

# **HSBC HOLDINGS PLC**

## **Data Pack**

### **2Q 2016**

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 2015*. 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 2015*, the *Interim Report 2016* and other reports and financial information published by HSBC.

All information is on a reported basis.

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Net interest income  
Net fee income  
Net trading income  
Other income / (expense)

**Net operating income before loan impairment charges and other credit risk provisions<sup>1</sup>**

Loan impairment charges and other credit risk provisions

**Net operating income**

Total operating expenses<sup>1</sup>

**Operating profit**

Share of profit in associates and joint ventures

**Profit before tax**

Tax expense

Profit after tax

Profit attributable to shareholders of the parent company

Profit attributable to non-controlling interests

Profit attributable to the ordinary shareholders of the parent company

	Quarter ended				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$m	\$m	\$m	\$m	\$m
Net interest income	7,847	7,913	8,059	8,028	8,170
Net fee income	3,389	3,197	3,471	3,509	4,041
Net trading income	2,488	2,836	1,408	2,742	1,990
Other income / (expense)	770	1,030	(1,166)	806	2,850
<b>Net operating income before loan impairment charges and other credit risk provisions<sup>1</sup></b>	<b>14,494</b>	14,976	11,772	15,085	17,051
Loan impairment charges and other credit risk provisions	(1,205)	(1,161)	(1,644)	(638)	(869)
<b>Net operating income</b>	<b>13,289</b>	13,815	10,128	14,447	16,182
Total operating expenses <sup>1</sup>	(10,364)	(8,264)	(11,542)	(9,039)	(10,342)
<b>Operating profit</b>	<b>2,925</b>	5,551	(1,414)	5,408	5,840
Share of profit in associates and joint ventures	683	555	556	689	729
<b>Profit before tax</b>	<b>3,608</b>	6,106	(858)	6,097	6,569
Tax expense	(720)	(1,571)	(230)	(634)	(1,540)
Profit after tax	2,888	4,535	(1,088)	5,463	5,029
Profit attributable to shareholders of the parent company	2,611	4,301	(1,325)	5,229	4,359
Profit attributable to non-controlling interests	277	234	237	234	670
<b>Profit attributable to the ordinary shareholders of the parent company</b>	<b>2,347</b>	4,009	(1,468)	4,850	4,215

## Revenue

### Significant items

Debit valuation adjustment ('DVA') on derivative contracts

Disposal costs of Brazilian operations

Fair value movements on non-qualifying hedges

Gain/(loss) on sale of several tranches of real estate secured accounts in the US

Gain on disposal of our membership interest in Visa Europe

Gain on the partial sale of shareholding in Industrial Bank

Own credit spread

Releases/(provisions) arising from the ongoing review of compliance with the UK Consumer Credit Act

(7)	158	(186)	251	67
(18)	(14)	(18)	—	—
(164)	(233)	26	(308)	240
68	—	(214)	(17)	17
584	—	—	—	—
—	—	—	—	1,009
75	1,151	(773)	1,125	352
2	—	(12)	(10)	—
540	1,062	(1,177)	1,041	1,685

## Operating expenses

### Significant items

Costs-to-achieve

Costs to establish UK ring-fenced bank

Disposal costs of Brazilian operations

Impairment of Global Private Banking - Europe goodwill

Regulatory provisions in GBP

Restructuring and other related costs

Settlements and provisions in connection with legal matters

UK customer redress programmes

(677)	(341)	(743)	(165)	—
(63)	(31)	(61)	(28)	—
6	(17)	(56)	(54)	—
(800)	—	—	—	—
(3)	(1)	(18)	(7)	(8)
—	—	—	—	(74)
(723)	—	(370)	(135)	(1,144)
(33)	—	(337)	(67)	—
(2,293)	(390)	(1,585)	(456)	(1,226)

## Balance sheet data

Loans and advances to customers (net)

Customer accounts

Risk-weighted assets<sup>2</sup>

Return on risk-weighted assets<sup>3,4</sup>

	At				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	887,556	920,139	924,454	927,428	953,985
Customer accounts	1,290,958	1,315,058	1,289,586	1,310,643	1,335,800
	\$bn	\$bn	\$bn	\$bn	\$bn
Risk-weighted assets <sup>2</sup>	1,082.2	1,115.2	1,103.0	1,143.5	1,193.2
	%	%	%	%	%
Return on risk-weighted assets <sup>3,4</sup>	1.3	2.2	(0.3)	2.1	2.2

<sup>1</sup> The difference between the consolidated group result and the sum of geographical regions and global businesses is attributable to inter-segment eliminations.

<sup>2</sup> Risk-weighted assets are calculated and presented on a CRD IV basis.

<sup>3</sup> Return on risk-weighted assets are on a reported basis, and calculated using average risk-weighted assets on a CRD IV basis.

<sup>4</sup> Return on risk-weighted assets are based on a discrete quarterly calculation, based on a 2-point average.

Net interest income

Net fee income

Net trading income

Other income

**Net operating income before loan impairment charges and other credit risk provisions**

Loan impairment charges and other credit risk provisions

**Net operating income**

Total operating expenses

**Operating profit**

Share of profit in associates and joint ventures

**Profit before tax**
**Revenue**
**Significant items**

Fair value movements on non-qualifying hedges

Gain/(loss) on sale of several tranches of real estate secured accounts in the US

Gain on disposal of our membership interest in Visa Europe

Provisions arising from the ongoing review of compliance with the UK Consumer Credit Act

**Operating expenses**
**Significant items**

Costs-to-achieve

Disposal costs of Brazilian operations

Restructuring and other related costs

Settlements and provisions in connection with legal matters

UK customer redress programmes

**Balance sheet data**

Loans and advances to customers (net)

Customer accounts

Risk-weighted assets<sup>1</sup>

Return on risk-weighted assets<sup>2,3</sup>

	Quarter ended				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$m	\$m	\$m	\$m	\$m
Net interest income	3,880	3,844	3,916	3,956	4,003
Net fee income	1,321	1,255	1,402	1,482	1,792
Net trading income	88	(23)	279	(48)	328
Other income	668	84	7	80	408
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>5,957</b>	<b>5,160</b>	<b>5,604</b>	<b>5,470</b>	<b>6,531</b>
Loan impairment charges and other credit risk provisions	(539)	(581)	(543)	(462)	(474)
<b>Net operating income</b>	<b>5,418</b>	<b>4,579</b>	<b>5,061</b>	<b>5,008</b>	<b>6,057</b>
Total operating expenses	(4,276)	(3,532)	(4,712)	(3,954)	(4,426)
<b>Operating profit</b>	<b>1,142</b>	<b>1,047</b>	<b>349</b>	<b>1,054</b>	<b>1,631</b>
Share of profit in associates and joint ventures	107	86	96	106	121
<b>Profit before tax</b>	<b>1,249</b>	<b>1,133</b>	<b>445</b>	<b>1,160</b>	<b>1,752</b>

Fair value movements on non-qualifying hedges	6	(148)	40	(148)	176
Gain/(loss) on sale of several tranches of real estate secured accounts in the US	68	—	(214)	(17)	17
Gain on disposal of our membership interest in Visa Europe	354	—	—	—	—
Provisions arising from the ongoing review of compliance with the UK Consumer Credit Act	—	—	—	(10)	—
	<b>428</b>	<b>(148)</b>	<b>(174)</b>	<b>(175)</b>	<b>193</b>

Costs-to-achieve	(76)	(66)	(142)	(56)	—
Disposal costs of Brazilian operations	4	(12)	(32)	(34)	—
Restructuring and other related costs	—	—	—	—	(27)
Settlements and provisions in connection with legal matters	(587)	—	(350)	—	(350)
UK customer redress programmes	—	—	(378)	(73)	—
	<b>(659)</b>	<b>(78)</b>	<b>(902)</b>	<b>(163)</b>	<b>(377)</b>

	At				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	326,699	335,431	340,009	342,465	352,189
Customer accounts	588,864	594,803	584,872	580,592	589,715
	<b>\$bn</b>	<b>\$bn</b>	<b>\$bn</b>	<b>\$bn</b>	<b>\$bn</b>
Risk-weighted assets <sup>1</sup>	176.1	188.1	189.5	200.3	204.6
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Return on risk-weighted assets <sup>2,3</sup>	2.8	2.4	0.9	2.3	3.4

<sup>1</sup> Risk-weighted assets are calculated and presented on a CRD IV basis.

<sup>2</sup> Return on risk-weighted assets are on a reported basis, and calculated using average risk-weighted assets on a CRD IV basis.

<sup>3</sup> Return on risk-weighted assets are based on a discrete quarterly calculation, based on a 2-point average.

# HSBC

## Commercial Banking

Net interest income
Net fee income
Net trading income
Other income
<b>Net operating income before loan impairment charges and other credit risk provisions</b>
Loan impairment charges and other credit risk provisions
<b>Net operating income</b>
Total operating expenses
<b>Operating profit</b>
Share of profit in associates and joint ventures
<b>Profit before tax</b>

	Quarter ended				
	30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
	2,386	2,423	2,472	2,495	2,445
	984	981	973	1,049	1,091
	150	128	145	109	149
	366	91	44	49	63
	3,886	3,623	3,634	3,702	3,748
	(443)	(390)	(1,013)	(246)	(295)
	3,443	3,233	2,621	3,456	3,453
	(1,619)	(1,524)	(1,747)	(1,676)	(1,682)
	1,824	1,709	874	1,780	1,771
	430	341	350	446	458
	2,254	2,050	1,224	2,226	2,229

### Revenue

#### Significant items

Fair value movements on non-qualifying hedges
Gain on disposal of our membership interest in Visa Europe
Provisions arising from the ongoing review of compliance with the UK Consumer Credit Act

—	—	1	—	—
230	—	—	—	—
—	—	(18)	—	—
230	—	(17)	—	—

### Operating expenses

#### Significant items

Costs-to-achieve
Disposal costs of Brazilian operations
Restructuring and other related costs
UK customer redress programmes

(14)	(23)	(150)	(13)	—
1	(3)	(10)	(6)	—
—	—	—	—	(3)
(15)	—	23	6	—
(28)	(26)	(137)	(13)	(3)

### Balance sheet data

	At				
	30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
Loans and advances to customers (net)	298,641	304,521	302,240	310,224	310,256
Customer accounts	347,842	358,578	361,701	357,681	362,069
	\$bn	\$bn	\$bn	\$bn	\$bn
Risk-weighted assets <sup>1</sup>	414.8	421.9	421.0	430.1	439.6
	%	%	%	%	%
Return on risk-weighted assets <sup>2,3</sup>	2.2	2.0	1.1	2.0	2.1

1 Risk-weighted assets are calculated and presented on a CRD IV basis.

2 Return on risk-weighted assets are on a reported basis, and calculated using average risk-weighted assets on a CRD IV basis.

3 Return on risk-weighted assets are based on a discrete quarterly calculation, based on a 2-point average.

# HSBC

## Global Banking and Markets

Net interest income
Net fee income
Net trading income
Other (expense) / income
<b>Net operating income before loan impairment charges and other credit risk provisions</b>
Loan impairment charges and other credit risk provisions
<b>Net operating income</b>
Total operating expenses
<b>Operating profit</b>
Share of profit in associates and joint ventures
<b>Profit before tax</b>

Quarter ended				
30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
1,756	1,678	1,699	1,603	1,854
892	749	904	760	913
2,228	2,532	889	2,537	1,142
(429)	(493)	(45)	(375)	1,110
4,447	4,466	3,447	4,525	5,019
(232)	(193)	(90)	79	(97)
4,215	4,273	3,357	4,604	4,922
(2,471)	(2,278)	(2,449)	(2,595)	(3,353)
1,744	1,995	908	2,009	1,569
141	126	107	132	144
1,885	2,121	1,015	2,141	1,713

### Revenue

#### Significant items

DVA on derivative contracts
Fair value movements on non-qualifying hedges

(7)	158	(186)	251	67
(12)	(8)	(13)	4	(14)
(19)	150	(199)	255	53

### Operating expenses

#### Significant items

Costs-to-achieve
Disposal costs of Brazilian operations
Restructuring and other related costs
Settlements and provisions in connection with legal matters
UK customer redress programmes

(61)	(30)	(49)	(20)	—
1	1	(8)	(6)	—
—	—	—	—	(18)
(136)	—	(20)	(135)	(794)
(18)	—	19	—	—
(214)	(29)	(58)	(161)	(812)

### Balance sheet data

Loans and advances to customers (net)
Customer accounts

At				
30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
219,186	235,190	236,932	229,445	244,321
274,095	277,345	261,728	289,035	299,181

Risk-weighted assets <sup>1</sup>
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\$bn	\$bn	\$bn	\$bn	\$bn
437.1	451.8	440.6	458.7	491.0

Return on risk-weighted assets <sup>2,3</sup>
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%	%	%	%	%
1.7	1.9	0.9	1.8	1.4

<sup>1</sup> Risk-weighted assets are calculated and presented on a CRD IV basis.

<sup>2</sup> Return on risk-weighted assets are on a reported basis, and calculated using average risk-weighted assets on a CRD IV basis.

<sup>3</sup> Return on risk-weighted assets are based on a discrete quarterly calculation, based on a 2-point average.

# HSBC

## Global Private Banking

Net interest income
Net fee income
Net trading income
Other income / (expense)
<b>Net operating income before loan impairment charges and other credit risk provisions</b>
Loan impairment charges and other credit risk provisions
<b>Net operating income</b>
Total operating expenses
<b>Operating profit</b>
Share of profit in associates and joint ventures
<b>Profit before tax</b>

	Quarter ended				
	30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
	193	202	213	203	208
	179	207	207	225	251
	79	78	73	78	90
	35	—	(6)	2	15
	486	487	487	508	564
	11	—	(3)	(4)	(3)
	497	487	484	504	561
	(1,166)	(379)	(405)	(426)	(450)
	(669)	108	79	78	111
	2	2	4	3	4
	(667)	110	83	81	115

### Revenue

#### Significant items

Fair value movements on non-qualifying hedges
Releases arising from the ongoing review of compliance with the UK Consumer Credit Act

—	—	—	1	—
2	—	6	—	—
2	—	6	1	—

### Operating expenses

#### Significant items

Costs-to-achieve
Disposal costs of Brazilian operations
Impairment of Global Private Banking - Europe goodwill
Regulatory provisions in GPB
Restructuring and other related costs

(3)	(2)	(15)	(1)	—
—	—	(1)	—	—
(800)	—	—	—	—
—	—	(17)	(7)	(8)
—	—	—	—	(18)
(803)	(2)	(33)	(8)	(26)

### Balance sheet data

Loans and advances to customers (net)
Customer accounts

	At				
	30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
	39,923	41,685	42,942	42,820	44,242
	77,981	80,806	80,404	82,219	82,878

Risk-weighted assets<sup>1</sup>

\$bn	\$bn	\$bn	\$bn	\$bn
18.5	19.3	19.3	20.5	21.1

Return on risk-weighted assets<sup>2,3</sup>

%	%	%	%	%
(14.2)	2.3	1.7	1.5	2.2

<sup>1</sup> Risk-weighted assets are calculated and presented on a CRD IV basis.

<sup>2</sup> Return on risk-weighted assets are on a reported basis, and calculated using average risk-weighted assets on a CRD IV basis.

<sup>3</sup> Return on risk-weighted assets are based on a discrete quarterly calculation, based on a 2-point average.

Net interest income	
Net fee income	
Net trading income	
Other income	
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	
Loan impairment charges and other credit risk provisions	
<b>Net operating income</b>	
Total operating expenses	
<b>Operating profit</b>	
Share of profit in associates and joint ventures	
<b>Profit before tax</b>	

	Quarter ended				
	30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
Net interest income	(244)	(148)	(183)	(130)	(201)
Net fee income	13	5	(15)	(7)	(5)
Net trading income	(180)	34	(36)	(33)	141
Other income	1,781	2,767	611	2,710	2,921
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>1,370</b>	<b>2,658</b>	<b>377</b>	<b>2,540</b>	<b>2,856</b>
Loan impairment charges and other credit risk provisions	(2)	3	5	(5)	—
<b>Net operating income</b>	<b>1,368</b>	<b>2,661</b>	<b>382</b>	<b>2,535</b>	<b>2,856</b>
Total operating expenses	(2,484)	(1,969)	(4,006)	(2,048)	(2,098)
<b>Operating profit</b>	<b>(1,116)</b>	<b>692</b>	<b>(3,624)</b>	<b>487</b>	<b>758</b>
Share of profit in associates and joint ventures	3	—	(1)	2	2
<b>Profit before tax</b>	<b>(1,113)</b>	<b>692</b>	<b>(3,625)</b>	<b>489</b>	<b>760</b>

#### Revenue

##### Significant items

Disposal costs of Brazilian operations	
DVA on derivative contracts	
Fair value movements on non-qualifying hedges	
Gain on the partial sale of shareholding in Industrial Bank	
Own credit spread	

(18)	(14)	(18)	—	—
—	—	—	—	—
(158)	(77)	(2)	(165)	78
—	—	—	—	1,009
75	1,151	(773)	1,125	352
(101)	1,060	(793)	960	1,439

#### Operating expenses

##### Significant items

Costs-to-achieve	
Costs to establish UK ring-fenced bank	
Disposal costs of Brazilian operations	
Regulatory provisions in GPB	
Restructuring and other related costs	
UK customer redress programmes	

(523)	(220)	(387)	(75)	—
(63)	(31)	(61)	(28)	—
—	(3)	(5)	(8)	—
(3)	(1)	(1)	—	—
—	—	—	—	(8)
—	—	(1)	—	—
(589)	(255)	(455)	(111)	(8)

#### Balance sheet data

Loans and advances to customers (net)	
Customer accounts	

	At				
	30 Jun 2016 \$m	31 Mar 2016 \$m	31 Dec 2015 \$m	30 Sep 2015 \$m	30 Jun 2015 \$m
Loans and advances to customers (net)	3,107	3,312	2,331	2,474	2,977
Customer accounts	2,176	3,526	881	1,116	1,957
	\$bn	\$bn	\$bn	\$bn	\$bn
Risk-weighted assets <sup>1</sup>	35.7	34.1	32.6	33.9	36.9

<sup>1</sup> Risk-weighted assets are calculated and presented on a CRD IV basis.



	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	1,192	830	448	92	(217)	(52)	2,293
Net fee income	411	411	239	98	6	—	1,165
Net trading income	22	8	1,394	41	(201)	52	1,316
Other income	353	288	(571)	12	585	(84)	583
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>1,978</b>	<b>1,537</b>	<b>1,510</b>	<b>243</b>	<b>173</b>	<b>(84)</b>	<b>5,357</b>
Loan impairment (charges)/recoveries and other credit risk provisions	(71)	(155)	(10)	10	(3)	—	(229)
<b>Net operating income</b>	<b>1,907</b>	<b>1,382</b>	<b>1,500</b>	<b>253</b>	<b>170</b>	<b>(84)</b>	<b>5,128</b>
Total operating expenses	(1,280)	(615)	(1,258)	(1,016)	(1,150)	84	(5,235)
<b>Operating profit</b>	<b>627</b>	<b>767</b>	<b>242</b>	<b>(763)</b>	<b>(980)</b>	<b>—</b>	<b>(107)</b>
Share of profit in associates and joint ventures	4	(7)	2	(1)	—	—	(2)
<b>Profit before tax</b>	<b>631</b>	<b>760</b>	<b>244</b>	<b>(764)</b>	<b>(980)</b>	<b>—</b>	<b>(109)</b>
<b>Revenue</b>							
<b>Significant items</b>							
DVA on derivative contracts	—	—	11	—	—	—	11
Fair value movements on non-qualifying hedges	4	—	(3)	—	(167)	—	(166)
Gain on disposal of our membership interest in Visa Europe	354	230	—	—	—	—	584
Own credit spread	—	—	—	—	118	—	118
Releases arising from the ongoing review of compliance with the UK Consumer Credit Act	—	—	—	2	—	—	2
	358	230	8	2	(49)	—	549
<b>Operating expenses</b>							
<b>Significant items</b>							
Costs-to-achieve	(40)	(11)	(53)	(3)	(381)	—	(488)
Costs to establish UK ring-fenced bank	—	—	—	—	(63)	—	(63)
Impairment of Global Private Banking - Europe goodwill	—	—	—	(800)	—	—	(800)
Regulatory provisions in GPB	—	—	—	—	(3)	—	(3)
Settlements and provisions in connection with legal matters	—	—	(136)	—	—	—	(136)
UK customer redress programmes	—	(15)	(18)	—	—	—	(33)
	(40)	(26)	(207)	(803)	(447)	—	(1,523)

**Balance sheet data**

		At 30 Jun 2016					
	Retail Banking and Wealth Management \$m	Commercial Banking \$m	Global Banking and Markets \$m	Global Private Banking \$m	Other \$m	Inter- segment elimination \$m	Total \$m
Loans and advances to customers (net)	146,164	107,794	90,414	20,411	542	—	365,325
Customer accounts	191,473	125,572	128,757	36,795	395	—	482,992

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	1,359	912	828	48	(22)	(30)	3,095
Net fee income	583	338	323	54	7	—	1,305
Net trading income	13	97	610	35	9	30	794
Other income	129	38	80	—	758	(280)	725
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>2,084</b>	<b>1,385</b>	<b>1,841</b>	<b>137</b>	<b>752</b>	<b>(280)</b>	<b>5,919</b>
Loan impairment (charges)/recoveries and other credit risk provisions	(72)	(79)	(4)	—	1	—	(154)
<b>Net operating income</b>	<b>2,012</b>	<b>1,306</b>	<b>1,837</b>	<b>137</b>	<b>753</b>	<b>(280)</b>	<b>5,765</b>
Total operating expenses	(1,032)	(492)	(649)	(80)	(729)	280	(2,702)
<b>Operating profit</b>	<b>980</b>	<b>814</b>	<b>1,188</b>	<b>57</b>	<b>24</b>	<b>—</b>	<b>3,063</b>
Share of profit in associates and joint ventures	80	399	83	—	—	—	562
<b>Profit before tax</b>	<b>1,060</b>	<b>1,213</b>	<b>1,271</b>	<b>57</b>	<b>24</b>	<b>—</b>	<b>3,625</b>
<b>Revenue</b>							
<b>Significant items</b>							
DVA on derivative contracts	—	—	—	—	(1)	—	(1)
Fair value movements on non-qualifying hedges	—	—	(9)	—	—	—	(9)
Own credit spread	—	—	—	—	7	—	7
	—	—	(9)	—	6	—	(3)
<b>Operating expenses</b>							
<b>Significant items</b>							
Costs-to-achieve	(18)	(1)	(6)	—	(86)	—	(111)
	(18)	(1)	(6)	—	(86)	—	(111)

**Balance sheet data**

At 30 Jun 2016							
	Retail Banking and Wealth Management \$m	Commercial Banking \$m	Global Banking and Markets \$m	Global Private Banking \$m	Other \$m	Inter- segment elimination \$m	Total \$m
Loans and advances to customers (net)	118,734	125,974	91,989	13,146	2,561	—	352,404
Customer accounts	315,401	160,171	105,627	27,432	1,569	—	610,200

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

**HSBC**  
**Middle East and North Africa**

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	150	117	122	—	4	3	396
Net fee income	44	54	50	—	(1)	—	147
Net trading income	13	14	54	—	1	(3)	79
Other income	1	2	2	—	25	(20)	10
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>208</b>	<b>187</b>	<b>228</b>	<b>—</b>	<b>29</b>	<b>(20)</b>	<b>632</b>
Loan impairment (charges)/recoveries and other credit risk provisions	(31)	11	8	—	—	—	(12)
<b>Net operating income</b>	<b>177</b>	<b>198</b>	<b>236</b>	<b>—</b>	<b>29</b>	<b>(20)</b>	<b>620</b>
Total operating expenses	(125)	(76)	(61)	—	(37)	20	(279)
<b>Operating profit</b>	<b>52</b>	<b>122</b>	<b>175</b>	<b>—</b>	<b>(8)</b>	<b>—</b>	<b>341</b>
Share of profit in associates and joint ventures	23	40	56	3	3	—	125
<b>Profit before tax</b>	<b>75</b>	<b>162</b>	<b>231</b>	<b>3</b>	<b>(5)</b>	<b>—</b>	<b>466</b>
<b>Revenue</b>							
<b>Significant items</b>							
Own credit spread	—	—	—	—	(3)	—	(3)
	—	—	—	—	(3)	—	(3)
<b>Operating expenses</b>							
<b>Significant items</b>							
Costs-to-achieve	—	—	—	—	(1)	—	(1)
	—	—	—	—	(1)	—	(1)

**Balance sheet data**

Balance sheet data

	At 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	6,248	13,298	10,225	—	3	—	29,774
Customer accounts	16,706	10,411	7,768	—	209	—	35,094

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

**HSBC**  
**North America**

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	470	318	268	49	(9)	(4)	1,092
Net fee income	117	130	250	22	—	—	519
Net trading income	22	10	94	2	10	4	142
Other income	91	5	70	23	399	(383)	205
Net operating income before loan impairment charges and other credit risk provisions	700	463	682	96	400	(383)	1,958
Loan impairment charges and other credit risk provisions	(15)	(56)	(219)	1	—	—	(289)
Net operating income	685	407	463	97	400	(383)	1,669
Total operating expenses	(1,113)	(254)	(429)	(63)	(505)	383	(1,981)
Operating profit	(428)	153	34	34	(105)	—	(312)
Share of profit in associates and joint ventures	—	(2)	—	—	—	—	(2)
Profit before tax	(428)	151	34	34	(105)	—	(314)
Revenue							
Significant items							
DVA on derivative contracts	—	—	(9)	—	—	—	(9)
Fair value movements on non-qualifying hedges	2	—	(1)	—	9	—	10
Gain on sale of several tranches of real estate secured accounts in the US	68	—	—	—	—	—	68
Own credit spread	—	—	—	—	(47)	—	(47)
	70	—	(10)	—	(38)	—	22
Operating expenses							
Significant items							
Costs-to-achieve	(18)	(2)	(2)	—	(50)	—	(72)
Settlements and provisions in connection with legal matters	(587)	—	—	—	—	—	(587)
	(605)	(2)	(2)	—	(50)	—	(659)

**Balance sheet data**

Balance sheet data

	At 30 Jun 2016						
	Retail Banking and Wealth Management \$m	Commercial Banking \$m	Global Banking and Markets \$m	Global Private Banking \$m	Other \$m	Inter- segment elimination \$m	Total \$m
Loans and advances to customers (net)	49,666	44,952	21,557	6,333	1	—	122,509
Customer accounts	53,950	45,180	29,359	13,660	3	—	142,152

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

**HSBC**  
**Latin America**

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	709	209	90	4	—	(25)	987
Net fee income	166	51	30	5	1	—	253
Net trading income	18	21	76	1	1	25	142
Other income	94	33	20	—	14	(37)	124
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>987</b>	<b>314</b>	<b>216</b>	<b>10</b>	<b>16</b>	<b>(37)</b>	<b>1,506</b>
Loan impairment charges and other credit risk provisions	(350)	(164)	(7)	—	—	—	(521)
<b>Net operating income</b>	<b>637</b>	<b>150</b>	<b>209</b>	<b>10</b>	<b>16</b>	<b>(37)</b>	<b>985</b>
Total operating expenses	(726)	(182)	(104)	(7)	(63)	37	(1,045)
<b>Operating profit</b>	<b>(89)</b>	<b>(32)</b>	<b>105</b>	<b>3</b>	<b>(47)</b>	<b>—</b>	<b>(60)</b>
Share of profit in associates and joint ventures	—	—	—	—	—	—	—
<b>Profit before tax</b>	<b>(89)</b>	<b>(32)</b>	<b>105</b>	<b>3</b>	<b>(47)</b>	<b>—</b>	<b>(60)</b>
<b>Revenue</b>							
<b>Significant items</b>							
Disposal costs of Brazilian operations	—	—	—	—	(18)	—	(18)
DVA on derivative contracts	—	—	(8)	—	—	—	(8)
Fair value movements on non-qualifying hedges	—	—	1	—	—	—	1
	—	—	(7)	—	(18)	—	(25)
<b>Operating expenses</b>							
<b>Significant items</b>							
Costs-to-achieve	—	—	—	—	(5)	—	(5)
Disposal costs of Brazilian operations	4	1	1	—	—	—	6
	4	1	1	—	(5)	—	1

**Balance sheet data**

Balance sheet data

	At 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	5,887	6,623	5,001	33	—	—	17,544
Customer accounts	11,334	6,508	2,584	94	—	—	20,520

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	969	546	373	27	(35)	(28)	1,852
Net fee income	458	235	153	38	6	—	890
Net trading income	(4)	53	348	27	(18)	28	434
Other income	100	26	27	—	264	(30)	387
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>1,523</b>	<b>860</b>	<b>901</b>	<b>92</b>	<b>217</b>	<b>(30)</b>	<b>3,563</b>
Loan impairment (charges)/recoveries and other credit risk provisions	(46)	(53)	—	—	—	—	(99)
<b>Net operating income</b>	<b>1,477</b>	<b>807</b>	<b>901</b>	<b>92</b>	<b>217</b>	<b>(30)</b>	<b>3,464</b>
Total operating expenses	(557)	(224)	(346)	(48)	(243)	30	(1,388)
<b>Operating profit</b>	<b>920</b>	<b>583</b>	<b>555</b>	<b>44</b>	<b>(26)</b>	<b>—</b>	<b>2,076</b>
Share of profit in associates and joint ventures	5	—	—	—	—	—	5
<b>Profit before tax</b>	<b>925</b>	<b>583</b>	<b>555</b>	<b>44</b>	<b>(26)</b>	<b>—</b>	<b>2,081</b>
<b>Revenue</b>							
<b>Significant items</b>							
DVA on derivative contracts	—	—	2	—	(1)	—	1
Fair value movements on non-qualifying hedges	—	—	(8)	—	—	—	(8)
Own credit spread	—	—	—	—	7	—	7
	—	—	(6)	—	6	—	—
<b>Operating expenses</b>							
<b>Significant items</b>							
Costs-to-achieve	(4)	(1)	(6)	—	(32)	—	(43)
	(4)	(1)	(6)	—	(32)	—	(43)

**Balance sheet data**

Balance sheet data

	At 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	74,805	78,769	49,606	8,738	1,784	—	213,702
Customer accounts	256,346	116,780	42,583	17,211	216	—	433,136

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	920	630	277	58	(213)	(43)	1,629
Net fee income	278	308	12	27	6	—	631
Net trading income	27	2	1,320	4	(201)	43	1,195
Other income	304	242	(598)	3	537	(17)	471
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>1,529</b>	<b>1,182</b>	<b>1,011</b>	<b>92</b>	<b>129</b>	<b>(17)</b>	<b>3,926</b>
Loan impairment (charges)/recoveries and other credit risk provisions	(36)	(124)	(21)	9	—	—	(172)
<b>Net operating income</b>	<b>1,493</b>	<b>1,058</b>	<b>990</b>	<b>101</b>	<b>129</b>	<b>(17)</b>	<b>3,754</b>
Total operating expenses	(967)	(425)	(896)	(55)	(1,037)	17	(3,363)
<b>Operating profit</b>	<b>526</b>	<b>633</b>	<b>94</b>	<b>46</b>	<b>(908)</b>	<b>—</b>	<b>391</b>
Share of profit in associates and joint ventures	3	(7)	3	—	—	—	(1)
<b>Profit before tax</b>	<b>529</b>	<b>626</b>	<b>97</b>	<b>46</b>	<b>(908)</b>	<b>—</b>	<b>390</b>
<b>Revenue</b>							
<b>Significant items</b>							
DVA on derivative contracts	—	—	14	—	—	—	14
Fair value movements on non-qualifying hedges	—	—	—	—	(166)	—	(166)
Gain on disposal of our membership interest in Visa Europe	249	192	—	—	—	—	441
Own credit spread	—	—	—	—	114	—	114
Releases arising from the ongoing review of compliance with the UK Consumer Credit Act	—	—	—	2	—	—	2
	249	192	14	2	(52)	—	405
<b>Operating expenses</b>							
<b>Significant items</b>							
Costs-to-achieve	(40)	(15)	(48)	—	(359)	—	(462)
Costs to establish UK ring-fenced bank	—	—	—	—	(63)	—	(63)
Settlements and provisions in connection with legal matters	—	—	(72)	—	—	—	(72)
UK customer redress programmes	—	(15)	(18)	—	—	—	(33)
	(40)	(30)	(138)	—	(422)	—	(630)

**Balance sheet data**

	At 30 Jun 2016						
	Retail Banking and Wealth Management \$m	Commercial Banking \$m	Global Banking and Markets \$m	Global Private Banking \$m	Other \$m	Inter- segment elimination \$m	Total \$m
Loans and advances to customers (net)	121,495	80,386	72,912	7,856	112	—	282,761
Customer accounts	166,771	99,826	101,529	15,832	—	—	383,958

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

	Quarter ended 30 Jun 2016						
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	380	89	49	3	(5)	(12)	504
Net fee income	84	22	16	2	2	—	126
Net trading income	7	14	44	1	—	12	78
Other income	53	22	8	—	(13)	(10)	60
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>524</b>	<b>147</b>	<b>117</b>	<b>6</b>	<b>(16)</b>	<b>(10)</b>	<b>768</b>
Loan impairment charges and other credit risk provisions	(245)	(160)	(9)	—	—	—	(414)
<b>Net operating income</b>	<b>279</b>	<b>(13)</b>	<b>108</b>	<b>6</b>	<b>(16)</b>	<b>(10)</b>	<b>354</b>
Total operating expenses	(434)	(81)	(43)	(4)	(12)	10	(564)
<b>Operating profit</b>	<b>(155)</b>	<b>(94)</b>	<b>65</b>	<b>2</b>	<b>(28)</b>	<b>—</b>	<b>(210)</b>
Share of profit in associates and joint ventures	—	—	—	—	—	—	—
<b>Profit before tax</b>	<b>(155)</b>	<b>(94)</b>	<b>65</b>	<b>2</b>	<b>(28)</b>	<b>—</b>	<b>(210)</b>
<b>Revenue</b>							
<b>Significant items</b>							
DVA on derivative contracts	—	—	(9)	—	—	—	(9)
Disposal costs of Brazilian operations	—	—	—	—	(18)	—	(18)
	—	—	(9)	—	(18)	—	(27)
<b>Operating expenses</b>							
<b>Significant items</b>							
Disposal costs of Brazilian operations	4	1	1	—	—	—	6
	4	1	1	—	—	—	6

**Balance sheet data**

At 30 Jun 2016							
	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	6,378	8,472	4,279	40	34	—	19,203
Customer accounts	9,748	4,446	3,467	1,696	—	—	19,357

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.



Quarter ended 31 Mar 2016

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	337	93	22	3	(2)	17	470
Net fee income	70	23	12	2	—	—	107
Net trading income	6	12	65	1	(1)	(17)	66
Other income	49	14	2	—	(7)	(6)	52
Net operating income before loan impairment charges and other credit risk provisions	462	142	101	6	(10)	(6)	695
Loan impairment charges and other credit risk provisions	(217)	(113)	(4)	—	—	—	(334)
Net operating income	245	29	97	6	(10)	(6)	361
Total operating expenses	(371)	(74)	(50)	(4)	(13)	6	(506)
Operating profit	(126)	(45)	47	2	(23)	—	(145)
Share of profit in associates and joint ventures	—	(1)	—	—	—	—	(1)
Profit before tax	(126)	(46)	47	2	(23)	—	(146)
Revenue							
Significant items							
DVA on derivative contracts	—	—	(27)	—	—	—	(27)
Disposal costs of Brazilian operations	—	—	—	—	(14)	—	(14)
	—	—	(27)	—	(14)	—	(41)
Operating expenses							
Significant items							
Disposal costs of Brazilian operations	(12)	(3)	1	—	(3)	—	(17)
	(12)	(3)	1	—	(3)	—	(17)

**Balance sheet data**

At 31 Mar 2016

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	5,792	8,105	3,399	49	—	—	17,345
Customer accounts	8,422	3,903	2,795	1,472	—	—	16,592

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

Quarter ended 31 Dec 2015

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	350	105	30	4	(2)	15	502
Net fee income	78	26	16	2	(1)	—	121
Net trading income	5	9	(2)	—	2	(15)	(1)
Other income	52	12	(1)	—	6	(4)	65
Net operating income before loan impairment charges and other credit risk provisions	485	152	43	6	5	(4)	687
Loan impairment charges and other credit risk provisions	(197)	(81)	1	—	—	—	(277)
Net operating income	288	71	44	6	5	(4)	410
Total operating expenses	(408)	(101)	(66)	(4)	(29)	4	(604)
Operating profit	(120)	(30)	(22)	2	(24)	—	(194)
Share of profit in associates and joint ventures	—	(1)	—	—	—	—	(1)
Profit before tax	(120)	(31)	(22)	2	(24)	—	(195)
Revenue							
Significant items							
DVA on derivative contracts	—	—	(34)	—	—	—	(34)
Disposal costs of Brazilian operations	—	—	—	—	(18)	—	(18)
	—	—	(34)	—	(18)	—	(52)
Operating expenses							
Significant items							
Costs-to-achieve	(1)	—	—	—	(1)	—	(2)
Disposal costs of Brazilian operations	(31)	(9)	(8)	(1)	(5)	—	(54)
	(32)	(9)	(8)	(1)	(6)	—	(56)

**Balance sheet data**

At 31 Dec 2015

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	5,258	8,010	3,688	45	—	—	17,001
Customer accounts	7,758	3,363	2,551	1,422	—	—	15,094

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

Quarter ended 30 Sep 2015

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	359	113	38	3	(4)	—	509
Net fee income	88	27	14	3	—	—	132
Net trading income	7	11	109	1	1	—	129
Other income	43	12	9	—	27	(6)	85
Net operating income before loan impairment charges and other credit risk provisions	497	163	170	7	24	(6)	855
Loan impairment charges and other credit risk provisions	(182)	(34)	26	—	—	—	(190)
Net operating income	315	129	196	7	24	(6)	665
Total operating expenses	(465)	(119)	(46)	(5)	(27)	6	(656)
Operating profit	(150)	10	150	2	(3)	—	9
Share of profit in associates and joint ventures	—	—	—	—	—	—	—
Profit before tax	(150)	10	150	2	(3)	—	9
Revenue							
Significant items							
DVA on derivative contracts	—	—	75	—	—	—	75
Disposal costs of Brazilian operations	—	—	—	—	—	—	—
	—	—	75	—	—	—	75
Operating expenses							
Significant items							
Costs-to-achieve	(26)	(3)	—	—	—	—	(29)
Disposal costs of Brazilian operations	(34)	(6)	(6)	—	(8)	—	(54)
	(60)	(9)	(6)	—	(8)	—	(83)

**Balance sheet data**

At 30 Sep 2015

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	5,094	8,388	3,394	41	—	—	16,917
Customer accounts	7,302	3,343	2,486	1,427	—	—	14,558

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

Quarter ended 30 Jun 2015

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	420	115	48	3	(1)	(16)	569
Net fee income	100	33	17	3	2	—	155
Net trading income	9	15	95	1	—	16	136
Other income	69	19	14	—	57	(11)	148
Net operating income before loan impairment charges and other credit risk provisions	598	182	174	7	58	(11)	1,008
Loan impairment charges and other credit risk provisions	(177)	(81)	—	—	—	—	(258)
Net operating income	421	101	174	7	58	(11)	750
Total operating expenses	(465)	(105)	(68)	(5)	(22)	11	(654)
Operating profit	(44)	(4)	106	2	36	—	96
Share of profit in associates and joint ventures	—	—	—	—	—	—	—
Profit before tax	(44)	(4)	106	2	36	—	96
Revenue							
Significant items							
DVA on derivative contracts	—	—	5	—	—	—	5
	—	—	5	—	—	—	5
Operating expenses							
Significant items							
Disposal costs of Brazilian operations	—	—	—	—	—	—	—
Restructuring and other related costs	1	—	—	—	1	—	2
	1	—	—	—	1	—	2

**Balance sheet data**

At 30 Jun 2015

	Retail Banking and Wealth Management	Commercial Banking	Global Banking and Markets	Global Private Banking	Other	Inter- segment elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Loans and advances to customers (net)	6,474	10,325	3,985	43	—	—	20,827
Customer accounts	9,549	4,694	3,438	1,751	—	—	19,432

Note: Risk-weighted asset data by geographical region is provided in a separate tab at the end of this document.

**HSBC**  
**Principal RBWM**

	Quarter ended														
	30 Jun 2016			31 Mar 2016			31 Dec 2015			30 Sep 2015			30 Jun 2015		
	Total	US run-off	Principal	Total	US run-off	Principal	Total	US run-off	Principal	Total	US run-off	Principal	Total	US run-off	Principal
	RBWM	portfolio	RBWM	RBWM	portfolio	RBWM	RBWM	portfolio	RBWM	RBWM	portfolio	RBWM	RBWM	portfolio	RBWM
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Net interest income	3,880	166	3,714	3,844	222	3,622	3,916	242	3,674	3,956	255	3,701	4,003	252	3,751
Net fee income	1,321	—	1,321	1,255	(2)	1,257	1,402	—	1,402	1,482	(2)	1,484	1,792	(2)	1,794
Other income	756	83	673	61	(102)	163	286	(127)	413	32	(122)	154	736	123	613
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>5,957</b>	<b>249</b>	<b>5,708</b>	<b>5,160</b>	<b>118</b>	<b>5,042</b>	<b>5,604</b>	<b>115</b>	<b>5,489</b>	<b>5,470</b>	<b>131</b>	<b>5,339</b>	<b>6,531</b>	<b>373</b>	<b>6,158</b>
Loan impairment (charges)/recoveries and other credit risk provisions	(539)	—	(539)	(581)	(97)	(484)	(543)	(26)	(517)	(462)	11	(473)	(474)	(22)	(452)
<b>Net operating income</b>	<b>5,418</b>	<b>249</b>	<b>5,169</b>	<b>4,579</b>	<b>21</b>	<b>4,558</b>	<b>5,061</b>	<b>89</b>	<b>4,972</b>	<b>5,008</b>	<b>142</b>	<b>4,866</b>	<b>6,057</b>	<b>351</b>	<b>5,706</b>
Total operating expenses	(4,276)	(708)	(3,568)	(3,532)	(138)	(3,394)	(4,712)	(533)	(4,179)	(3,954)	(163)	(3,791)	(4,426)	(536)	(3,890)
<b>Operating profit/(loss)</b>	<b>1,142</b>	<b>(459)</b>	<b>1,601</b>	<b>1,047</b>	<b>(117)</b>	<b>1,164</b>	<b>349</b>	<b>(444)</b>	<b>793</b>	<b>1,054</b>	<b>(21)</b>	<b>1,075</b>	<b>1,631</b>	<b>(185)</b>	<b>1,816</b>
Share of profit in associates and joint ventures	107	—	107	86	—	86	96	—	96	106	—	106	121	—	121
<b>Profit/(loss) before tax</b>	<b>1,249</b>	<b>(459)</b>	<b>1,708</b>	<b>1,133</b>	<b>(117)</b>	<b>1,250</b>	<b>445</b>	<b>(444)</b>	<b>889</b>	<b>1,160</b>	<b>(21)</b>	<b>1,181</b>	<b>1,752</b>	<b>(185)</b>	<b>1,937</b>
<b>Revenue</b>															
<b>Significant items</b>															
Fair value movements on non-qualifying hedges	6	4	2	(148)	(119)	(29)	40	32	8	(148)	(134)	(14)	176	82	94
Gain/(loss) on sale of several tranches of real estate secured accounts in the US	68	68	—	—	—	—	(214)	(214)	—	(17)	(17)	—	17	17	—
Gain on disposal of our membership interest in Visa Europe	354	—	354	—	—	—	—	—	—	—	—	—	—	—	—
Provisions arising from the ongoing review of compliance with the UK Consumer Credit Act	—	—	—	—	—	—	—	—	—	(10)	—	(10)	—	—	—
	428	72	356	(148)	(119)	(29)	(174)	(182)	8	(175)	(151)	(24)	193	99	94
<b>Operating expenses</b>															
<b>Significant items</b>															
Costs-to-achieve	(76)	(15)	(61)	(66)	(22)	(44)	(142)	(20)	(122)	(56)	(24)	(32)	—	—	—
Disposal costs of Brazilian operations	4	—	4	(12)	—	(12)	(32)	—	(32)	(34)	—	(34)	—	—	—
Restructuring and other related costs	—	—	—	—	—	—	—	—	—	—	—	—	(27)	(22)	(5)
Settlements and provisions in connection with legal matters	(587)	(587)	—	—	—	—	(350)	(350)	—	—	—	—	(350)	(350)	—
UK customer redress programmes	—	—	—	—	—	—	(378)	—	(378)	(73)	—	(73)	—	—	—
	(659)	(602)	(57)	(78)	(22)	(56)	(902)	(370)	(532)	(163)	(24)	(139)	(377)	(372)	(5)

**US CML run-off portfolio (RBWM)**

	Quarter ended				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$m	\$m	\$m	\$m	\$m
<b>Net operating income before loan impairment charges and other credit risk provisions</b>	<b>249</b>	<b>118</b>	<b>115</b>	<b>131</b>	<b>373</b>
Loan impairment (charges) / recoveries and other credit risk provisions	—	(97)	(26)	11	(22)
<b>Net operating income</b>	<b>249</b>	<b>21</b>	<b>89</b>	<b>142</b>	<b>351</b>
Total operating expenses	(708)	(138)	(533)	(163)	(536)
<b>Operating (loss)/profit</b>	<b>(459)</b>	<b>(117)</b>	<b>(444)</b>	<b>(21)</b>	<b>(185)</b>
Share of profit in associates and joint ventures	—	—	—	—	—
<b>(Loss)/profit before tax</b>	<b>(459)</b>	<b>(117)</b>	<b>(444)</b>	<b>(21)</b>	<b>(185)</b>

**Revenue**
**Significant items**

Fair value movements on non-qualifying hedges	4	(119)	32	(134)	82
(Loss)/gain on sale of several tranches of real estate secured accounts in the US	68	—	(214)	(17)	17
	<b>72</b>	<b>(119)</b>	<b>(182)</b>	<b>(151)</b>	<b>99</b>

**Operating expenses**
**Significant items**

Costs-to-achieve	(15)	(22)	(20)	(24)	—
Restructuring and other related costs	—	—	—	—	(22)
Settlements and provisions in connection with legal matters	(587)	—	(350)	—	(350)
	<b>(602)</b>	<b>(22)</b>	<b>(370)</b>	<b>(24)</b>	<b>(372)</b>

**Balance sheet data**

	At				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$m	\$m	\$m	\$m	\$m
<b>Loan portfolio information</b>					
Loans and advances to customers (gross)	12,526	13,678	19,246	19,894	22,592
Loans and advances to customers - held for sale	880	5,010	—	1,948	149
Impairment allowances	581	723	986	1,030	1,359
Impairment allowances - assets held for sale	88	274	—	207	15
2+ delinquency	1,047	1,093	1,154	1,837	1,845
Write-offs (net)	94	67	58	83	121
	%	%	%	%	%
Ratios <sup>1</sup> :					
Impairment allowances	5.0	5.3	5.1	5.7	6.0
Loan impairment charges	1.1	2.1	0.5	(0.2)	0.4
2+ delinquency	7.8	5.8	6.0	8.4	8.1
Write-offs	1.1	1.4	1.2	1.4	2.0

1 The 'write-offs' and 'loan impairment charges' ratios are a percentage of average total loans and advances (quarter annualised), while the 'impairment allowances' and '2+ delinquency' ratios are a percentage of period end loans and advances to customers (gross). All ratios include assets held for sale.

## HSBC

### Risk-weighted assets

Risk-weighted assets by global business<sup>1,2</sup>

	Quarter ended				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$bn	\$bn	\$bn	\$bn	\$bn
Retail Banking and Wealth Management	176.1	188.1	189.5	200.3	204.6
Commercial Banking	414.8	421.9	421.0	430.1	439.6
Global Banking and Markets	437.1	451.8	440.6	458.7	491.0
Global Private Banking	18.5	19.3	19.3	20.5	21.1
Other	35.7	34.1	32.6	33.9	36.9
<b>Total</b>	<b>1,082.2</b>	<b>1,115.2</b>	<b>1,103.0</b>	<b>1,143.5</b>	<b>1,193.2</b>

Risk-weighted assets by geographical regions<sup>1,2,3</sup>

	Quarter ended				
	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun
	2016	2016	2015	2015	2015
	\$bn	\$bn	\$bn	\$bn	\$bn
<b>Total</b>	<b>1,082.2</b>	<b>1,115.2</b>	<b>1,103.0</b>	<b>1,143.5</b>	<b>1,193.2</b>
Europe	331.2	342.0	337.4	349.6	369.5
Asia	462.3	461.6	459.7	472.7	487.4
Middle East and North Africa	59.7	59.5	60.4	62.5	63.1
North America	175.1	198.2	191.6	205.5	215.7
Latin America	78.6	77.8	73.4	76.3	82.3
Hong Kong	162.4	158.1	156.9	160.6	168.4
United Kingdom	243.4	254.1	253.4	261.7	276.1
Brazil	40.3	36.9	32.8	32.6	37.2

1 Risk-weighted assets are calculated and presented on a CRD IV basis.

2 Risk-weighted assets are on a reported basis, and calculated using average Risk-weighted assets on a CRD IV basis.

3 RWAs are non-additive across geographical regions due to market risk diversification effects within the Group.

## Return on risk-weighted assets

Return on risk-weighted assets by global business<sup>1,2</sup>

	Quarter ended				
	30 Jun 2016 %	31 Mar 2016 %	31 Dec 2015 %	30 Sep 2015 %	30 Jun 2015 %
Retail Banking and Wealth Management	<b>2.8</b>	2.4	0.9	2.3	3.4
Commercial Banking	<b>2.2</b>	2.0	1.1	2.0	2.1
Global Banking and Markets	<b>1.7</b>	1.9	0.9	1.8	1.4
Global Private Banking	<b>(14.2)</b>	2.3	1.7	1.5	2.2
Total	<b>1.3</b>	2.2	(0.3)	2.1	2.2

Return on risk-weighted assets by geographical regions<sup>1,2</sup>

	Quarter ended				
	30 Jun 2016 %	31 Mar 2016 %	31 Dec 2015 %	30 Sep 2015 %	30 Jun 2015 %
Europe	<b>(0.1)</b>	2.0	(3.6)	1.7	0.7
Asia	<b>3.2</b>	3.1	2.4	2.9	4.2
Middle East and North Africa	<b>3.1</b>	3.5	1.8	2.3	2.8
North America	<b>(0.7)</b>	0.8	(1.1)	0.9	0.4
Latin America	<b>(0.3)</b>	—	(1.4)	0.7	1.0
Total	<b>1.3</b>	2.2	(0.3)	2.1	2.2

*1 Return on risk-weighted assets are on a reported basis, and calculated using average risk-weighted assets on a CRD IV basis.*

*2 Return on risk-weighted assets are based on a discrete quarterly calculation, based on a 2-point average.*