

**HSBC Private Bank (Suisse) SA  
Hong Kong Branch**

**Disclosure Statement**

for the year ended 31 December 2018

## **Introduction**

The information contained in this Disclosure Statement is for HSBC Private Bank (Suisse) SA – Hong Kong branch ('the branch'). This document serves to comply with the Banking (Disclosure) Rules made under section 60A of the Banking Ordinance.

References to 'HSBC', 'Group' or 'HSBC Group' within this document mean HSBC Holding plc 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'. The abbreviations 'HK\$m' represent millions of Hong Kong dollars.

While the Disclosure Statement is not required to be externally audited, the document has been verified internally in accordance with the Group's policies on disclosure and its financial reporting and governance processes.

In November 2013, the business of the branch was acquired by The Hongkong and Shanghai Banking Corporation Limited.

The Chief Executive of HSBC Private Bank (Suisse) SA, Hong Kong Branch, announces that the key financial information of the branch for the year ended 31 December 2018 is as follows:

**Section A – Branch information (Hong Kong office only)**

*I – Income statement information*

	<b>31 December 2018</b> <b>HK\$m</b>	<b>31 December 2017</b> <b>HK\$m</b>
Operating expenses		
- Other expenses	(1)	(1)
Loss before taxation	(1)	(1)
Taxation	-	-
Loss after taxation	<u>(1)</u>	<u>(1)</u>

*II – Balance sheet information*

<u><b>Assets</b></u>	<b>31 December 2018</b> <b>HK\$m</b>	<b>30 June 2018</b> <b>HK\$m</b>
Amount due from head office	14	15
Due from Exchange Fund	1	1
<b>Total assets</b>	<u><b>15</b></u>	<u><b>16</b></u>
<u><b>Liabilities</b></u>		
Reserves	15	16
<b>Total liabilities</b>	<u><b>15</b></u>	<u><b>16</b></u>

**III – Additional balance sheet information**

Currency risk

The branch had the following non-structural foreign currency positions that were not less than 10% of the net non-structural positions in all foreign currencies:

	<b>31 December 2018</b>	<b>30 June 2018</b>
	<b>HK\$m</b>	<b>HK\$m</b>
	USD	USD
Spot assets	-	-
Spot liabilities	(15)	(16)
Net short position	<u>(15)</u>	<u>(16)</u>

There is no net options position held as at 31 December 2018 or 30 June 2018.

**IV – Liquidity information**

	<b>31 December 2018</b>	<b>31 December 2017</b>
	%	%
Average liquidity maintenance ratio (“LMR”) for the year ended	99,999,999	25,004,334

*The average LMR is the simple average of each calendar month’s average LMR ratio as reported in Part 1 (II) of the Liquidity Position Return (MA(BS)IE).*

The funding source of the branch is from head office. The branch follows the Group’s approach in liquidity risk management, which is available in the HSBC Holding plc Annual Report and Accounts 2018.

**Section B**

**Bank information (on a consolidated basis based on the most recent annual and interim accounts)**

*I – Capital and Capital adequacy*

**HSBC Private Bank (Suisse) SA**

	<b>31 December 2018</b> <b>CHF'm</b>	<b>30 June 2018</b> <b>CHF'm</b>
Shareholders' funds	1,436	1,468
Total capital ratio	22.8%	21.0%
Of which Tier 1 capital ratio	18.3%	16.9%

The capital adequacy ratio was computed in accordance with the Basel III Capital Accord.

*II – Other financial information*

Financial highlights of HSBC Private Bank (Suisse) SA (on a consolidated basis based on the most recent annual and interim accounts):

	<b>31 December 2018</b> <b>CHF'm</b>	<b>30 June 2018</b> <b>CHF'm</b>
Total assets	11,817	13,108
Total liabilities	10,381	11,640
Total loans and advances	7,874	9,703
Total customer deposits	5,570	6,298

	<b>31 December 2018</b> <b>CHF'm</b>	<b>31 December 2017</b> <b>CHF'm</b>
Pre-tax (loss) / profit	(53)	42