454
(84)	(76)	(16)	(29)	(18)		(71)
(775)	(797)	(841)	(798)	(852)		(3,266)
(304)	(314)	(333)	(313)	(373)		(1,377)
—	—	—	—	—		—
1,114	1,279	910	1,108	929		4,085
(62)	88	(15)	18	(6)		(27)
—	—	—	—	—		—
(1)	—	(12)	(6)	(17)		(40)
—	—	—	—	—		—
2,035	2,044	1,761	1,896	1,775		7,449
754	819	833	851	873		3,454
(84)	(76)	(16)	(29)	(18)		(71)
(774)	(791)	(822)	(786)	(823)		(3,226)
—	—	—	—	—		—
1,177	1,177	923	1,081	934		4,152
Balance sheet date						Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19		31-Dec-19
135,097	141,674	137,168	139,641	134,485		137,168
134,760	141,367	136,912	139,394	134,273		136,912
422,379	435,833	402,133	413,266	407,417		402,133
136,835	129,475	126,392	126,959	126,552		126,392
112,695	114,744	109,832	(n/a)	(n/a)		109,832
134,760	142,934	135,940	140,301	133,412		136,912
136,835	131,272	124,744	127,372	124,941		126,392

Asia - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	317	463	316	351	401	1,451
<i>of which: net interest expense</i>	<i>(127)</i>	<i>(377)</i>	<i>(428)</i>	<i>(486)</i>	<i>(568)</i>	<i>(1,953)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(272)	(300)	(363)	(316)	(338)	(1,331)
<i>of which: staff expenses</i>	<i>(505)</i>	<i>(584)</i>	<i>(534)</i>	<i>(544)</i>	<i>(615)</i>	<i>(2,298)</i>
Share of profit in associates and joint ventures	578	470	472	518	573	2,026
Profit/(loss) before tax	623	633	425	553	636	2,146
Reported Significant items - Totals (\$m)						
Revenue	(2)	10	—	2	(3)	1
ECL	—	—	—	—	—	—
Operating expenses	(16)	(1)	(38)	(19)	(11)	(70)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	319	439	299	327	373	1,450
<i>of which: net interest expense</i>	<i>(127)</i>	<i>(375)</i>	<i>(429)</i>	<i>(485)</i>	<i>(570)</i>	<i>(1,956)</i>
Change in expected credit losses and other credit impairment charges	—	1	(1)	1	—	—
Total operating expenses	(256)	(287)	(311)	(276)	(303)	(1,261)
Share of profit in associates and joint ventures	578	463	470	512	551	2,026
Profit/(loss) before tax	641	616	457	564	621	2,215
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	406	404	183	265	160	183
Loans and advances to customers (net)	406	404	183	265	160	183
Total external assets	98,594	93,139	91,381	89,031	95,723	91,381
Customer accounts	61	(176)	53	63	57	53
Risk-weighted assets	47,480	46,480	46,040	(n/a)	(n/a)	46,040
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	406	405	183	260	162	183
Customer accounts	61	(175)	53	64	56	53

SIGNIFICANT ITEMS

Asia - TOTAL

Revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(64)	98	(15)	20	(13)	(35)
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(1)	(2)	—	(4)
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	(17)	(1)	(52)	(25)	(40)	(123)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	1	1

Asia - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	(3)	(6)
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(3)	(2)	(3)	(8)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	1	1

HSBC Asia

Asia - Commercial Banking

Reported revenue significant items (\$m)

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

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	—	—	—	—	(9)	(9)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Asia - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(62)	88	(15)	18	(6)	(27)
Restructuring and other related costs	—	—	—	—	—	—

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	(1)	—	(12)	(6)	(17)	(40)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Asia - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(2)	10	—	2	(3)	1
Restructuring and other related costs	—	—	—	—	—	—

HSBC Asia

Reported cost significant items (\$m)

Costs of structural reform	—	—	(1)	(2)	—	(4)
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	(16)	(1)	(37)	(17)	(11)	(66)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

Asia - TOTAL

Revenue	(51)	(39)	(38)	(70)
ECL	16	—	1	2
Operating expenses	31	32	36	56
Share of profit in associates and joint ventures	(7)	(2)	(6)	(22)
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	(1)

Loans and advances to customers (net)	5,916	(2,574)	3,776	(1,732)
Customer accounts	5,639	(2,505)	5,332	(1,028)

Asia - Wealth and Personal Banking

Revenue	(7)	4	9	2
ECL	1	—	—	2
Operating expenses	9	7	6	14
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	2,676	(794)	1,762	(205)
Customer accounts	2,731	(350)	3,628	773

HSBC Asia

Asia - Commercial Banking

Revenue	(10)	(5)	(4)	(11)
ECL	14	1	—	—
Operating expenses	4	4	3	6
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	(1)
Loans and advances to customers (net)	1,672	(808)	1,112	(668)
Customer accounts	1,110	(507)	1,290	(189)

Asia - Global Banking and Markets

Revenue	(20)	(21)	(21)	(30)
ECL	—	—	—	—
Operating expenses	6	7	6	12
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	1,567	(972)	907	(861)
Customer accounts	1,797	(1,648)	413	(1,611)

Asia - Corporate Centre

Revenue	(14)	(17)	(22)	(31)
ECL	1	(1)	1	—
Operating expenses	12	15	21	23
Share of profit in associates and joint ventures	(7)	(2)	(6)	(22)
Revenue significant items	—	—	—	—
Operating expense significant items	—	1	—	(1)
Loans and advances to customers (net)	1	—	(5)	2
Customer accounts	1	—	1	(1)

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

HSBC Hong Kong

Hong Kong - TOTAL

Reported (\$m)

Net interest income	2,365	2,771	2,850	2,882	2,848	11,238
Net fee income	858	968	851	929	936	3,670
Other operating income	1,111	1,002	881	1,086	1,129	4,504
Net operating income before change in expected credit losses and other credit impairment charges	4,334	4,741	4,582	4,897	4,913	19,412
Change in expected credit losses and other credit impairment charges	(383)	(133)	(118)	(207)	(34)	(459)
Total operating expenses	(1,702)	(1,758)	(1,852)	(1,678)	(1,733)	(6,935)
<i>of which: staff expenses</i>	<i>(737)</i>	<i>(800)</i>	<i>(792)</i>	<i>(717)</i>	<i>(812)</i>	<i>(3,153)</i>
Share of profit in associates and joint ventures	(4)	(3)	2	5	18	31
Profit/(loss) before tax	2,245	2,847	2,614	3,017	3,164	12,049

Reported Significant items - Totals (\$m)

Revenue	(45)	61	(9)	13	(8)	(26)
ECL	—	—	—	—	—	—
Operating expenses	(10)	—	(24)	(19)	(13)	(63)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	4,379	4,692	4,633	4,932	4,976	19,438
<i>of which: net interest income</i>	<i>2,365</i>	<i>2,778</i>	<i>2,877</i>	<i>2,911</i>	<i>2,881</i>	<i>11,238</i>
Change in expected credit losses and other credit impairment charges	(383)	(133)	(119)	(209)	(34)	(459)
Total operating expenses	(1,692)	(1,763)	(1,844)	(1,674)	(1,737)	(6,872)
Share of profit in associates and joint ventures	(4)	(3)	2	5	18	31
Profit/(loss) before tax	2,300	2,793	2,672	3,054	3,223	12,138

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	310,178	313,639	308,108	308,935	305,394	308,108
Loans and advances to customers (net)	308,798	312,462	306,963	307,828	304,428	306,963
Total external assets	729,458	711,640	696,067	698,558	695,397	696,067
Customer accounts	514,381	496,508	499,955	487,347	487,948	499,955
Risk-weighted assets	195,711	194,694	187,162	186,674	189,583	187,162

HSBC Hong Kong

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

Loans and advances to customers (net)	
Customer accounts	

308,798	312,540	308,496	311,347	306,730	306,963
514,381	496,633	502,451	492,919	491,638	499,955

Hong Kong - Wealth and Personal 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

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Quarter ended					Year to date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
2,439	2,377	2,593	2,769	2,747	10,905
1,466	1,818	1,860	1,875	1,875	7,288
(113)	(90)	(45)	(72)	3	(157)
(885)	(927)	(952)	(865)	(886)	(3,549)
(356)	(381)	(402)	(365)	(363)	(1,481)
(6)	(5)	—	3	16	22
1.435	1.355	1.596	1.835	1.880	7.221

Reported Significant items - Totals (\$m)

Revenue	
ECL	
Operating expenses	
Share of profit in associates and joint ventures	

—	—	—	—	(1)	(1)
—	—	—	—	—	—
—	—	—	(1)	1	—
—	—	—	—	—	—

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

2,439	2,384	2,619	2,798	2,781	10,906
1,466	1,822	1,878	1,893	1,896	7,288
(113)	(90)	(45)	(73)	3	(157)
(885)	(930)	(961)	(874)	(897)	(3,549)
(6)	(5)	—	3	16	22
1,435	1,359	1,613	1,854	1,903	7,222

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 date					Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
123,235	121,865	121,300	121,448	118,781	121,300
122,838	121,477	120,945	121,099	118,460	120,945
289,777	267,371	272,820	260,336	259,264	272,820
337,340	331,215	325,436	316,571	317,879	325,436
56,110	55,339	53,755	(n/a)	(n/a)	53,755

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

Loans and advances to customers (net)	
Customer accounts	

122,838	121,508	121,549	122,484	119,356	120,945
337,340	331,298	327,061	320,190	320,283	325,436

HSBC Hong Kong

Hong Kong - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	923	1,167	1,147	1,225	1,245	4,856
<i>of which: net interest income</i>	<i>676</i>	<i>852</i>	<i>917</i>	<i>940</i>	<i>968</i>	<i>3,741</i>
Change in expected credit losses and other credit impairment charges	(239)	(19)	(46)	(115)	(28)	(233)
Total operating expenses	(334)	(325)	(381)	(359)	(323)	(1,381)
<i>of which: staff expenses</i>	<i>(126)</i>	<i>(125)</i>	<i>(131)</i>	<i>(128)</i>	<i>(128)</i>	<i>(512)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	350	823	720	751	894	3,242
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	(4)	(4)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	923	1,170	1,159	1,239	1,261	4,856
<i>of which: net interest income</i>	<i>676</i>	<i>854</i>	<i>926</i>	<i>950</i>	<i>979</i>	<i>3,741</i>
Change in expected credit losses and other credit impairment charges	(239)	(19)	(47)	(116)	(28)	(233)
Total operating expenses	(334)	(326)	(385)	(364)	(322)	(1,377)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	350	825	727	759	911	3,246
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	104,013	104,849	103,727	103,837	107,076	103,727
Loans and advances to customers (net)	103,249	104,273	103,131	103,246	106,585	103,131
Total external assets	150,092	143,305	144,534	144,992	150,025	144,534
Customer accounts	121,474	111,996	123,372	116,541	119,383	123,372
Risk-weighted assets	73,696	73,351	71,855	(n/a)	(n/a)	71,855
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	103,249	104,299	103,646	104,427	107,390	103,131
Customer accounts	121,474	112,024	123,988	117,874	120,286	123,372

HSBC Hong Kong

Hong Kong - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	915	1,034	815	880	794	3,400
<i>of which: net interest income</i>	<i>335</i>	<i>372</i>	<i>392</i>	<i>371</i>	<i>387</i>	<i>1,531</i>
Change in expected credit losses and other credit impairment charges	(31)	(24)	(27)	(20)	(9)	(69)
Total operating expenses	(380)	(395)	(431)	(374)	(409)	(1,602)
<i>of which: staff expenses</i>	<i>(155)</i>	<i>(154)</i>	<i>(186)</i>	<i>(134)</i>	<i>(179)</i>	<i>(678)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	504	615	357	486	376	1,729
Reported Significant items - Totals (\$m)						
Revenue	(45)	61	(9)	13	(3)	(15)
ECL	—	—	—	—	—	—
Operating expenses	(1)	—	(10)	(2)	(7)	(24)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	960	976	832	877	806	3,415
<i>of which: net interest income</i>	<i>335</i>	<i>373</i>	<i>396</i>	<i>375</i>	<i>392</i>	<i>1,531</i>
Change in expected credit losses and other credit impairment charges	(31)	(24)	(27)	(20)	(9)	(69)
Total operating expenses	(379)	(396)	(425)	(376)	(407)	(1,578)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	550	556	380	481	390	1,768
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	82,562	86,558	82,937	83,509	79,392	82,937
Loans and advances to customers (net)	82,343	86,345	82,743	83,342	79,238	82,743
Total external assets	232,282	245,096	226,880	241,428	228,953	226,880
Customer accounts	55,546	53,508	51,127	54,211	50,662	51,127
Risk-weighted assets	55,600	55,814	51,499	(n/a)	(n/a)	51,499
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	82,343	86,367	83,158	84,295	79,837	82,743
Customer accounts	55,546	53,521	51,382	54,831	51,045	51,127

HSBC Hong Kong

Hong Kong - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	57	163	27	23	127	251
<i>of which: net interest expense</i>	<i>(112)</i>	<i>(271)</i>	<i>(319)</i>	<i>(304)</i>	<i>(382)</i>	<i>(1,322)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(103)	(111)	(88)	(80)	(115)	(403)
<i>of which: staff expenses</i>	<i>(100)</i>	<i>(140)</i>	<i>(73)</i>	<i>(90)</i>	<i>(142)</i>	<i>(482)</i>
Share of profit in associates and joint ventures	2	2	2	2	2	9
Profit/(loss) before tax	(44)	54	(59)	(55)	14	(143)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	(4)	(10)
ECL	—	—	—	—	—	—
Operating expenses	(9)	—	(14)	(16)	(3)	(35)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	57	162	23	18	128	261
<i>of which: net interest expense</i>	<i>(112)</i>	<i>(271)</i>	<i>(323)</i>	<i>(307)</i>	<i>(386)</i>	<i>(1,322)</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(94)	(111)	(73)	(60)	(111)	(368)
Share of profit in associates and joint ventures	2	2	2	2	2	9
Profit/(loss) before tax	(35)	53	(48)	(40)	19	(98)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	368	367	144	141	145	144
Loans and advances to customers (net)	368	367	144	141	145	144
Total external assets	57,307	55,868	51,833	51,802	57,155	51,833
Customer accounts	21	(211)	20	24	24	20
Risk-weighted assets	10,305	10,190	10,053	(n/a)	(n/a)	10,053
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	368	366	143	141	147	144
Customer accounts	21	(210)	20	24	24	20

HSBC
Hong Kong

SIGNIFICANT ITEMS

Hong Kong - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(45)	61	(9)	13	(8)	(26)
Restructuring and other related costs	—	—	—	—	—	—

Reported cost significant items (\$m)

Costs of structural reform	—	—	(1)	(2)	—	(4)
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)	—	(23)	(17)	(14)	(60)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	1	1

Hong Kong - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	(1)	(1)
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	(1)	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	1	1

HSBC Hong Kong

Hong Kong - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	(4)	(4)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Hong Kong - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(45)	61	(9)	13	(3)	(15)
Restructuring and other related costs	—	—	—	—	—	—

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	(1)	—	(10)	(2)	(7)	(24)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Hong Kong - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	(4)	(10)
Restructuring and other related costs	—	—	—	—	—	—

HSBC Hong Kong

Reported cost significant items (\$m)

Costs of structural reform	—	—	—	(2)	—	(3)
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	(9)	—	(14)	(14)	(3)	(32)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

Hong Kong - TOTAL

Revenue	12	42	48	54
ECL	—	(1)	(2)	—
Operating expenses	(5)	(16)	(15)	(17)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	(1)
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	78	1,533	3,519	2,302
Customer accounts	125	2,496	5,572	3,690

Hong Kong - Wealth and Personal Banking

Revenue	7	26	29	33
ECL	—	—	(1)	—
Operating expenses	(3)	(9)	(10)	(10)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	31	604	1,385	896
Customer accounts	83	1,625	3,619	2,404

HSBC Hong Kong

Hong Kong - Commercial Banking

Revenue	3	12	14	16
ECL	—	(1)	(1)	—
Operating expenses	(1)	(4)	(5)	(3)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	26	515	1,181	805
Customer accounts	28	616	1,333	903

Hong Kong - Global Banking and Markets

Revenue	3	8	10	9
ECL	—	—	—	—
Operating expenses	(1)	(4)	(4)	(5)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	22	415	953	599
Customer accounts	13	255	620	383

Hong Kong - Corporate Centre

Revenue	(1)	(4)	(5)	(3)
ECL	—	—	—	—
Operating expenses	—	1	4	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	(1)	(1)	—	2
Customer accounts	1	—	—	—

HSBC Mainland China

Mainland China - TOTAL

Reported (\$m)

Net interest income	397	398	395	406	422	1,649
Net fee income	82	90	58	70	82	309
Other operating income	327	282	261	313	288	1,143
Net operating income before change in expected credit losses and other credit impairment charges	806	770	714	789	792	3,101
Change in expected credit losses and other credit impairment charges	(44)	(63)	(29)	(33)	(28)	(130)
Total operating expenses	(494)	(522)	(546)	(527)	(539)	(2,111)
<i>of which: staff expenses</i>	<i>(280)</i>	<i>(324)</i>	<i>(317)</i>	<i>(323)</i>	<i>(323)</i>	<i>(1,274)</i>
Share of profit in associates and joint ventures	576	468	470	516	570	2,017
Profit/(loss) before tax	844	653	609	745	795	2,877

Reported Significant items - Totals (\$m)

Revenue	(2)	2	(1)	1	—	(1)
ECL	—	—	—	—	—	—
Operating expenses	(1)	—	(4)	—	(2)	(6)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	808	757	711	778	763	3,102
<i>of which: net interest income</i>	<i>397</i>	<i>391</i>	<i>393</i>	<i>401</i>	<i>407</i>	<i>1,649</i>
Change in expected credit losses and other credit impairment charges	(44)	(62)	(29)	(33)	(27)	(130)
Total operating expenses	(493)	(514)	(538)	(521)	(517)	(2,105)
Share of profit in associates and joint ventures	576	460	467	510	549	2,017
Profit/(loss) before tax	847	641	611	734	768	2,884

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	43,675	44,059	42,661	41,325	42,946	42,661
Loans and advances to customers (net)	43,338	43,735	42,380	41,024	42,657	42,380
Total external assets	115,597	113,710	110,715	104,140	107,783	110,715
Customer accounts	47,557	45,492	48,323	43,111	45,409	48,323
Risk-weighted assets	74,611	74,624	73,285	71,895	74,054	73,285

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Mainland China

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

Loans and advances to customers (net)	43,338	43,818	41,725	41,426	41,425	42,380
Customer accounts	47,557	45,578	47,576	43,534	44,098	48,323

Mainland China - Wealth and Personal 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

of which: staff 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)	10,006	9,960	10,157	9,835	9,998	10,157
Loans and advances to customers (net)	9,906	9,870	10,081	9,762	9,926	10,081
Total external assets	15,806	15,802	15,176	14,554	15,082	15,176
Customer accounts	11,869	11,815	11,842	10,957	11,131	11,842
Risk-weighted assets	4,974	4,937	4,998	(n/a)	(n/a)	4,998

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

Loans and advances to customers (net)	9,906	9,888	9,925	9,858	9,639	10,081
Customer accounts	11,869	11,837	11,659	11,065	10,809	11,842

	Quarter ended					Year to date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	196	163	161	159	178	704
<i>of which: net interest income</i>	<i>110</i>	<i>109</i>	<i>103</i>	<i>102</i>	<i>109</i>	<i>421</i>
Change in expected credit losses and other credit impairment charges	(23)	(25)	(10)	(12)	(14)	(48)
Total operating expenses	(163)	(174)	(186)	(188)	(180)	(729)
<i>of which: staff expenses</i>	<i>(66)</i>	<i>(76)</i>	<i>(75)</i>	<i>(78)</i>	<i>(74)</i>	<i>(301)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	10	(36)	(35)	(41)	(16)	(73)
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	196	160	161	157	171	704
<i>of which: net interest income</i>	<i>110</i>	<i>107</i>	<i>102</i>	<i>101</i>	<i>105</i>	<i>421</i>
Change in expected credit losses and other credit impairment charges	(23)	(25)	(10)	(12)	(13)	(48)
Total operating expenses	(163)	(171)	(184)	(185)	(174)	(729)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	10	(36)	(33)	(40)	(16)	(73)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	10,006	9,960	10,157	9,835	9,998	10,157
Loans and advances to customers (net)	9,906	9,870	10,081	9,762	9,926	10,081
Total external assets	15,806	15,802	15,176	14,554	15,082	15,176
Customer accounts	11,869	11,815	11,842	10,957	11,131	11,842
Risk-weighted assets	4,974	4,937	4,998	(n/a)	(n/a)	4,998
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	9,906	9,888	9,925	9,858	9,639	10,081
Customer accounts	11,869	11,837	11,659	11,065	10,809	11,842

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Mainland China

Mainland China - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	212	203	186	197	201	797
<i>of which: net interest income</i>	<i>154</i>	<i>158</i>	<i>155</i>	<i>158</i>	<i>170</i>	<i>653</i>
Change in expected credit losses and other credit impairment charges	(16)	(19)	(20)	(20)	(11)	(74)
Total operating expenses	(87)	(103)	(109)	(98)	(102)	(406)
<i>of which: staff expenses</i>	<i>(32)</i>	<i>(39)</i>	<i>(37)</i>	<i>(38)</i>	<i>(41)</i>	<i>(155)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	109	81	57	79	88	317
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	(2)	(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	212	200	185	195	194	797
<i>of which: net interest income</i>	<i>154</i>	<i>155</i>	<i>154</i>	<i>156</i>	<i>163</i>	<i>653</i>
Change in expected credit losses and other credit impairment charges	(16)	(19)	(19)	(20)	(10)	(74)
Total operating expenses	(87)	(101)	(109)	(97)	(97)	(404)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	109	80	57	78	87	319
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	18,662	18,578	17,389	17,513	18,725	17,389
Loans and advances to customers (net)	18,469	18,383	17,208	17,309	18,532	17,208
Total external assets	27,147	27,373	25,128	25,129	26,683	25,128
Customer accounts	15,263	14,276	15,283	13,440	13,942	15,283
Risk-weighted assets	21,423	21,279	20,274	(n/a)	(n/a)	20,274
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	18,469	18,418	16,942	17,478	17,997	17,208
Customer accounts	15,263	14,303	15,047	13,571	13,540	15,283

HSBC Mainland China

Mainland China - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	224	226	226	253	212	923
<i>of which: net interest income</i>	<i>134</i>	<i>154</i>	<i>145</i>	<i>157</i>	<i>165</i>	<i>630</i>
Change in expected credit losses and other credit impairment charges	(4)	(19)	1	(1)	(3)	(8)
Total operating expenses	(94)	(101)	(102)	(100)	(103)	(403)
<i>of which: staff expenses</i>	<i>(30)</i>	<i>(38)</i>	<i>(35)</i>	<i>(40)</i>	<i>(40)</i>	<i>(155)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	126	106	125	152	106	512
Reported Significant items - Totals (\$m)						
Revenue	(2)	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	226	221	225	249	204	923
<i>of which: net interest income</i>	<i>134</i>	<i>152</i>	<i>144</i>	<i>155</i>	<i>159</i>	<i>630</i>
Change in expected credit losses and other credit impairment charges	(4)	(19)	1	(1)	(3)	(8)
Total operating expenses	(94)	(100)	(101)	(99)	(99)	(403)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	128	102	125	149	102	512
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	14,983	15,496	15,091	13,977	14,223	15,091
Loans and advances to customers (net)	14,940	15,458	15,067	13,953	14,199	15,067
Total external assets	41,618	42,115	39,686	36,301	37,118	39,686
Customer accounts	20,391	19,370	21,170	18,687	20,307	21,170
Risk-weighted assets	16,118	17,138	17,006	(n/a)	(n/a)	17,006
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	14,940	15,488	14,834	14,090	13,789	15,067
Customer accounts	20,391	19,407	20,842	18,870	19,721	21,170

HSBC Mainland China

Mainland China - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	174	178	141	180	201	677
<i>of which: net interest expense</i>	<i>(1)</i>	<i>(23)</i>	<i>(8)</i>	<i>(11)</i>	<i>(22)</i>	<i>(55)</i>
Change in expected credit losses and other credit impairment charges	(1)	—	—	—	—	—
Total operating expenses	(150)	(144)	(149)	(141)	(154)	(573)
<i>of which: staff expenses</i>	<i>(152)</i>	<i>(171)</i>	<i>(170)</i>	<i>(167)</i>	<i>(168)</i>	<i>(663)</i>
Share of profit in associates and joint ventures	576	468	470	516	570	2,017
Profit/(loss) before tax	599	502	462	555	617	2,121
Reported Significant items - Totals (\$m)						
Revenue	—	—	(1)	—	—	(1)
ECL	—	—	—	—	—	—
Operating expenses	(1)	—	(4)	—	—	(4)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	174	176	140	177	194	678
<i>of which: net interest expense</i>	<i>(1)</i>	<i>(23)</i>	<i>(7)</i>	<i>(11)</i>	<i>(20)</i>	<i>(55)</i>
Change in expected credit losses and other credit impairment charges	(1)	1	(1)	—	(1)	—
Total operating expenses	(149)	(142)	(144)	(140)	(147)	(569)
Share of profit in associates and joint ventures	576	460	467	510	549	2,017
Profit/(loss) before tax	600	495	462	547	595	2,126
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	24	25	24	—	—	24
Loans and advances to customers (net)	23	24	24	—	—	24
Total external assets	31,026	28,420	30,725	28,156	28,900	30,725
Customer accounts	34	31	28	27	29	28
Risk-weighted assets	32,096	31,270	31,007	(n/a)	(n/a)	31,007
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	23	24	24	—	—	24
Customer accounts	34	31	28	28	28	28

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SIGNIFICANT ITEMS

Mainland China - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	Year to date 31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(2)	2	(1)	1	—	(1)
Restructuring and other related costs	—	—	—	—	—	—

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	(1)	—	(4)	—	(2)	(6)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Mainland China - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	—	—
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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Mainland China

Mainland China - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	(2)	(2)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Mainland China - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(2)	2	—	1	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	—	—
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Mainland China - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	(1)	—	—	(1)
Restructuring and other related costs	—	—	—	—	—	—

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Mainland China

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	(1)	—	(4)	—	—	(4)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

Mainland China - TOTAL

Revenue	(11)	(4)	(10)	(29)
ECL	1	—	—	1
Operating expenses	8	4	6	20
Share of profit in associates and joint ventures	(8)	(3)	(6)	(21)
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	83	(655)	402	(1,232)
Customer accounts	86	(747)	423	(1,311)

Mainland China - Wealth and Personal Banking

Revenue	(3)	—	(2)	(7)
ECL	—	—	—	1
Operating expenses	3	2	3	6
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	18	(156)	96	(287)
Customer accounts	22	(183)	108	(322)

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Mainland China

Mainland China - Commercial Banking

Revenue	(3)	(1)	(2)	(7)
ECL	—	1	—	1
Operating expenses	2	—	1	3
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	35	(266)	169	(535)
Customer accounts	27	(236)	131	(402)

Mainland China - Global Banking and Markets

Revenue	(3)	(1)	(3)	(8)
ECL	—	—	—	—
Operating expenses	1	1	1	4
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	30	(233)	137	(410)
Customer accounts	37	(328)	183	(586)

Mainland China - Corporate Centre

Revenue	(2)	(2)	(3)	(7)
ECL	1	(1)	—	(1)
Operating expenses	2	—	1	7
Share of profit in associates and joint ventures	(8)	(3)	(6)	(21)
Revenue significant items	—	—	—	—
Operating expense significant items	—	(1)	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	1	(1)

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Middle East and North Africa

Middle East and North Africa - TOTAL

Reported (\$m)

Net interest income	383	394	432	452	460	1,781
Net fee income	171	176	193	165	167	685
Other operating income	135	120	138	87	914	1,244
Net operating income before change in expected credit losses and other credit impairment charges	689	690	763	704	1,541	3,710
Change in expected credit losses and other credit impairment charges	(278)	(333)	(52)	(16)	(43)	(117)
Total operating expenses	(394)	(369)	(498)	(358)	(348)	(1,549)
<i>of which: staff expenses</i>	(180)	(193)	(201)	(188)	(196)	(781)
Share of profit/(loss) in associates and joint ventures	(87)	56	71	(24)	122	283
Profit/(loss) before tax	(70)	44	284	306	1,272	2,327

Reported Significant items - Totals (\$m)

Revenue	—	1	—	—	828	828
ECL	—	—	—	—	—	—
Operating expenses	(41)	—	(104)	(3)	(4)	(112)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	689	679	753	694	710	2,882
<i>of which: net interest income</i>	383	388	423	445	455	1,781
Change in expected credit losses and other credit impairment charges	(278)	(332)	(49)	(17)	(43)	(117)
Total operating expenses	(353)	(363)	(385)	(349)	(339)	(1,437)
Share of profit/(loss) in associates and joint ventures	(87)	56	71	(24)	122	283
Profit/(loss) before tax	(29)	40	390	304	450	1,611

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	31,388	31,273	29,955	29,619	30,042	29,955
Loans and advances to customers (net)	29,615	29,651	28,556	28,090	28,509	28,556
Total external assets	64,583	63,810	61,862	58,511	59,011	61,862
Customer accounts	41,197	40,553	38,126	36,767	36,593	38,126
Risk-weighted assets ¹	58,585	59,114	57,492	57,468	57,530	57,492

HSBC

Middle East and North Africa

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

Loans and advances to customers (net)	29,615	29,499	28,158	27,605	28,133	28,556
Customer accounts	41,197	40,276	37,540	36,120	36,148	38,126

Middle East and North Africa - Wealth and Personal 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	219	249	249	249	251	985
<i>of which: net interest income</i>	<i>154</i>	<i>157</i>	<i>163</i>	<i>169</i>	<i>169</i>	<i>665</i>
Change in expected credit losses and other credit impairment charges	(102)	(50)	(7)	(13)	(4)	(43)
Total operating expenses	(207)	(172)	(194)	(174)	(161)	(687)
<i>of which: staff expenses</i>	<i>(56)</i>	<i>(61)</i>	<i>(65)</i>	<i>(57)</i>	<i>(59)</i>	<i>(238)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(90)	27	48	62	86	255
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(41)	—	(2)	(1)	(1)	(4)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	219	245	245	243	249	985
<i>of which: net interest income</i>	<i>154</i>	<i>156</i>	<i>162</i>	<i>168</i>	<i>169</i>	<i>665</i>
Change in expected credit losses and other credit impairment charges	(102)	(50)	(7)	(14)	(3)	(43)
Total operating expenses	(166)	(169)	(186)	(170)	(156)	(683)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(49)	26	52	59	90	259
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	5,762	6,099	6,217	6,180	6,184	6,217
Loans and advances to customers (net)	5,370	5,777	5,918	5,807	5,808	5,918
Total external assets	15,674	15,423	16,363	14,897	14,788	16,363
Customer accounts	19,757	18,967	18,467	18,340	18,180	18,467
Risk-weighted assets	7,404	7,617	7,680	(n/a)	(n/a)	7,680
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	5,370	5,754	5,852	5,716	5,736	5,918
Customer accounts	19,757	18,795	18,118	17,914	17,893	18,467

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Middle East and North Africa

Middle East and North Africa - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	152	176	169	179	176	714
<i>of which: net interest income</i>	<i>99</i>	<i>113</i>	<i>116</i>	<i>121</i>	<i>117</i>	<i>482</i>
Change in expected credit losses and other credit impairment charges	(147)	(143)	(43)	1	(40)	(68)
Total operating expenses	(79)	(81)	(192)	(88)	(74)	(434)
<i>of which: staff expenses</i>	<i>(30)</i>	<i>(31)</i>	<i>(34)</i>	<i>(31)</i>	<i>(32)</i>	<i>(129)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(74)	(48)	(66)	92	62	212
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(99)	—	—	(99)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	152	173	165	176	174	714
<i>of which: net interest income</i>	<i>99</i>	<i>110</i>	<i>113</i>	<i>118</i>	<i>116</i>	<i>482</i>
Change in expected credit losses and other credit impairment charges	(147)	(142)	(40)	1	(41)	(68)
Total operating expenses	(79)	(79)	(91)	(86)	(73)	(335)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(74)	(48)	34	91	60	311
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	12,608	12,400	11,829	11,916	11,933	11,829
Loans and advances to customers (net)	11,449	11,349	10,860	10,874	10,893	10,860
Total external assets	17,873	17,792	17,358	16,800	16,940	17,358
Customer accounts	9,079	8,986	8,863	8,074	8,013	8,863
Risk-weighted assets	16,343	16,180	15,303	(n/a)	(n/a)	15,303
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	11,449	11,256	10,616	10,611	10,685	10,860
Customer accounts	9,079	8,938	8,751	7,969	7,942	8,863

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Middle East and North Africa

Middle East and North Africa - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	315	264	299	275	281	1,141
<i>of which: net interest income</i>	<i>129</i>	<i>133</i>	<i>134</i>	<i>156</i>	<i>153</i>	<i>603</i>
Change in expected credit losses and other credit impairment charges	(29)	(140)	(2)	(4)	1	(6)
Total operating expenses	(101)	(101)	(108)	(92)	(87)	(374)
<i>of which: staff expenses</i>	<i>(32)</i>	<i>(31)</i>	<i>(32)</i>	<i>(30)</i>	<i>(34)</i>	<i>(128)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	185	23	189	179	195	761
Reported Significant items - Totals (\$m)						
Revenue	—	1	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(1)	—	(1)	(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	315	261	296	273	282	1,141
<i>of which: net interest income</i>	<i>129</i>	<i>131</i>	<i>133</i>	<i>155</i>	<i>154</i>	<i>603</i>
Change in expected credit losses and other credit impairment charges	(29)	(140)	(2)	(4)	1	(6)
Total operating expenses	(101)	(100)	(106)	(90)	(85)	(371)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	185	21	188	179	198	764
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	13,018	12,774	11,909	11,523	11,925	11,909
Loans and advances to customers (net)	12,796	12,525	11,778	11,409	11,808	11,778
Total external assets	24,740	24,047	21,913	20,731	21,077	21,913
Customer accounts	12,361	12,599	10,795	10,353	10,400	10,795
Risk-weighted assets	15,019	15,408	14,900	(n/a)	(n/a)	14,900
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	12,796	12,489	11,690	11,278	11,712	11,778
Customer accounts	12,361	12,543	10,670	10,237	10,313	10,795

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Middle East and North Africa

Middle East and North Africa - Corporate Centre

Reported (\$m)

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

of which: net interest income/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff expenses

Share of profit/(loss) 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/(expense)

Change in expected credit losses and other credit impairment charges

Total operating expenses

Share of profit/(loss) 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	3	1	46	1	833	870
<i>of which: net interest income/(expense)</i>	<i>1</i>	<i>(9)</i>	<i>19</i>	<i>6</i>	<i>21</i>	<i>31</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(7)	(15)	(4)	(4)	(26)	(54)
<i>of which: staff expenses</i>	<i>(62)</i>	<i>(70)</i>	<i>(70)</i>	<i>(70)</i>	<i>(71)</i>	<i>(286)</i>
Share of profit/(loss) in associates and joint ventures	(87)	56	71	(24)	122	283
Profit/(loss) before tax	(91)	42	113	(27)	929	1,099
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	828	828
ECL	—	—	—	—	—	—
Operating expenses	—	—	(2)	(2)	(2)	(6)
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	—	47	2	5	42
<i>of which: net interest income/(expense)</i>	<i>1</i>	<i>(9)</i>	<i>15</i>	<i>4</i>	<i>16</i>	<i>31</i>
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(7)	(15)	(2)	(3)	(25)	(48)
Share of profit/(loss) in associates and joint ventures	(87)	56	71	(24)	122	283
Profit/(loss) before tax	(91)	41	116	(25)	102	277
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	6,296	6,548	6,228	6,083	6,206	6,228
Customer accounts	—	1	1	—	—	1
Risk-weighted assets	19,819	19,909	19,609	(n/a)	(n/a)	19,609
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	1	—	—	1

SIGNIFICANT ITEMS

Middle East and North Africa - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	Year to date 31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	828	828
Fair value movements on financial instruments	—	1	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	(41)	—	(97)	—	—	(97)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	(7)	(3)	(4)	(15)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Middle East and North Africa - Wealth and Private Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	(41)	—	—	—	—	—
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	(2)	(1)	(1)	(4)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Middle East and North Africa - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(97)	—	—	(97)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	(2)	—	—	(2)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Middle East and North Africa - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	1	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(1)	—	(1)	(3)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Middle East and North Africa - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	828	828
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

HSBC

Middle East and North Africa

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	—	—	(2)	(2)	(2)	(6)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

Middle East and North Africa - TOTAL

Revenue	(10)	(10)	(10)	(4)
ECL	1	3	(1)	—
Operating expenses	6	10	5	5
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	(1)
Operating expense significant items	—	1	(1)	—
Loans and advances to customers (net)	(152)	(398)	(485)	(376)
Customer accounts	(277)	(586)	(647)	(445)

Middle East and North Africa - Wealth and Personal Banking

Revenue	(4)	(4)	(6)	(2)
ECL	—	—	(1)	1
Operating expenses	3	6	3	4
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	(23)	(66)	(91)	(72)
Customer accounts	(172)	(349)	(426)	(287)

Middle East and North Africa - Commercial Banking

Revenue	(3)	(4)	(3)	(2)
ECL	1	3	—	(1)
Operating expenses	2	2	2	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	(93)	(244)	(263)	(208)
Customer accounts	(48)	(112)	(105)	(71)

Middle East and North Africa - Global Banking and Markets

Revenue	(2)	(3)	(2)	1
ECL	—	—	—	—
Operating expenses	1	1	2	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	(36)	(88)	(131)	(96)
Customer accounts	(56)	(125)	(116)	(87)

Middle East and North Africa - Corporate Centre

Revenue	(1)	1	1	(1)
ECL	—	—	—	—
Operating expenses	—	—	(2)	(1)
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	(1)
Operating expense significant items	—	—	(1)	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	1	—	—

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

HSBC North America

North America - TOTAL

Reported (\$m)

Net interest income	706	777	782	775	832	3,241
Net fee income	458	452	458	443	479	1,804
Other operating income	537	475	366	399	377	1,542
Net operating income before change in expected credit losses and other credit impairment charges	1,701	1,704	1,606	1,617	1,688	6,587
Change in expected credit losses and other credit impairment charges	(379)	(508)	(97)	(80)	(57)	(237)
Total operating expenses	(1,189)	(1,306)	(1,784)	(1,240)	(1,265)	(5,583)
<i>of which: staff expenses</i>	(596)	(652)	(608)	(622)	(673)	(2,598)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	133	(110)	(275)	297	366	767

Reported Significant items - Totals (\$m)

Revenue	(21)	15	(56)	(4)	(4)	(68)
ECL	—	—	—	—	—	—
Operating expenses	(68)	(116)	(493)	(17)	(30)	(545)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	1,722	1,677	1,639	1,603	1,679	6,655
<i>of which: net interest income</i>	706	770	768	765	824	3,241
Change in expected credit losses and other credit impairment charges	(379)	(505)	(96)	(79)	(56)	(237)
Total operating expenses	(1,121)	(1,182)	(1,282)	(1,211)	(1,226)	(5,038)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	222	(10)	261	313	397	1,380

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	117,033	123,815	114,074	112,504	113,198	114,074
Loans and advances to customers (net)	115,813	122,858	113,474	111,963	112,693	113,474
Total external assets	409,428	435,846	348,035	384,310	400,731	348,035
Customer accounts	180,489	153,893	146,676	142,781	135,400	146,676
Risk-weighted assets ¹	130,580	133,161	121,953	131,101	133,448	121,953

HSBC

North America

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

Loans and advances to customers (net)	
Customer accounts	

115,813	124,726	111,092	110,627	110,897	113,474
180,489	155,813	144,259	141,369	133,488	146,676

North America - Wealth and Private 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

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Quarter ended					Year to date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
460	501	454	536	564	2,096
294	350	348	372	388	1,501
(44)	(162)	(38)	(56)	(22)	(138)
(478)	(501)	(949)	(511)	(536)	(2,532)
(167)	(188)	(177)	(178)	(191)	(730)
—	—	—	—	—	—
(62)	(162)	(533)	(31)	6	(574)

Reported Significant items - Totals (\$m)

Revenue	
ECL	
Operating expenses	
Share of profit in associates and joint ventures	

(1)	(6)	(48)	(4)	(1)	(53)
—	—	—	—	—	—
(3)	(9)	(437)	(3)	(7)	(447)
—	—	—	—	—	—

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

461	503	495	533	558	2,149
294	347	344	367	385	1,501
(44)	(162)	(38)	(55)	(21)	(138)
(475)	(488)	(506)	(501)	(524)	(2,085)
—	—	—	—	—	—
(58)	(147)	(49)	(23)	13	(74)

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 date					Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
47,667	46,328	47,997	46,822	46,029	47,997
47,211	45,882	47,684	46,528	45,769	47,684
95,899	88,291	81,587	83,638	81,474	81,587
79,799	74,030	72,232	70,935	69,170	72,232
22,295	21,829	21,660	(n/a)	(n/a)	21,660

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

Loans and advances to customers (net)	
Customer accounts	

47,211	46,754	46,548	45,858	44,875	47,684
79,799	75,096	70,887	70,137	68,092	72,232

HSBC

North America

North America - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	433	481	464	494	478	1,912
<i>of which: net interest income</i>	<i>301</i>	<i>333</i>	<i>325</i>	<i>344</i>	<i>335</i>	<i>1,340</i>
Change in expected credit losses and other credit impairment charges	(291)	(220)	(41)	(25)	(27)	(90)
Total operating expenses	(227)	(238)	(246)	(238)	(237)	(967)
<i>of which: staff expenses</i>	<i>(88)</i>	<i>(100)</i>	<i>(98)</i>	<i>(98)</i>	<i>(100)</i>	<i>(396)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(85)	23	177	231	214	855
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	—	(2)	(1)	(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	433	475	455	484	472	1,912
<i>of which: net interest income</i>	<i>301</i>	<i>330</i>	<i>320</i>	<i>339</i>	<i>331</i>	<i>1,340</i>
Change in expected credit losses and other credit impairment charges	(291)	(218)	(40)	(25)	(27)	(90)
Total operating expenses	(225)	(236)	(242)	(233)	(233)	(962)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(83)	21	173	226	212	860
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	49,178	51,591	46,968	45,743	44,961	46,968
Loans and advances to customers (net)	48,603	51,208	46,743	45,549	44,772	46,743
Total external assets	74,105	73,664	65,564	67,755	66,442	65,564
Customer accounts	57,986	49,438	49,043	43,836	41,930	49,043
Risk-weighted assets	53,380	52,820	49,003	(n/a)	(n/a)	49,003
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	48,603	52,056	45,657	44,974	43,996	46,743
Customer accounts	57,986	50,101	48,208	43,353	41,281	49,043

HSBC North America

North America - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	708	729	605	560	609	2,400
<i>of which: net interest income</i>	<i>143</i>	<i>124</i>	<i>129</i>	<i>88</i>	<i>139</i>	<i>516</i>
Change in expected credit losses and other credit impairment charges	(45)	(126)	(19)	1	(8)	(10)
Total operating expenses	(386)	(371)	(417)	(394)	(411)	(1,660)
<i>of which: staff expenses</i>	<i>(144)</i>	<i>(148)</i>	<i>(138)</i>	<i>(141)</i>	<i>(160)</i>	<i>(610)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	277	232	169	167	190	730
Reported Significant items - Totals (\$m)						
Revenue	(20)	13	(1)	2	(3)	(6)
ECL	—	—	—	—	—	—
Operating expenses	(22)	(4)	(6)	(5)	(4)	(18)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	728	714	603	555	610	2,406
<i>of which: net interest income</i>	<i>143</i>	<i>123</i>	<i>128</i>	<i>87</i>	<i>138</i>	<i>516</i>
Change in expected credit losses and other credit impairment charges	(45)	(126)	(19)	1	(8)	(10)
Total operating expenses	(364)	(366)	(409)	(388)	(406)	(1,642)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	319	222	175	168	196	754
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	20,188	25,896	19,109	19,939	22,208	19,109
Loans and advances to customers (net)	19,999	25,768	19,047	19,886	22,152	19,047
Total external assets	233,737	268,209	194,774	226,707	246,600	194,774
Customer accounts	42,704	30,425	25,401	28,010	24,293	25,401
Risk-weighted assets	49,779	53,238	46,109	(n/a)	(n/a)	46,109
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	19,999	25,916	18,887	19,795	22,026	19,047
Customer accounts	42,704	30,616	25,164	27,879	24,108	25,401

HSBC North America

North America - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	100	(7)	83	27	37	179
<i>of which: net interest expense</i>	<i>(32)</i>	<i>(30)</i>	<i>(20)</i>	<i>(29)</i>	<i>(30)</i>	<i>(116)</i>
Change in expected credit losses and other credit impairment charges	1	—	1	—	—	1
Total operating expenses	(98)	(196)	(172)	(97)	(81)	(424)
<i>of which: staff expenses</i>	<i>(197)</i>	<i>(216)</i>	<i>(195)</i>	<i>(205)</i>	<i>(222)</i>	<i>(862)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	3	(203)	(88)	(70)	(44)	(244)
Reported Significant items - Totals (\$m)						
Revenue	—	8	(7)	(2)	—	(9)
ECL	—	—	—	—	—	—
Operating expenses	(41)	(103)	(48)	(8)	(18)	(75)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	100	(15)	86	31	39	188
<i>of which: net interest expense</i>	<i>(32)</i>	<i>(30)</i>	<i>(24)</i>	<i>(28)</i>	<i>(30)</i>	<i>(116)</i>
Change in expected credit losses and other credit impairment charges	1	1	1	—	—	1
Total operating expenses	(57)	(92)	(125)	(89)	(63)	(349)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	44	(106)	(38)	(58)	(24)	(160)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	5,687	5,682	6,110	6,210	6,215	6,110
Customer accounts	—	—	—	—	7	—
Risk-weighted assets	5,126	5,274	5,181	(n/a)	(n/a)	5,181
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	7	—

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North America

SIGNIFICANT ITEMS

North America - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(1)	(7)	(55)	(4)	—	(59)
Fair value movements on financial instruments	(10)	13	(1)	—	(4)	(9)
Restructuring and other related costs	(10)	9	—	—	—	—

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	—	—	(431)	—	—	(431)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(68)	(116)	(62)	(17)	(30)	(114)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

North America - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(1)	(6)	(48)	(4)	—	(52)
Fair value movements on financial instruments	—	—	—	—	(1)	(1)
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(431)	—	—	(431)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(3)	(9)	(6)	(3)	(7)	(16)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

North America

North America - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	(2)	—	(2)	(1)	(1)	(5)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

North America - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(10)	13	(1)	2	(3)	(6)
Restructuring and other related costs	(10)	—	—	—	—	—

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	(22)	(4)	(6)	(5)	(4)	(18)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

North America - Corporate Centre

Reported revenue significant items (\$m)

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

HSBC

North America

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	(41)	(103)	(48)	(8)	(18)	(75)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

North America - TOTAL

Revenue	(12)	(24)	(18)	(14)
ECL	3	1	1	1
Operating expenses	8	8	11	9
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	(1)	—	(1)
Operating expense significant items	—	(1)	(1)	—
Loans and advances to customers (net)	1,868	(2,382)	(1,336)	(1,796)
Customer accounts	1,920	(2,417)	(1,412)	(1,912)

North America - Wealth and Personal Banking

Revenue	(4)	(7)	(7)	(7)
ECL	—	—	1	1
Operating expenses	13	6	7	5
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	9	—	—	—
Loans and advances to customers (net)	872	(1,136)	(670)	(894)
Customer accounts	1,066	(1,345)	(798)	(1,078)

HSBC

North America

North America - Commercial Banking

Revenue	(6)	(9)	(10)	(6)
ECL	2	1	—	—
Operating expenses	2	2	4	3
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	848	(1,086)	(575)	(776)
Customer accounts	663	(835)	(483)	(649)

North America - Global Banking and Markets

Revenue	(2)	(3)	(3)	(3)
ECL	—	—	—	—
Operating expenses	1	2	1	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	(1)
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	148	(160)	(91)	(126)
Customer accounts	191	(237)	(131)	(185)

North America - Corporate Centre

Revenue	1	(4)	2	2
ECL	1	—	—	—
Operating expenses	1	(2)	—	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	1	—	—	—
Operating expense significant items	—	(1)	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

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

US - TOTAL

Reported (\$m)

Net interest income	502	495	496	482	546	2,087
Net fee income	319	307	311	301	334	1,238
Other operating income	445	424	299	353	324	1,313
Net operating income before change in expected credit losses and other credit impairment charges	1,266	1,226	1,106	1,136	1,204	4,638
Change in expected credit losses and other credit impairment charges	(237)	(378)	(68)	(66)	(25)	(169)
Total operating expenses	(932)	(1,025)	(1,078)	(966)	(978)	(4,033)
<i>of which: staff expenses</i>	(463)	(495)	(474)	(467)	(515)	(1,988)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	97	(177)	(40)	104	201	436

Reported Significant items - Totals (\$m)

Revenue	(19)	13	(55)	(5)	(3)	(66)
ECL	—	—	—	—	—	—
Operating expenses	(65)	(112)	(54)	(13)	(23)	(93)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	1,285	1,213	1,159	1,142	1,208	4,704
<i>of which: net interest income</i>	502	495	495	482	546	2,087
Change in expected credit losses and other credit impairment charges	(237)	(378)	(68)	(66)	(25)	(169)
Total operating expenses	(867)	(913)	(1,025)	(953)	(955)	(3,940)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	181	(78)	66	123	228	595

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	68,751	76,560	63,874	66,243	67,266	63,874
Loans and advances to customers (net)	68,036	75,994	63,588	65,985	67,041	63,588
Total external assets	317,121	346,561	261,923	296,790	312,152	261,923
Customer accounts	120,236	99,714	90,834	89,742	82,260	90,834
Risk-weighted assets	97,347	101,298	89,420	97,718	99,306	89,420

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

Loans and advances to customers (net)
Customer accounts

68,036	75,993	63,588	65,985	67,041	63,588
120,236	99,714	90,834	89,742	82,260	90,834

HSBC US - Wealth and Private 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

of which: staff expenses

Share of profit in associates and joint ventures

Profit/(loss) before tax

Quarter ended					Year to date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
295	311	265	349	374	1,347
191	228	222	248	262	1,000
(37)	(139)	(30)	(51)	(14)	(116)
(345)	(359)	(373)	(366)	(385)	(1,510)
(119)	(133)	(126)	(125)	(140)	(522)
—	—	—	—	—	—
(87)	(187)	(138)	(68)	(25)	(279)

Reported Significant items - Totals (\$m)

Revenue

ECL

Operating expenses

Share of profit in associates and joint ventures

(1)	(7)	(48)	(4)	—	(52)
—	—	—	—	—	—
(3)	(9)	(4)	(3)	(7)	(14)
—	—	—	—	—	—

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

296	317	313	354	374	1,399
191	227	222	248	262	1,000
(37)	(140)	(30)	(50)	(14)	(116)
(342)	(349)	(371)	(362)	(378)	(1,496)
—	—	—	—	—	—
(83)	(172)	(88)	(58)	(18)	(213)

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 date					Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
24,034	24,033	23,827	23,408	22,952	23,827
23,739	23,746	23,658	23,253	22,828	23,658
60,033	56,425	48,715	50,302	48,452	48,715
48,484	46,139	43,027	42,576	40,902	43,027
16,525	16,452	15,897	(n/a)	(n/a)	15,897

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

Loans and advances to customers (net)

Customer accounts

23,739	23,746	23,658	23,253	22,828	23,658
48,484	46,139	43,028	42,576	40,902	43,027

HSBC US - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	246	261	245	275	263	1,043
<i>of which: net interest income</i>	<i>194</i>	<i>200</i>	<i>193</i>	<i>208</i>	<i>202</i>	<i>801</i>
Change in expected credit losses and other credit impairment charges	(181)	(123)	(21)	(17)	(9)	(53)
Total operating expenses	(144)	(148)	(157)	(147)	(145)	(604)
<i>of which: staff expenses</i>	<i>(58)</i>	<i>(65)</i>	<i>(66)</i>	<i>(62)</i>	<i>(66)</i>	<i>(258)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(79)	(10)	67	111	109	386
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	—	—	—	(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	246	261	245	275	263	1,043
<i>of which: net interest income</i>	<i>194</i>	<i>202</i>	<i>193</i>	<i>208</i>	<i>202</i>	<i>801</i>
Change in expected credit losses and other credit impairment charges	(181)	(123)	(21)	(18)	(9)	(53)
Total operating expenses	(142)	(148)	(157)	(147)	(144)	(602)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(77)	(10)	67	110	110	388
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	28,210	30,480	24,473	26,196	25,501	24,473
Loans and advances to customers (net)	27,947	30,315	24,406	26,130	25,439	24,406
Total external assets	41,032	42,201	33,726	36,469	35,015	33,726
Customer accounts	37,091	30,173	28,998	25,334	23,458	28,998
Risk-weighted assets	32,654	33,782	29,276	(n/a)	(n/a)	29,276
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	27,947	30,315	24,406	26,130	25,439	24,406
Customer accounts	37,091	30,173	28,998	25,334	23,458	28,998

HSBC US - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	623	663	517	485	532	2,074
<i>of which: net interest income</i>	<i>135</i>	<i>88</i>	<i>97</i>	<i>49</i>	<i>108</i>	<i>382</i>
Change in expected credit losses and other credit impairment charges	(19)	(116)	(18)	2	(2)	(1)
Total operating expenses	(354)	(334)	(387)	(358)	(376)	(1,525)
<i>of which: staff expenses</i>	<i>(134)</i>	<i>(133)</i>	<i>(130)</i>	<i>(127)</i>	<i>(146)</i>	<i>(559)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	250	213	112	129	154	548
Reported Significant items - Totals (\$m)						
Revenue	(18)	10	(1)	1	(3)	(6)
ECL	—	—	—	—	—	—
Operating expenses	(19)	(1)	(6)	(5)	(2)	(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	641	653	518	483	535	2,080
<i>of which: net interest income</i>	<i>135</i>	<i>88</i>	<i>97</i>	<i>49</i>	<i>108</i>	<i>382</i>
Change in expected credit losses and other credit impairment charges	(19)	(116)	(18)	2	(2)	(1)
Total operating expenses	(335)	(333)	(381)	(353)	(374)	(1,511)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	287	204	119	132	159	568
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	16,508	22,047	15,574	16,639	18,813	15,574
Loans and advances to customers (net)	16,351	21,933	15,524	16,602	18,774	15,524
Total external assets	210,734	242,533	174,376	204,787	223,509	174,376
Customer accounts	34,660	23,402	18,809	21,832	17,900	18,809
Risk-weighted assets	43,285	46,126	39,415	(n/a)	(n/a)	39,415
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	16,351	21,932	15,524	16,602	18,774	15,524
Customer accounts	34,660	23,402	18,808	21,832	17,900	18,809

HSBC US - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	102	(9)	79	27	35	174
<i>of which: net interest expense</i>	<i>(18)</i>	<i>(21)</i>	<i>(16)</i>	<i>(23)</i>	<i>(26)</i>	<i>(96)</i>
Change in expected credit losses and other credit impairment charges	—	—	1	—	—	1
Total operating expenses	(89)	(184)	(161)	(95)	(72)	(394)
<i>of which: staff expenses</i>	<i>(152)</i>	<i>(164)</i>	<i>(152)</i>	<i>(153)</i>	<i>(163)</i>	<i>(649)</i>
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	13	(193)	(81)	(68)	(37)	(219)
Reported Significant items - Totals (\$m)						
Revenue	—	10	(6)	(2)	—	(8)
ECL	—	—	—	—	—	—
Operating expenses	(41)	(102)	(44)	(5)	(13)	(63)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	102	(18)	83	30	36	182
<i>of which: net interest expense</i>	<i>(18)</i>	<i>(22)</i>	<i>(17)</i>	<i>(23)</i>	<i>(26)</i>	<i>(96)</i>
Change in expected credit losses and other credit impairment charges	—	1	1	—	—	1
Total operating expenses	(48)	(83)	(116)	(91)	(59)	(331)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	54	(100)	(32)	(61)	(23)	(148)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	(1)	—	—	—	—	—
Loans and advances to customers (net)	(1)	—	—	—	—	—
Total external assets	5,322	5,402	5,106	5,232	5,176	5,106
Customer accounts	1	—	—	—	—	—
Risk-weighted assets	4,883	4,938	4,832	(n/a)	(n/a)	4,832
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	(1)	—	—	—	—	—
Customer accounts	1	—	—	—	—	—

SIGNIFICANT ITEMS

HSBC US - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(1)	(7)	(54)	(4)	—	(58)
Fair value movements on financial instruments	(7)	10	(1)	(1)	(3)	(8)
Restructuring and other related costs	(11)	10	—	—	—	—

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	(65)	(112)	(54)	(13)	(23)	(93)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC US - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	(1)	(7)	(48)	(4)	—	(52)
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	(3)	(9)	(4)	(3)	(7)	(14)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC US

HSBC US - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	(2)	—	—	—	(1)	(2)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC US - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(8)	10	(1)	1	(3)	(6)
Restructuring and other related costs	(10)	—	—	—	—	—

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	(19)	(1)	(6)	(5)	(2)	(14)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC US - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	(6)	—	—	(6)
Fair value movements on financial instruments	—	—	—	(2)	—	(2)
Restructuring and other related costs	—	10	—	—	—	—

HSBC US

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	(41)	(102)	(44)	(5)	(13)	(63)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

HSBC US - TOTAL

Revenue	1	(2)	1	1
ECL	—	—	—	—
Operating expenses	—	(1)	—	—
Share of profit in associates and joint ventures	—	—	—	—

Revenue significant items	1	—	—	—
Operating expense significant items	—	—	—	—

Loans and advances to customers (net)	(1)	—	—	—
Customer accounts	—	—	—	—

HSBC US - Wealth and Personal Banking

Revenue	(1)	—	1	—
ECL	(1)	—	1	—
Operating expenses	1	(2)	1	—
Share of profit in associates and joint ventures	—	—	—	—

Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—

Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	1	—	—

HSBC US

HSBC US - Commercial Banking

Revenue	—	—	—	—
ECL	—	—	(1)	—
Operating expenses	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC US - Global Banking and Markets

Revenue	—	—	(1)	—
ECL	—	—	—	—
Operating expenses	—	—	—	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	(1)	—	—	—
Customer accounts	—	(1)	—	—

HSBC US - Corporate Centre

Revenue	2	(2)	1	1
ECL	1	—	—	—
Operating expenses	(1)	1	(1)	—
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	1	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

HSBC

Latin America

Latin America - TOTAL

Reported (\$m)

Net interest income	450	513	514	470	568	2,061
Net fee income	104	126	143	137	137	540
Other operating income ¹	160	224	282	70	224	915
Net operating income before change in expected credit losses and other credit impairment charges	714	863	939	677	929	3,516
Change in expected credit losses and other credit impairment charges	(340)	(317)	(275)	(231)	(119)	(740)
Total operating expenses	(430)	(480)	(935)	(445)	(530)	(2,389)
<i>of which: staff expenses</i>	<i>(147)</i>	<i>(189)</i>	<i>(195)</i>	<i>(190)</i>	<i>(203)</i>	<i>(783)</i>
Share of profit in associates and joint ventures	1	1	2	2	9	13
Profit/(loss) before tax	(55)	67	(269)	3	289	400

Reported Significant items - Totals (\$m)

Revenue	(7)	16	(2)	2	(3)	(10)
ECL	—	—	—	—	—	—
Operating expenses	(11)	—	(359)	(4)	(9)	(375)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	721	739	786	520	724	3,526
<i>of which: net interest income</i>	<i>450</i>	<i>447</i>	<i>431</i>	<i>358</i>	<i>439</i>	<i>2,061</i>
Change in expected credit losses and other credit impairment charges	(340)	(275)	(232)	(180)	(95)	(740)
Total operating expenses	(419)	(421)	(490)	(339)	(405)	(2,014)
Share of profit in associates and joint ventures	1	1	2	2	9	13
Profit/(loss) before tax	(37)	44	66	3	233	785

Balance sheet - reported (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	20,855	20,895	24,021	23,442	24,289	24,021
Loans and advances to customers (net)	19,785	20,040	23,136	22,611	23,433	23,136
Total external assets	45,451	44,670	49,905	47,944	51,321	49,905
Customer accounts	25,117	23,174	28,237	24,760	26,456	28,237
Risk-weighted assets ²	33,278	32,895	38,460	40,762	40,254	38,460

HSBC

Latin America

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

Loans and advances to customers (net)	19,785	20,259	18,970	19,219	18,899	23,136
Customer accounts	25,117	23,287	23,243	21,013	20,914	28,237

Latin America - Wealth and Personal Banking

	Quarter ended					Year to date
Reported (\$m)	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	420	500	550	427	569	2,179
<i>of which: net interest income</i>	306	385	396	369	407	1,552
Change in expected credit losses and other credit impairment charges	(207)	(234)	(230)	(163)	(97)	(590)
Total operating expenses	(280)	(324)	(365)	(295)	(357)	(1,338)
<i>of which: staff expenses</i>	(78)	(97)	(110)	(97)	(100)	(403)
Share of profit in associates and joint ventures	1	1	2	2	7	11
Profit/(loss) before tax	(66)	(57)	(43)	(29)	122	262

Reported Significant items - Totals (\$m)

Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(1)	—	(16)	(2)	(3)	(22)
Share of profit in associates and joint ventures	—	—	—	—	—	—

Adjusted (\$m)

Net operating income before change in expected credit losses and other credit impairment charges	420	434	459	335	446	2,179
<i>of which: net interest income</i>	306	334	330	291	318	1,552
Change in expected credit losses and other credit impairment charges	(207)	(204)	(195)	(129)	(77)	(590)
Total operating expenses	(279)	(283)	(293)	(226)	(277)	(1,316)
Share of profit in associates and joint ventures	1	1	1	2	6	11
Profit/(loss) before tax	(65)	(52)	(28)	(18)	98	284

Balance sheet - reported (\$m)

	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	6,994	6,914	8,457	7,794	7,817	8,457
Loans and advances to customers (net)	6,324	6,355	7,838	7,236	7,252	7,838
Total external assets	14,238	13,794	16,043	16,489	17,590	16,043
Customer accounts	11,560	10,819	13,614	12,190	13,923	13,614
Risk-weighted assets	9,875	9,290	11,335	(n/a)	(n/a)	11,335

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

Loans and advances to customers (net)	6,324	6,438	6,415	6,154	5,884	7,838
Customer accounts	11,560	10,881	11,171	10,342	10,979	13,614

HSBC

Latin America

Latin America - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	145	164	194	145	191	718
<i>of which: net interest income</i>	122	135	160	127	158	582
Change in expected credit losses and other credit impairment charges	(71)	(53)	(37)	(48)	(25)	(125)
Total operating expenses	(78)	(88)	(444)	(74)	(93)	(696)
<i>of which: staff expenses</i>	(17)	(22)	(23)	(22)	(22)	(88)
Share of profit in associates and joint ventures	(1)	—	—	—	1	1
Profit/(loss) before tax	(5)	23	(287)	23	74	(102)
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(337)	—	—	(337)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	145	144	164	106	146	718
<i>of which: net interest income</i>	122	118	136	94	120	582
Change in expected credit losses and other credit impairment charges	(71)	(45)	(32)	(36)	(20)	(125)
Total operating expenses	(78)	(78)	(89)	(54)	(70)	(359)
Share of profit in associates and joint ventures	(1)	—	—	—	1	1
Profit/(loss) before tax	(5)	21	43	16	57	235
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	6,614	6,636	7,739	7,527	7,487	7,739
Loans and advances to customers (net)	6,314	6,398	7,506	7,290	7,228	7,506
Total external assets	9,531	9,516	10,971	11,304	11,556	10,971
Customer accounts	8,086	7,580	8,261	7,690	8,217	8,261
Risk-weighted assets	9,549	9,325	10,720	(n/a)	(n/a)	10,720
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	6,314	6,459	6,169	6,191	5,766	7,506
Customer accounts	8,086	7,646	6,786	6,530	6,572	8,261

HSBC

Latin America

Latin America - 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	151	155	189	107	171	619
<i>of which: net interest income</i>	<i>68</i>	<i>78</i>	<i>94</i>	<i>66</i>	<i>80</i>	<i>324</i>
Change in expected credit losses and other credit impairment charges	(58)	(30)	(5)	(20)	3	(22)
Total operating expenses	(53)	(63)	(74)	(61)	(69)	(269)
<i>of which: staff expenses</i>	<i>(12)</i>	<i>(16)</i>	<i>(15)</i>	<i>(17)</i>	<i>(18)</i>	<i>(68)</i>
Share of profit in associates and joint ventures	—	—	—	—	1	1
Profit/(loss) before tax	40	62	110	26	106	329
Reported Significant items - Totals (\$m)						
Revenue	(7)	15	(3)	2	(2)	(10)
ECL	—	—	—	—	—	—
Operating expenses	—	—	(1)	—	(1)	(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	158	124	162	79	131	629
<i>of which: net interest income</i>	<i>68</i>	<i>69</i>	<i>80</i>	<i>46</i>	<i>59</i>	<i>324</i>
Change in expected credit losses and other credit impairment charges	(58)	(26)	(5)	(15)	3	(22)
Total operating expenses	(53)	(55)	(63)	(46)	(52)	(266)
Share of profit in associates and joint ventures	—	—	—	—	—	1
Profit/(loss) before tax	47	43	94	18	82	342
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	7,247	7,345	7,825	8,121	8,985	7,825
Loans and advances to customers (net)	7,147	7,287	7,792	8,085	8,953	7,792
Total external assets	21,406	21,133	22,376	19,685	21,688	22,376
Customer accounts	5,471	4,775	6,362	4,880	4,316	6,362
Risk-weighted assets	13,046	13,483	15,779	(n/a)	(n/a)	15,779
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	7,147	7,362	6,386	6,874	7,249	7,792
Customer accounts	5,471	4,760	5,286	4,141	3,363	6,362

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Latin America

Latin America - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	(2)	44	6	(2)	(2)	—
<i>of which: net interest expense</i>	<i>(46)</i>	<i>(85)</i>	<i>(136)</i>	<i>(92)</i>	<i>(77)</i>	<i>(397)</i>
Change in expected credit losses and other credit impairment charges	(4)	—	(3)	—	—	(3)
Total operating expenses	(19)	(5)	(52)	(15)	(11)	(86)
<i>of which: staff expenses</i>	<i>(40)</i>	<i>(54)</i>	<i>(47)</i>	<i>(54)</i>	<i>(63)</i>	<i>(224)</i>
Share of profit in associates and joint ventures	1	—	—	—	—	—
Profit/(loss) before tax	(24)	39	(49)	(17)	(13)	(89)
Reported Significant items - Totals (\$m)						
Revenue	—	1	1	—	(1)	—
ECL	—	—	—	—	—	—
Operating expenses	(10)	—	(5)	(2)	(5)	(13)
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)	37	2	—	1	—
<i>of which: net interest expense</i>	<i>(46)</i>	<i>(74)</i>	<i>(115)</i>	<i>(73)</i>	<i>(58)</i>	<i>(397)</i>
Change in expected credit losses and other credit impairment charges	(4)	—	(2)	—	(1)	(3)
Total operating expenses	(9)	(5)	(46)	(11)	(6)	(73)
Share of profit in associates and joint ventures	1	—	—	—	—	—
Profit/(loss) before tax	(14)	32	(46)	(11)	(6)	(76)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	276	227	515	466	487	515
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	808	797	626	(n/a)	(n/a)	626
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

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Latin America

SIGNIFICANT ITEMS

Latin America - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	(1)	(1)
Fair value movements on financial instruments	(7)	16	(2)	2	(2)	(9)
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(337)	—	—	(337)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	(11)	—	(22)	(4)	(9)	(38)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Latin America - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	(1)	—	(16)	(2)	(3)	(22)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC

Latin America

Latin America - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(337)	—	—	(337)
Past service costs of guaranteed minimum pension benefits equalisation	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Latin America - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(7)	15	(3)	2	(2)	(10)
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(1)	—	(1)	(3)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Latin America - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	1	—	(1)	—
Fair value movements on financial instruments	—	1	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

HSBC

Latin America

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	(10)	—	(5)	(2)	(5)	(13)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

Latin America - TOTAL

Revenue	(111)	(154)	(155)	(208)
ECL	42	43	51	24
Operating expenses	59	90	103	118
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	(3)	1	—	—
Operating expense significant items	—	4	1	2
Loans and advances to customers (net)	219	(4,166)	(3,392)	(4,534)
Customer accounts	113	(4,994)	(3,747)	(5,542)

Latin America - Wealth and Personal Banking

Revenue	(66)	(91)	(92)	(123)
ECL	30	35	34	20
Operating expenses	41	59	68	78
Share of profit in associates and joint ventures	—	(1)	—	(1)
Revenue significant items	—	—	—	—
Operating expense significant items	—	3	1	1
Loans and advances to customers (net)	83	(1,423)	(1,082)	(1,368)
Customer accounts	62	(2,443)	(1,848)	(2,944)

HSBC

Latin America

Latin America - Commercial Banking

Revenue	(20)	(30)	(39)	(45)
ECL	8	5	12	5
Operating expenses	10	18	20	23
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	61	(1,337)	(1,099)	(1,462)
Customer accounts	66	(1,475)	(1,160)	(1,645)

Latin America - Global Banking and Markets

Revenue	(18)	(29)	(26)	(42)
ECL	4	—	5	—
Operating expenses	8	11	15	17
Share of profit in associates and joint ventures	—	—	—	(1)
Revenue significant items	(2)	1	—	—
Operating expense significant items	—	1	—	1
Loans and advances to customers (net)	75	(1,406)	(1,211)	(1,704)
Customer accounts	(15)	(1,076)	(739)	(953)

Latin America - Corporate Centre

Revenue	(6)	(3)	2	2
ECL	—	1	—	(1)
Operating expenses	—	2	3	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	1	1	1
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

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 \$22m, comprising a decrease in revenue of \$29m, an decrease in ECL of \$2m and an decrease in operating expenses of \$5m.

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

Mexico - TOTAL

Reported (\$m)

Net interest income	
Net fee income	
Other operating income	
Net operating income before change in expected credit losses and other credit impairment charges	
Change in expected credit losses and other credit impairment charges	
Total operating expenses	
<i>of which: staff expenses</i>	
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	
<i>of which: net interest income</i>	
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	

Quarter ended					Year to date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
313	376	366	356	366	1,463
87	102	116	124	106	441
101	160	155	167	142	651
501	638	637	647	614	2,555
(315)	(259)	(145)	(148)	(100)	(491)
(304)	(343)	(362)	(342)	(352)	(1,390)
(102)	(133)	(145)	(131)	(139)	(551)
1	1	2	2	9	13
(117)	37	132	159	171	687
(6)	12	(2)	2	(2)	(7)
—	—	—	—	—	—
(2)	—	(11)	(3)	(3)	(19)
—	—	—	—	—	—
507	538	528	538	506	2,562
313	323	302	297	300	1,463
(315)	(223)	(119)	(124)	(82)	(491)
(302)	(295)	(289)	(283)	(287)	(1,371)
1	1	1	2	7	13
(109)	21	121	133	144	713
Balance sheet date					Balance sheet date
30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
18,130	18,108	21,172	20,543	20,852	21,172
17,220	17,395	20,426	19,853	20,128	20,426
35,043	34,731	40,907	39,723	41,242	40,907
19,759	18,046	23,051	19,938	20,437	23,051
24,773	24,159	28,960	29,353	29,341	28,960

HSBC Mexico

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

Loans and advances to customers (net)	17,220	17,732	16,631	16,910	16,680	20,426
Customer accounts	19,759	18,394	18,769	16,982	16,936	23,051

Mexico - Wealth and Personal 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

of which: staff 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Net operating income before change in expected credit losses and other credit impairment charges	342	429	431	444	421	1,735
<i>of which: net interest income</i>	<i>247</i>	<i>318</i>	<i>325</i>	<i>308</i>	<i>297</i>	<i>1,227</i>
Change in expected credit losses and other credit impairment charges	(199)	(183)	(137)	(123)	(84)	(437)
Total operating expenses	(213)	(247)	(253)	(245)	(258)	(998)
<i>of which: staff expenses</i>	<i>(54)</i>	<i>(70)</i>	<i>(78)</i>	<i>(68)</i>	<i>(70)</i>	<i>(286)</i>
Share of profit in associates and joint ventures	1	1	2	2	7	11
Profit/(loss) before tax	(69)	—	43	78	86	311
Reported Significant items - Totals (\$m)						
Revenue	—	—	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	—	—	(9)	(1)	—	(10)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	342	369	356	370	346	1,735
<i>of which: net interest income</i>	<i>247</i>	<i>273</i>	<i>269</i>	<i>257</i>	<i>244</i>	<i>1,227</i>
Change in expected credit losses and other credit impairment charges	(199)	(157)	(113)	(103)	(69)	(437)
Total operating expenses	(213)	(212)	(201)	(203)	(212)	(988)
Share of profit in associates and joint ventures	1	1	1	2	6	11
Profit/(loss) before tax	(69)	1	43	66	71	321
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Loans and advances to customers (gross)	6,357	6,261	7,736	7,101	6,982	7,736
Loans and advances to customers (net)	5,728	5,736	7,154	6,579	6,467	7,154
Total external assets	11,207	11,159	13,659	14,199	14,134	13,659
Customer accounts	9,316	8,815	11,665	10,197	11,003	11,665
Risk-weighted assets	7,763	7,196	9,079	(n/a)	(n/a)	9,079
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	5,728	5,847	5,824	5,604	5,359	7,154
Customer accounts	9,316	8,985	9,498	8,685	9,118	11,665

Mexico - 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

of which: staff 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/(loss) 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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	85	101	102	101	111	441
<i>of which: net interest income</i>	<i>72</i>	<i>80</i>	<i>85</i>	<i>82</i>	<i>90</i>	<i>340</i>
Change in expected credit losses and other credit impairment charges	(64)	(49)	(12)	(19)	(18)	(55)
Total operating expenses	(49)	(55)	(58)	(51)	(51)	(211)
<i>of which: staff expenses</i>	<i>(10)</i>	<i>(13)</i>	<i>(14)</i>	<i>(13)</i>	<i>(13)</i>	<i>(53)</i>
Share of profit in associates and joint ventures	(1)	—	—	—	1	1
Profit/(loss) before tax	(29)	(3)	32	31	43	176
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	85	87	84	84	91	441
<i>of which: net interest income</i>	<i>72</i>	<i>69</i>	<i>70</i>	<i>68</i>	<i>74</i>	<i>340</i>
Change in expected credit losses and other credit impairment charges	(64)	(42)	(10)	(15)	(14)	(55)
Total operating expenses	(49)	(47)	(48)	(42)	(42)	(211)
Share of profit/(loss) in associates and joint ventures	(1)	—	—	—	1	1
Profit/(loss) before tax	(29)	(2)	26	27	36	176
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	5,332	5,435	6,480	6,178	5,953	6,480
Loans and advances to customers (net)	5,129	5,289	6,341	6,038	5,773	6,341
Total external assets	7,201	7,514	9,343	9,305	9,102	9,343
Customer accounts	6,747	6,262	7,032	6,398	6,750	7,032
Risk-weighted assets	6,976	6,974	8,251	(n/a)	(n/a)	8,251
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	5,129	5,392	5,163	5,143	4,784	6,341
Customer accounts	6,747	6,383	5,726	5,449	5,594	7,032

Mexico - 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)/recoveries

Total operating expenses

of which: staff 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)/recoveries

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	75	62	98	98	82	365
<i>of which: net interest income</i>	<i>36</i>	<i>23</i>	<i>19</i>	<i>21</i>	<i>25</i>	<i>113</i>
Change in expected credit losses and other credit impairment (charges)/recoveries	(51)	(27)	4	(6)	2	1
Total operating expenses	(29)	(34)	(34)	(35)	(35)	(138)
<i>of which: staff expenses</i>	<i>(6)</i>	<i>(7)</i>	<i>(6)</i>	<i>(7)</i>	<i>(8)</i>	<i>(30)</i>
Share of profit in associates and joint ventures	—	—	—	—	1	1
Profit/(loss) before tax	(5)	1	68	57	50	229
Reported Significant items - Totals (\$m)						
Revenue	(6)	11	(2)	2	(2)	(7)
ECL	—	—	—	—	—	—
Operating expenses	—	—	—	—	—	(1)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	81	44	83	81	69	372
<i>of which: net interest income</i>	<i>36</i>	<i>20</i>	<i>16</i>	<i>18</i>	<i>21</i>	<i>113</i>
Change in expected credit losses and other credit impairment (charges)/recoveries	(51)	(24)	4	(6)	2	1
Total operating expenses	(29)	(29)	(28)	(29)	(28)	(137)
Share of profit in associates and joint ventures	—	—	—	—	—	1
Profit/(loss) before tax	1	(9)	59	46	43	237
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	6,441	6,412	6,956	7,264	7,917	6,956
Loans and advances to customers (net)	6,363	6,370	6,931	7,236	7,888	6,931
Total external assets	16,509	15,915	17,723	16,030	17,830	17,723
Customer accounts	3,696	2,969	4,354	3,343	2,684	4,354
Risk-weighted assets	9,767	9,633	11,294	(n/a)	(n/a)	11,294
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	6,363	6,493	5,644	6,163	6,537	6,931
Customer accounts	3,696	3,026	3,545	2,848	2,224	4,354

Mexico - Corporate Centre

Reported (\$m)

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

of which: net interest expense

Change in expected credit losses and other credit impairment charges

Total operating expenses

of which: staff 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 expense

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-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Reported (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	—	46	6	4	—	14
<i>of which: net interest expense</i>	(42)	(45)	(63)	(55)	(46)	(217)
Change in expected credit losses and other credit impairment charges	—	—	—	—	—	—
Total operating expenses	(14)	(7)	(17)	(11)	(8)	(43)
<i>of which: staff expenses</i>	(32)	(43)	(47)	(43)	(48)	(182)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(14)	39	(11)	(7)	(8)	(29)
Reported Significant items - Totals (\$m)						
Revenue	—	1	—	—	—	—
ECL	—	—	—	—	—	—
Operating expenses	(2)	—	(2)	(2)	(3)	(8)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Adjusted (\$m)						
Net operating income before change in expected credit losses and other credit impairment charges	—	38	5	3	—	14
<i>of which: net interest expense</i>	(42)	(39)	(53)	(46)	(39)	(217)
Change in expected credit losses and other credit impairment charges	—	3	—	—	(1)	—
Total operating expenses	(12)	(7)	(12)	(9)	(5)	(35)
Share of profit in associates and joint ventures	—	—	—	—	—	—
Profit/(loss) before tax	(12)	34	(7)	(6)	(6)	(21)
	Balance sheet date					Balance sheet date
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	31-Dec-19
Balance sheet - reported (\$m)						
Loans and advances to customers (gross)	—	—	—	—	—	—
Loans and advances to customers (net)	—	—	—	—	—	—
Total external assets	126	143	182	189	176	182
Customer accounts	—	—	—	—	—	—
Risk-weighted assets	267	356	336	(n/a)	(n/a)	336
Balance sheet data - at most recent balance sheet date FX rates (\$m)						
Loans and advances to customers (net)	—	—	—	—	—	—
Customer accounts	—	—	—	—	—	—

SIGNIFICANT ITEMS

Mexico - TOTAL

Reported revenue significant items (\$m)

	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19	30-Jun-19	Year to date 31-Dec-19
Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(6)	12	(2)	2	(2)	(7)
Restructuring and other related costs	—	—	—	—	—	—

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	(2)	—	(11)	(3)	(3)	(19)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Mexico - Wealth and Personal Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	(9)	(1)	—	(10)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

HSBC Mexico

Mexico - Commercial Banking

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	—	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	—	—
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Mexico - Global Banking and Markets

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	(6)	11	(2)	2	(2)	(7)
Restructuring and other related costs	—	—	—	—	—	—

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	—	—	—	—	—	(1)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

Mexico - Corporate Centre

Reported revenue significant items (\$m)

Customer redress programmes	—	—	—	—	—	—
Disposals, acquisitions and investment in new businesses	—	—	—	—	—	—
Fair value movements on financial instruments	—	1	—	—	—	—
Restructuring and other related costs	—	—	—	—	—	—

HSBC Mexico

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	(2)	—	(2)	(2)	(3)	(8)
Settlements and provisions in connection with legal and regulatory matters	—	—	—	—	—	—

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

Mexico - TOTAL

Revenue	(90)	(111)	(108)	(110)
ECL	36	26	24	18
Operating expenses	48	64	57	63
Share of profit in associates and joint ventures	—	(1)	—	(2)

Revenue significant items	(2)	—	(1)	—
Operating expense significant items	—	2	1	1

Loans and advances to customers (net)	337	(3,795)	(2,943)	(3,448)
Customer accounts	348	(4,282)	(2,956)	(3,501)

Mexico - Wealth and Personal Banking

Revenue	(60)	(75)	(74)	(75)
ECL	26	24	20	15
Operating expenses	35	42	41	46
Share of profit in associates and joint ventures	—	(1)	—	(1)

Revenue significant items	—	—	—	—
Operating expense significant items	—	(1)	—	—

Loans and advances to customers (net)	111	(1,330)	(975)	(1,108)
Customer accounts	170	(2,167)	(1,512)	(1,885)

HSBC Mexico

Mexico - Commercial Banking

Revenue	(14)	(18)	(17)	(20)
ECL	7	2	4	4
Operating expenses	8	10	9	9
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	103	(1,178)	(895)	(989)
Customer accounts	121	(1,306)	(949)	(1,156)

Mexico - Global Banking and Markets

Revenue	(8)	(17)	(16)	(15)
ECL	3	—	—	—
Operating expenses	5	6	6	7
Share of profit in associates and joint ventures	—	—	—	(1)
Revenue significant items	(1)	—	(1)	—
Operating expense significant items	—	—	—	—
Loans and advances to customers (net)	123	(1,287)	(1,073)	(1,351)
Customer accounts	57	(809)	(495)	(460)

Mexico - Corporate Centre

Revenue	(7)	(1)	(1)	—
ECL	3	—	—	(1)
Operating expenses	—	4	1	1
Share of profit in associates and joint ventures	—	—	—	—
Revenue significant items	—	—	—	—
Operating expense significant items	—	1	1	1
Loans and advances to customers (net)	—	—	—	—
Customer accounts	—	—	—	—

Summary of credit risk (excluding debt instruments measured at FVOCI) by stage distribution and ECL coverage by industry sector at 30 June 2020

	Gross carrying/nominal amount ¹					Allowance for ECL					ECL coverage %				
	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	POCI ² \$m	Total \$m	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	POCI ² \$m	Total \$m	Stage 1 %	Stage 2 %	Stage 3 %	POCI ² %	Total %
Loans and advances to customers at amortised cost	852,678	161,795	17,139	296	1,031,908	(1,906)	(4,553)	(6,669)	(99)	(13,227)	0.2%	2.8%	38.9%	33.4%	1.3%
– personal	390,032	27,031	5,121	—	422,184	(897)	(2,115)	(1,389)	—	(4,401)	0.2%	7.8%	27.1%	—%	1.0%
– corporate and commercial	406,194	122,319	11,499	296	540,308	(966)	(2,306)	(5,166)	(99)	(8,537)	0.2%	1.9%	44.9%	33.4%	1.6%
– non-bank financial institutions	56,452	12,445	519	—	69,416	(43)	(132)	(114)	—	(289)	0.1%	1.1%	22.0%	—%	0.4%
Loans and advances to banks at amortised cost	71,693	5,367	9	—	77,069	(26)	(23)	(5)	—	(54)	—%	0.4%	55.6%	—%	0.1%
Other financial assets measured at amortised cost	744,724	6,915	232	1	751,872	(96)	(63)	(84)	—	(243)	—%	0.9%	36.2%	—%	—%
Loans and other credit-related commitments	594,400	52,698	1,055	3	648,156	(193)	(339)	(90)	—	(622)	—%	0.6%	8.5%	—%	0.1%
– personal	228,688	2,430	218	—	231,336	(26)	(2)	—	—	(28)	—%	0.1%	—%	—%	—%
– corporate and commercial	232,598	44,942	807	3	278,350	(159)	(316)	(87)	—	(562)	0.1%	0.7%	10.8%	—%	0.2%
– financial	133,114	5,326	30	—	138,470	(8)	(21)	(3)	—	(32)	—%	0.4%	10.0%	—%	—%
Financial guarantees	13,129	4,903	295	1	18,328	(28)	(73)	(18)	—	(119)	0.2%	1.5%	6.1%	—%	0.6%
– personal	743	5	2	—	750	—	(1)	—	—	(1)	—%	20.0%	—%	—%	0.1%
– corporate and commercial	8,976	4,222	285	1	13,484	(27)	(66)	(17)	—	(110)	0.3%	1.6%	6.0%	—%	0.8%
– financial	3,410	676	8	—	4,094	(1)	(6)	(1)	—	(8)	—%	0.9%	12.5%	—%	0.2%
At 30 Jun 2020	2,276,624	231,678	18,730	301	2,527,333	(2,249)	(5,051)	(6,866)	(99)	(14,265)	0.1%	2.2%	36.7%	32.9%	0.6%

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 2020

	Gross carrying amount			Allowance for ECL			ECL coverage %		
	Of which: Stage 2 \$m	Of which: 1 to 29 DPD ¹ \$m	Of which: 30 and > DPD ¹ \$m	Of which: Stage 2 \$m	Of which: 1 to 29 DPD ¹ \$m	Of which: 30 and > DPD ¹ \$m	Of which: Stage 2 %	Of which: 1 to 29 DPD ¹ %	Of which: 30 and > DPD ¹ %
Loans and advances to customers at amortised cost	161,795	3,068	2,152	(4,553)	(271)	(422)	2.8%	8.8%	19.6%
– personal	27,031	1,556	1,650	(2,115)	(210)	(340)	7.8%	13.5%	20.6%
– corporate and commercial	122,319	1,402	477	(2,306)	(60)	(82)	1.9%	4.3%	17.2%
– non-bank financial institutions	12,445	110	25	(132)	(1)	—	1.1%	0.9%	—%
Loans and advances to banks at amortised cost	5,367	—	—	(23)	—	—	0.4%	—%	—%
Other financial assets measured at amortised cost	6,915	6	(2)	(63)	—	—	0.9%	—%	—%

1 Days past due ('DPD'). Up-to-date accounts in stage 2 are not shown in amounts.

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

By portfolio	Gross carrying amount				Allowance for ECL			
	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	Total \$m	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	Total \$m
First lien residential mortgages	299,392	15,648	3,045	318,085	(102)	(298)	(406)	(806)
– of which:								
– interest only (including offset)	28,428	1,383	348	30,159	(8)	(17)	(81)	(106)
– affordability (including US adjustable rate mortgages)	12,667	2,590	534	15,791	(6)	(6)	(5)	(17)
Other personal lending	90,640	11,383	2,076	104,099	(795)	(1,817)	(983)	(3,595)
– other	72,069	6,794	1,287	80,150	(358)	(735)	(599)	(1,692)
– credit cards	16,449	4,441	726	21,616	(428)	(1,063)	(366)	(1,857)
– second lien residential mortgages	673	84	53	810	(2)	(10)	(11)	(23)
– motor vehicle finance	1,449	64	10	1,523	(7)	(9)	(7)	(23)
At 30 Jun 2020	390,032	27,031	5,121	422,184	(897)	(2,115)	(1,389)	(4,401)
By geography								
Europe	174,021	9,683	2,416	186,120	(245)	(1,081)	(733)	(2,059)
– of which: UK	140,171	8,421	1,640	150,232	(230)	(1,048)	(469)	(1,747)
Asia	167,690	11,313	853	179,856	(284)	(412)	(210)	(906)
– of which: Hong Kong	116,657	4,504	224	121,385	(101)	(234)	(59)	(394)
MENA	5,005	480	278	5,763	(63)	(148)	(182)	(393)
North America	37,788	4,749	1,337	43,874	(138)	(171)	(145)	(454)
Latin America	5,528	806	237	6,571	(167)	(303)	(119)	(589)
At 30 Jun 2020	390,032	27,031	5,121	422,184	(897)	(2,115)	(1,389)	(4,401)

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

	Gross carrying amount					Allowance for ECL				
	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	POCI \$m	Total \$m	Stage 1 \$m	Stage 2 \$m	Stage 3 \$m	POCI \$m	Total \$m
Corporate and commercial	406,194	122,319	11,499	296	540,308	(966)	(2,306)	(5,166)	(99)	(8,537)
– agriculture, forestry and fishing	5,620	782	293	2	6,697	(13)	(31)	(142)	(1)	(187)
– mining and quarrying	10,811	2,719	1,308	12	14,850	(52)	(134)	(371)	(11)	(568)
– manufacturing	72,719	27,694	1,589	123	102,125	(153)	(435)	(869)	(46)	(1,503)
supply	11,987	3,144	175	1	15,307	(30)	(40)	(24)	—	(94)
and remediation	2,291	966	29	—	3,286	(7)	(15)	(17)	—	(39)
– construction	8,982	5,136	723	31	14,872	(40)	(142)	(396)	(30)	(608)
vehicles and motorcycles	64,461	25,558	2,972	10	93,001	(150)	(311)	(1,749)	(2)	(2,212)
– transportation and storage	18,293	7,733	664	12	26,702	(77)	(145)	(235)	—	(457)
– accommodation and food	14,723	10,109	330	1	25,163	(59)	(196)	(82)	(1)	(338)
– publishing, audiovisual and broadcasting	16,635	3,860	66	29	20,590	(41)	(98)	(16)	(5)	(160)
– real estate	110,646	14,737	1,426	1	126,810	(150)	(302)	(525)	—	(977)
– professional, scientific and technical activities	18,842	6,786	517	—	26,145	(48)	(100)	(170)	—	(318)
– administrative and support services	19,959	7,312	682	74	28,027	(50)	(163)	(260)	(3)	(476)
social security	2,405	565	3	—	2,973	(3)	(8)	(1)	—	(12)
– education	1,781	661	13	—	2,455	(8)	(25)	(6)	—	(39)
– health and care	4,064	1,497	244	—	5,805	(13)	(42)	(118)	—	(173)
– arts, entertainment and recreation	1,692	980	42	—	2,714	(8)	(38)	(10)	—	(56)
– other services	11,445	1,134	422	—	13,001	(53)	(60)	(174)	—	(287)
– activities of households	707	244	—	—	951	—	(1)	—	—	(1)
activities	9	—	—	—	9	—	—	—	—	—
– government	7,484	689	1	—	8,174	(11)	(8)	(1)	—	(20)
– asset-backed securities	638	13	—	—	651	—	(12)	—	—	(12)
Non-bank financial institutions	56,452	12,445	519	—	69,416	(43)	(132)	(114)	—	(289)
Loans and advances to banks	71,693	5,367	9	—	77,069	(26)	(23)	(5)	—	(54)
At 30 Jun 2020	534,339	140,131	12,027	296	686,793	(1,035)	(2,461)	(5,285)	(99)	(8,880)
By geography										
Europe	165,295	38,744	6,229	132	210,400	(444)	(1,188)	(1,980)	(48)	(3,660)
– of which: UK	110,296	28,906	4,262	74	143,538	(376)	(1,042)	(1,267)	(35)	(2,720)
Asia	276,436	71,147	2,541	117	350,241	(273)	(578)	(1,695)	(34)	(2,580)
– of which: Hong Kong	165,429	43,919	874	47	210,269	(153)	(314)	(496)	(24)	(987)
MENA	22,959	7,450	1,879	17	32,305	(83)	(195)	(1,093)	(12)	(1,383)
North America	57,321	18,484	1,005	—	76,810	(119)	(342)	(306)	—	(767)
Latin America	12,328	4,306	373	30	17,037	(116)	(158)	(211)	(5)	(490)
At 30 Jun 2020	534,339	140,131	12,027	296	686,793	(1,035)	(2,461)	(5,285)	(99)	(8,880)
Corporate and commercial										
Europe	134,514	33,226	5,742	132	173,614	(416)	(1,087)	(1,881)	(48)	(3,432)
– of which: UK	93,479	24,303	3,836	73	121,691	(358)	(955)	(1,222)	(36)	(2,571)
Asia	200,836	61,615	2,537	117	265,105	(250)	(541)	(1,695)	(34)	(2,520)
– of which: Hong Kong	128,361	38,680	871	48	167,960	(141)	(296)	(495)	(24)	(956)
MENA	16,436	7,010	1,847	18	25,311	(80)	(191)	(1,080)	(12)	(1,363)
North America	44,630	17,667	999	—	63,296	(116)	(335)	(299)	—	(750)
Latin America	9,778	2,801	374	29	12,982	(104)	(152)	(211)	(5)	(472)
At 30 Jun 2020	406,194	122,319	11,499	296	540,308	(966)	(2,306)	(5,166)	(99)	(8,537)

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