

Press Release
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The Asian Banker Excellence in Retail Financial Services Awards 2009

HSBC (Singapore) wins award for Best Customer Loyalty Programme, 2008

- *HSBC (Singapore) is the sole winner in Asia for the Best Customer Loyalty Programme award.*
- *HSBC (Singapore) has brought to the table a mortgage proposition that rewards customers for staying long term with the bank.*
- *Over 120 banks and financial institutions from 22 countries across the Asia Pacific, Gulf and Central Asian regions were evaluated as part of the Excellence in Retail Financial Services Programme.*

Singapore, 20 March 2009 – HSBC Singapore has been named the sole winner in Asia for the Best Customer Loyalty award in the eighth Asian Banker Excellence in Retail Financial Services Awards Programme. The bank received the awards at The Asian Banker Excellence in Retail Financial Services Awards 2009 ceremony, held in conjunction with the region's foremost retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held at the Grand Hyatt in Singapore on the evening of March 19th, 2009.

About 120 senior bankers from award winning banks in 22 countries across the Asia Pacific, Gulf and Central Asian regions attended the formal gala dinner, the industry's celebration of the region's best retail bankers that recognizes their efforts in bringing superior products and services to their customers.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind.

A stringent three month-long evaluation process, based on a balanced and transparent scorecard, determined the winners and the position of the different retail banks in the region. A full list of winners is attached.

HSBC (Singapore) is the sole winner in Asia for the Best Customer Loyalty Programme

HSBC was the first in Asia to launch a reverse pricing package that rewards customer loyalty through a programme over three years that translates to more savings for customers in the long run. Following the success of its customised home loan proposition in 2007, it created the reverse pricing package by bringing together cross-departmental and functional expertise within the bank.

The SIBOR-loyalty package was launched in July 2008. The pricing strategy was based on reducing interest rate spread on the SIBOR rate. There is also no lock-in period, so customers enjoy the full flexibility and freedom on their home loan.

With a strong and unique customer proposition, HSBC Singapore developed an integrated, simple but very clear multi-channel marketing campaign that included PR, print and online advertising, direct marketing for cross-sell purposes and staff communications.

HSBC (Singapore) has brought to the table a mortgage proposition that rewards customers for staying long term with the bank

With the combination of a unique selling proposition and strong marketing efforts, the sales generated were significantly higher than expected. At the end of the three month campaign period starting in July 2008, HSBC saw a 70% increase in monthly average sales. More importantly, this launch yielded sustainable results in terms of sales and consumer referrals. Mortgage customers have a product holding that is in the high end of the region's average in the mortgage business.

Over 120 banks and financial institutions from 22 countries across the Asia Pacific, Gulf and Central Asian regions were evaluated as part of the Excellence in Retail Financial Services Programme

“This year over 120 banks and financial institutions in 22 countries across Asia were evaluated as part of the Excellence in Retail Financial Services Programme. It has become the single most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst retail financial institutions available almost anywhere in the world today,” said Philip Strause, Chairman of The Asian Banker Excellence in Retail Financial Services Programme.

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate the strength of individual banks' retail banking businesses that involves extensive research and probing interviews, and taps the combined experience of a team of experienced researchers.

Strause, who has over 30 years experience as a principal consultant to leading financial institutions in North America and the Asia Pacific, added, “The Asian Banker Excellence in Retail Financial Services Programme was instituted in 2001 on the premise that an outstanding player in the retail financial services industry should build business franchises that are sustainable, competitive and profitable over a period of time.”

About The Asian Banker

The Asian Banker is the foremost provider of strategic business intelligence on the financial services industry in the Asia Pacific and Middle East regions. The organization has offices in Singapore, Kuala Lumpur, Beijing and Dubai as well as representatives in Shanghai, London and New York. With a business that revolves around publications, research services, training and forums, the organization is highly regarded in the financial services community for its

incisive and independent commentaries on developments in the industry. The company's website is www.theasianbanker.com.

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