

HSBC HOLDINGS PLC
Form 6-K
March 27, 2014

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a - 16 or 15d - 16 of

the Securities Exchange Act of 1934

For the month of March
HSBC Holdings plc

42nd Floor, 8 Canada Square, London E14 5HQ, England

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F).

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934).

Yes..... No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-.....).

4 The interest rate payable after June 2015 is the sum of the three-month Euribor plus 0.93%.

5 This subordinated note is measured at amortised cost in HSBC Holdings, where the interest rate risk is hedged using a fair value hedge, while it is measured at fair value in the Group.

6 In June 2013, HSBC Holdings called its US\$1,250m 4.61% fixed/floating subordinated notes at par.

7 In January 2014, HSBC Holdings gave notice that it will call and redeem the €1,400m 5.3687% fixed/floating subordinated notes at par in March 2014.

33 Maturity analysis of assets, liabilities and off-balance sheet commitments

The table on page 533 provides an analysis of consolidated total assets, liabilities and off-balance sheet commitments by residual contractual maturity at the balance sheet date. Asset and liability balances are included in the maturity analysis as follows:

- except for reverse repos, repos and debt securities in issue, trading assets and liabilities (including trading derivatives) are included in the 'Due not more than 1 month' time bucket, and not by contractual maturity because trading balances are typically held for short periods of time;
- financial assets and liabilities with no contractual maturity (such as equity securities) are included in the 'Due over 5 years' time bucket. Undated or perpetual instruments are classified based on the contractual notice period which the counterparty of the instrument is entitled to give. Where there is no contractual notice period, undated or perpetual contracts are included in the 'Due over 5 years' time bucket;
- non-financial assets and liabilities with no contractual maturity (such as property, plant and equipment, goodwill and intangible assets, current and deferred tax assets and liabilities and retirement benefit liabilities) are included in the 'Due over 5 years' time bucket;
- financial instruments included within assets and liabilities of disposal groups held for sale are classified on the basis of the contractual maturity of the underlying instruments and not on the basis of the disposal transaction; and
- liabilities under insurance contracts are included in the 'Due over 5 years' time bucket. Liabilities under investment contracts are classified in accordance with their contractual maturity. Undated investment contracts are classified based on the contractual notice period investors are entitled to give. Where there is no contractual notice period, undated contracts are included in the 'Due over 5 years' time bucket.

Loan and other credit-related commitments are classified on the basis of the earliest date they can be drawn down.

HSBC

Maturity analysis of assets and liabilities

| | | At 31 December 2013 | | | | | | | |
|------------------|--|---|---|---|---|---|---|---|---------------------------------|
| | | Due over 1 month but not more than 1 month US\$m | Due over 3 months but not more than 3 months US\$m | Due over 6 months but not more than 6 months US\$m | Due over 9 months but not more than 9 months US\$m | Due over 1 year but not more than 1 year US\$m | Due over 2 years but not more than 2 years US\$m | Due over 5 years but not more than 5 years US\$m | Due over 5 years US\$m |
| Financial assets | | | | | | | | | |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | | | | | | |
|--|-----------|---------|---------|--------|--------|---------|---------|---------|---|-----------|
| Cash and balances at central banks..... | 166,599 | - | - | - | - | - | - | - | - | 166,599 |
| Items in the course of collection from other banks | 6,021 | - | - | - | - | - | - | - | - | 6,021 |
| Hong Kong Government certificates of indebtedness | 25,220 | - | - | - | - | - | - | - | - | 25,220 |
| Trading assets | 296,396 | 3,098 | 1,536 | 2,062 | 100 | - | - | - | - | 303,192 |
| | | | | | | | | | | |
| - reverse repos | 3,324 | 3,098 | 1,536 | 2,062 | 100 | - | - | - | - | 10,116 |
| | | | | | | | | | | |
| - other trading assets | 293,072 | - | - | - | - | - | - | - | - | 293,072 |
| | | | | | | | | | | |
| Financial assets designated at fair value | 1,929 | 254 | 494 | 426 | 328 | 2,145 | 2,819 | 30,035 | - | 38,470 |
| | | | | | | | | | | |
| Derivatives | 277,747 | 48 | 88 | 389 | 552 | 716 | 1,486 | 1,239 | - | 282,259 |
| | | | | | | | | | | |
| - trading | 277,709 | - | - | - | - | - | - | - | - | 277,709 |
| | | | | | | | | | | |
| - non-trading | 38 | 48 | 88 | 389 | 552 | 716 | 1,486 | 1,239 | - | 4,750 |
| | | | | | | | | | | |
| Loans and advances to banks | 144,558 | 41,509 | 6,886 | 1,910 | 2,164 | 6,966 | 3,164 | 4,364 | - | 211,531 |
| | | | | | | | | | | |
| - reverse repos | 68,007 | 19,402 | 1,489 | 481 | 874 | 837 | 385 | - | - | 91,475 |
| | | | | | | | | | | |
| - other loans and advances to banks | 76,551 | 22,107 | 5,397 | 1,429 | 1,290 | 6,129 | 2,779 | 4,364 | - | 120,056 |
| | | | | | | | | | | |
| Loans and advances to customers | 296,971 | 89,390 | 59,851 | 30,031 | 33,392 | 88,241 | 182,525 | 299,903 | - | 1,080,304 |
| | | | | | | | | | | |
| - personal | 43,805 | 8,929 | 8,561 | 6,603 | 7,578 | 26,915 | 58,611 | 243,124 | - | 404,126 |
| | | | | | | | | | | |
| - corporate and commercial | 173,965 | 58,038 | 43,723 | 19,896 | 21,092 | 53,887 | 113,897 | 53,981 | - | 538,479 |
| | | | | | | | | | | |
| - financial | 79,201 | 22,423 | 7,567 | 3,532 | 4,722 | 7,439 | 10,017 | 2,798 | - | 137,681 |
| | | | | | | | | | | |
| of which: | | | | | | | | | | |
| - reverse repos | 66,235 | 15,927 | 3,798 | 758 | 1,198 | 299 | - | - | - | 88,227 |
| | | | | | | | | | | |
| Financial investments | 34,331 | 48,053 | 35,877 | 22,353 | 18,816 | 50,711 | 105,340 | 110,444 | - | 425,925 |
| | | | | | | | | | | |
| Assets held for sale | 1,067 | 541 | 193 | 199 | 229 | 156 | 373 | 744 | - | 3,566 |
| | | | | | | | | | | |
| Accrued income | 3,593 | 2,312 | 619 | 644 | 148 | 653 | 581 | 1,626 | - | 10,176 |
| | | | | | | | | | | |
| Other financial assets | 14,059 | 4,831 | 1,655 | 526 | 323 | 324 | 73 | 2,166 | - | 23,907 |
| | | | | | | | | | | |
| | 1,268,491 | 190,036 | 107,199 | 58,540 | 56,052 | 149,912 | 296,361 | 450,521 | - | 2,577,112 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | | | | | | |
|------------------------|-----------|---------|---------|--------|--------|---------|---------|---------|-----------|-----------|
| Total financial assets | ..... |  |  |  |  |  |  |  |  |  |
| Non-financial assets | - | - | - | - | - | - | - | - | 94,206 | 94,206 |
| Total assets | 1,268,491 | 190,036 | 107,199 | 58,540 | 56,052 | 149,912 | 296,361 | 544,727 | 2,671,300 | 2,671,300 |
| | | | | | | | | | | |

Maturity analysis of assets and liabilities (continued)

| | At 31 December 2013 | | | | | | | | | |
|--|--|--|--|--|--|--|--|------------------------|------------------------|------------------------|
| | Due over 1 month but not more than 1 month US\$m | Due over 3 months but not more than 3 months US\$m | Due over 6 months but not more than 6 months US\$m | Due over 9 months but not more than 9 months US\$m | Due over 1 year but not more than 1 year US\$m | Due over 2 years but not more than 2 years US\$m | Due over 5 years but not more than 5 years US\$m | Due over 5 years US\$m | Due over 5 years US\$m | Due over 5 years US\$m |
| Financial liabilities | | | | | | | | | | |
| Hong Kong currency notes in circulation | 25,220 | - | - | - | - | - | - | - | - | 25,220 |
| Deposits by banks | 113,566 | 7,492 | 3,329 | 858 | 661 | 737 | 1,922 | 647 | 129,000 | 129,000 |
| - repos | 37,268 | 3,561 | 1,533 | - | 343 | - | - | - | 42,104 | 42,104 |
| - other deposits by banks | 76,298 | 3,931 | 1,796 | 858 | 318 | 737 | 1,922 | 647 | 86,896 | 86,896 |
| Customer accounts ¹ | 1,328,563 | 70,180 | 31,990 | 17,415 | 19,272 | 8,717 | 5,937 | 738 | 1,482,000 | 1,482,000 |
| - personal | 572,514 | 33,956 | 16,953 | 10,544 | 10,520 | 6,093 | 5,138 | 59 | 655,000 | 655,000 |
| - corporate and commercial | 506,902 | 21,209 | 7,414 | 2,717 | 3,786 | 1,643 | 674 | 140 | 544,000 | 544,000 |
| - financial | 249,147 | 15,015 | 7,623 | 4,154 | 4,966 | 981 | 125 | 539 | 282,000 | 282,000 |
| of which: repos | 98,869 | 9,497 | 5,050 | 3,711 | 3,888 | - | - | 500 | 121,000 | 121,000 |
| Items in the course of transmission to other banks | 6,910 | - | - | - | - | - | - | - | 6,910 | 6,910 |
| Trading liabilities | 161,231 | 11,405 | 4,886 | 2,844 | 3,653 | 6,323 | 7,979 | 8,704 | 207,000 | 207,000 |
| - repos | 2,565 | 9,763 | 2,715 | 1,012 | 1,279 | 87 | - | - | 17,301 | 17,301 |
| | 1,217 | 1,642 | 2,171 | 1,832 | 2,374 | 6,236 | 7,979 | 8,704 | 32,000 | 32,000 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | | | | | | |
|---|-----------|---------|--------|--------|--------|--------|--------|---------|-----------|---------|
| - debt securities in issue | | | | | | | | | | |
| | | | | | | | | | | |
| - other trading liabilities | 157,449 | - | - | - | - | - | - | - | - | 157,449 |
| | | | | | | | | | | |
| Financial liabilities designated at fair value | 4,907 | 157 | 92 | 2,266 | 68 | 9,348 | 21,544 | 50,702 | 89,924 | |
| | | | | | | | | | | |
| - debt securities in issue: covered bonds | - | - | - | 1,268 | - | 230 | 2,841 | 3,257 | 7,396 | |
| | | | | | | | | | | |
| - debt securities in issue: otherwise secured | - | - | - | - | - | - | - | - | - | |
| | | | | | | | | | | |
| - debt securities in issue: unsecured | 3,511 | 5 | 45 | 945 | 11 | 8,876 | 18,117 | 14,256 | 45,194 | |
| | | | | | | | | | | |
| - subordinated liabilities and preferred securities | - | 121 | - | - | - | 21 | - | 21,773 | 21,894 | |
| | | | | | | | | | | |
| - other | 1,396 | 31 | 47 | 53 | 57 | 221 | 586 | 11,416 | 13,970 | |
| | | | | | | | | | | |
| Derivatives | 269,816 | 33 | 95 | 84 | 61 | 563 | 1,978 | 1,654 | 274,497 | |
| | | | | | | | | | | |
| - trading | 269,739 | - | - | - | - | - | - | - | 269,739 | |
| | | | | | | | | | | |
| - non-trading | 77 | 33 | 95 | 84 | 61 | 563 | 1,978 | 1,654 | 408 | |
| | | | | | | | | | | |
| Debt securities in issue | 20,739 | 8,280 | 15,734 | 7,442 | 8,106 | 18,552 | 19,850 | 5,377 | 104,078 | |
| | | | | | | | | | | |
| - covered bonds | - | - | - | - | - | 6 | 92 | - | 98 | |
| | | | | | | | | | | |
| - otherwise secured | 10,450 | 1,051 | 675 | 1,260 | 764 | 1,857 | 2,313 | 1,013 | 19,073 | |
| | | | | | | | | | | |
| - unsecured | 10,289 | 7,229 | 15,059 | 6,182 | 7,342 | 16,689 | 17,445 | 4,364 | 84,905 | |
| | | | | | | | | | | |
| Liabilities of disposal groups held for sale | 2,125 | 208 | 131 | 98 | 107 | 49 | 42 | 5 | 2,755 | |
| | | | | | | | | | | |
| Accruals | 6,016 | 3,950 | 1,388 | 584 | 741 | 811 | 618 | 460 | 14,568 | |
| | | | | | | | | | | |
| Subordinated liabilities | 21 | 28 | 1,171 | 144 | 6 | 1,435 | 3,406 | 22,765 | 28,870 | |
| | | | | | | | | | | |
| Other financial liabilities | 17,126 | 6,317 | 1,759 | 598 | 751 | 971 | 932 | 471 | 28,954 | |
| | | | | | | | | | | |
| Total financial liabilities | 1,956,240 | 108,050 | 60,575 | 32,333 | 33,426 | 47,506 | 64,208 | 91,523 | 2,393,361 | |
| | | | | | | | | | | |
| Non-financial liabilities | - | - | - | - | - | - | - | 86,998 | 86,998 | |
| | | | | | | | | | | |
| Total liabilities | 1,956,240 | 108,050 | 60,575 | 32,333 | 33,426 | 47,506 | 64,208 | 178,521 | 2,480,359 | |
| | | | | | | | | | | |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | At 31 December 2012 | | | | | | | | Total |
|--|--|--|--|--|--|--|--|------------------------|---------|
| | Due over 1 month but not more than 1 month US\$m | Due over 3 months but not more than 3 months US\$m | Due over 6 months but not more than 6 months US\$m | Due over 9 months but not more than 9 months US\$m | Due over 1 year but not more than 1 year US\$m | Due over 2 years but not more than 2 years US\$m | Due over 5 years but not more than 5 years US\$m | Due over 5 years US\$m | |
| Financial assets | | | | | | | | | |
| Cash and balances at central banks | 141,532 | - | - | - | - | - | - | - | 141,532 |
| Items in the course of collection from other banks | 7,303 | - | - | - | - | - | - | - | 7,303 |
| Hong Kong Government certificates of indebtedness | 22,743 | - | - | - | - | - | - | - | 22,743 |
| Trading assets | 382,654 | 12,506 | 9,829 | 248 | 3,169 | 405 | - | - | 408,801 |
| - reverse repos | 92,525 | 12,506 | 9,829 | 248 | 3,169 | 405 | - | - | 118,682 |
| - other trading assets | 290,129 | - | - | - | - | - | - | - | 290,119 |
| Financial assets designated at fair value | 437 | 576 | 425 | 526 | 239 | 2,462 | 3,545 | 25,372 | 33,572 |
| Derivatives | 354,222 | 65 | 252 | 22 | 227 | 596 | 1,127 | 939 | 357,403 |
| - trading | 353,803 | - | - | - | - | - | - | - | 353,803 |
| - non-trading | 419 | 65 | 252 | 22 | 227 | 596 | 1,127 | 939 | 3,600 |
| Loans and advances to banks | 104,397 | 22,683 | 5,859 | 2,292 | 5,032 | 6,238 | 2,027 | 4,018 | 152,536 |
| - reverse repos | 28,832 | 3,101 | 2,071 | 356 | 963 | 138 | - | - | 35,461 |
| - other loans and advances to banks | 75,565 | 19,582 | 3,788 | 1,936 | 4,069 | 6,100 | 2,027 | 4,018 | 117,075 |
| Loans and advances to customers | 221,242 | 69,709 | 47,507 | 29,659 | 71,928 | 59,100 | 194,147 | 304,331 | 997,613 |
| - personal | 49,042 | 8,578 | 7,242 | 6,763 | 9,547 | 17,696 | 66,684 | 241,329 | 406,809 |
| - corporate and commercial | 138,999 | 49,166 | 35,463 | 19,334 | 53,766 | 38,070 | 119,330 | 55,910 | 510,004 |
| | 33,201 | 11,965 | 4,802 | 3,562 | 8,615 | 3,334 | 8,133 | 7,092 | 80,704 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

- financial

of which:

| | | | | | | | | | |
|------------------------|-----------|---------|---------|--------|---------|---------|---------|---------|---------|
| - reverse repos | 19,847 | 10,640 | 2,310 | 1,050 | 554 | 250 | - | - | 34,0 |
| Financial investments | 28,085 | 51,339 | 33,996 | 14,072 | 26,478 | 61,443 | 93,127 | 112,561 | 421,1 |
| Assets held for sale | 4,953 | 298 | 515 | 125 | 669 | 519 | 1,079 | 9,964 | 18,1 |
| Accrued income | 2,776 | 2,325 | 739 | 493 | 542 | 164 | 217 | 1,284 | 8,5 |
| Other financial assets | 13,383 | 3,486 | 1,759 | 337 | 745 | 332 | 372 | 3,170 | 23,5 |
| Total financial assets | 1,283,727 | 162,987 | 100,881 | 47,774 | 109,029 | 131,259 | 295,641 | 461,639 | 2,592,9 |
| Non-financial assets | - | - | - | - | - | - | - | 99,601 | 99,6 |
| Total assets | 1,283,727 | 162,987 | 100,881 | 47,774 | 109,029 | 131,259 | 295,641 | 561,240 | 2,692,5 |

Maturity analysis of assets and liabilities (continued)

| | At 31 December 2012 | | | | | | | Due over 5 years | Due over 7 years |
|---|--|--|--|--|--|--|--|------------------|------------------|
| | Due over 1 month but not more than 1 month US\$m | Due over 3 months but not more than 3 months US\$m | Due over 6 months but not more than 6 months US\$m | Due over 9 months but not more than 9 months US\$m | Due over 1 year but not more than 1 year US\$m | Due over 2 years but not more than 2 years US\$m | Due over 5 years but not more than 5 years US\$m | | |
| Financial liabilities | | | | | | | | | |
| Hong Kong currency notes in circulation | 22,742 | - | - | - | - | - | - | - | 22,742 |
| Deposits by banks | 79,100 | 12,029 | 1,957 | 437 | 2,155 | 1,695 | 9,440 | 616 | 107,819 |
| - repos | 6,593 | 4,645 | 711 | - | - | - | - | - | 11,959 |
| - other deposits by banks | 72,507 | 7,384 | 1,246 | 437 | 2,155 | 1,695 | 9,440 | 616 | 95,860 |
| Customer accounts ¹ | 1,193,736 | 67,638 | 34,010 | 11,939 | 16,019 | 7,034 | 8,985 | 653 | 1,340,384 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | | | | | |
|--|---------|--------|--------|-------|--------|--------|--------|--------|-----|
| - personal | 539,792 | 35,260 | 21,939 | 7,900 | 11,100 | 4,687 | 3,916 | 307 | 624 |
| | | | | | | | | | |
| - corporate and commercial | 473,370 | 24,018 | 9,044 | 2,925 | 3,354 | 1,069 | 1,193 | 305 | 515 |
| | | | | | | | | | |
| - financial | 180,574 | 8,360 | 3,027 | 1,114 | 1,565 | 1,278 | 3,876 | 41 | 199 |
| | | | | | | | | | |
| of which: repos | 22,446 | 3,869 | 1,047 | 345 | 567 | 344 | - | - | 28 |
| | | | | | | | | | |
| Items in the course of transmission to other banks | 7,131 | 7 | - | - | - | - | - | - | 7 |
| Trading liabilities | 240,212 | 29,003 | 4,707 | 1,820 | 5,197 | 3,867 | 9,736 | 10,021 | 304 |
| | | | | | | | | | |
| - repos | 96,690 | 27,002 | 3,319 | 985 | 2,227 | - | - | - | 130 |
| | | | | | | | | | |
| - debt securities in issue | 380 | 2,001 | 1,388 | 835 | 2,970 | 3,867 | 9,736 | 10,021 | 31 |
| | | | | | | | | | |
| - other trading liabilities | 143,142 | - | - | - | - | - | - | - | 143 |
| | | | | | | | | | |
| Financial liabilities designated at fair value | 427 | 81 | 2,068 | 2,163 | 1,605 | 2,916 | 28,902 | 49,558 | 87 |
| | | | | | | | | | |
| - debt securities in issue: covered bonds | - | - | - | - | - | - | 4,633 | - | 4 |
| | | | | | | | | | |
| - debt securities in issue: otherwise secured | - | 8 | 2,023 | - | 22 | 2,040 | 228 | 221 | 4 |
| | | | | | | | | | |
| - debt securities in issue: unsecured | 392 | 49 | 1 | 2,117 | 1,357 | 690 | 23,495 | 15,933 | 44 |
| | | | | | | | | | |
| - subordinated liabilities and preferred securities | - | - | - | - | - | - | 21 | 21,538 | 21 |
| | | | | | | | | | |
| - other | 35 | 24 | 44 | 46 | 226 | 186 | 525 | 11,866 | 12 |
| | | | | | | | | | |
| Derivatives | 352,696 | 75 | 43 | 29 | 2,408 | 628 | 1,212 | 1,795 | 358 |
| | | | | | | | | | |
| - trading | 352,195 | - | - | - | - | - | - | - | 352 |
| | | | | | | | | | |
| - non-trading | 501 | 75 | 43 | 29 | 2,408 | 628 | 1,212 | 1,795 | 6 |
| | | | | | | | | | |
| Debt securities in issue | 23,738 | 12,368 | 6,355 | 2,840 | 27,992 | 11,992 | 29,100 | 5,076 | 119 |
| | | | | | | | | | |
| - covered bonds | - | - | 1,133 | 422 | 757 | 2,328 | 1,920 | 486 | 7 |
| | | | | | | | | | |
| - otherwise secured | 14,598 | 1,894 | - | 184 | 753 | 1,634 | 5,779 | 950 | 25 |
| | | | | | | | | | |
| - unsecured | 9,140 | 10,474 | 5,222 | 2,234 | 26,482 | 8,030 | 21,401 | 3,640 | 86 |
| | | | | | | | | | |
| | 2,475 | 242 | 433 | 254 | 188 | 166 | 45 | - | 3 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

Liabilities of disposal groups held for sale

| | | | | | | | | | | |
|-----------------------------|-----------|---------|--------|--------|--------|--------|--------|---------|-------|--|
| | | | | | | | | | | |
| Accruals | 3,369 | 4,173 | 907 | 521 | 1,200 | 232 | 419 | 842 | 11 | |
| | | | | | | | | | | |
| Subordinated liabilities | 32 | 44 | - | 10 | - | 1,481 | 1,516 | 26,396 | 29 | |
| | | | | | | | | | | |
| Other financial liabilities | 19,837 | 4,881 | 2,115 | 519 | 867 | 599 | 1,409 | 2,190 | 32 | |
| | | | | | | | | | | |
| Total financial liabilities | 1,945,495 | 130,541 | 52,595 | 20,532 | 57,631 | 30,610 | 90,764 | 97,147 | 2,425 | |
| | | | | | | | | | | |
| Non-financial liabilities | - | - | - | - | - | - | - | 84,094 | 84 | |
| | | | | | | | | | | |
| Total liabilities | 1,945,495 | 130,541 | 52,595 | 20,532 | 57,631 | 30,610 | 90,764 | 181,241 | 2,509 | |
| | | | | | | | | | | |

1 Includes US\$355,980m (2012: US\$366,203m) insured by guarantee schemes.

Maturity analysis of off-balance sheet commitments received

| | | Due over 1 month US\$m | Due over 3 months US\$m | Due over 6 months US\$m | Due over 9 months US\$m | Due over 1 year US\$m | Due over 1 year but not more than 2 years US\$m | Due over 2 years US\$m | Due over 5 years US\$m | Due over 5 years US\$m | Total US\$m |
|---|-------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------|--|------------------------------------|------------------------------------|------------------------------------|----------------|
| At 31 December 2013 | | | | | | | | | | | |
| Loan and other credit-related commitments | 953 | - | - | - | - | - | - | - | - | - | 953 |
| | | | | | | | | | | | |
| At 31 December 2012 | | | | | | | | | | | |
| Loan and other credit-related commitments | 2,455 | 3 | 8 | 5 | 8 | 25 | 75 | 98 | 2,677 | | |
| | | | | | | | | | | | |

Maturity analysis of off-balance sheet commitments given

| | Due not over | Due over | Due over | Due over | Due over | Due over | Due over | Due over | Due over | Total |
|--|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------|
|--|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------|

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | more than 1 month US\$m | 1 month but not more than 3 months US\$m | 3 months but not more than 6 months US\$m | 6 months but not more than 9 months US\$m | 9 months but not more than 1 year US\$m | 1 year but not more than 2 years US\$m | 2 years but not more than 5 years US\$m | 5 years US\$m | US\$m |
|---|----------------------------------|---|--|--|---|--|--|---------------------|---------|
| At 31 December 2013 | | | | | | | | | |
| Loan and other credit-related commitments | 404,598 | 45,255 | 18,770 | 16,927 | 20,242 | 13,320 | 46,652 | 21,839 | 587,603 |
| Of which: | | | | | | | | | |
| - personal | 148,541 | 14,700 | 454 | 10,683 | 12,131 | 1,273 | 704 | 6,469 | 194,955 |
| - corporate and commercial | 225,333 | 29,191 | 17,794 | 5,662 | 4,879 | 9,009 | 41,851 | 12,096 | 345,815 |
| - financial | 30,724 | 1,364 | 522 | 582 | 3,232 | 3,038 | 4,097 | 3,274 | 46,833 |
| At 31 December 2012 | | | | | | | | | |
| Loan and other credit-related commitments | 408,815 | 43,394 | 8,389 | 5,191 | 37,751 | 11,598 | 45,910 | 18,421 | 579,469 |
| Of which: | | | | | | | | | |
| - personal | 153,255 | 6,999 | 704 | 185 | 19,049 | 1,216 | 1,616 | 8,159 | 191,183 |
| - corporate and commercial | 225,899 | 34,368 | 6,365 | 4,951 | 15,412 | 9,488 | 37,179 | 8,593 | 342,255 |
| - financial | 29,661 | 2,027 | 1,320 | 55 | 3,290 | 894 | 7,115 | 1,669 | 46,031 |

HSBC Holdings

Maturity analysis of assets, liabilities and off-balance sheet commitments

| | At 31 December 2013 | | | | | | | Due over 2 years | Due over 5 years | Total US\$m |
|---------------------------|------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------|----------------|
| | Due over 1 month US\$m | Due over 3 months US\$m | Due over 6 months US\$m | Due over 9 months US\$m | Due over 1 year US\$m | Due over 2 years US\$m | Due over 5 years US\$m | Due over 5 years US\$m | Total US\$m | |
| Financial assets | | | | | | | | | | |
| Cash at bank and in hand: | | | | | | | | | | |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | | | | | |
|---|--------|-------|-------|----|----|---|-------|---------|---------|
| - balances with HSBC undertakings | 407 | - | - | - | - | - | - | - | 407 |
| | | | | | | | | | |
| Derivatives | 2,789 | - | - | - | - | - | - | - | 2,789 |
| | | | | | | | | | |
| Loans and advances to HSBC undertakings | 8,394 | 4,374 | 7,595 | 14 | 16 | - | - | 32,951 | 53,344 |
| | | | | | | | | | |
| Financial investments | 23 | - | 8 | - | - | - | 330 | 849 | 1,210 |
| | | | | | | | | | |
| Other financial assets | 10 | - | - | - | - | - | - | - | 10 |
| | | | | | | | | | |
| Total financial assets | 11,623 | 4,374 | 7,603 | 14 | 16 | - | 330 | 33,800 | 57,760 |
| | | | | | | | | | |
| Non-financial assets | - | - | - | - | - | - | - | 93,076 | 93,076 |
| | | | | | | | | | |
| Total assets | 11,623 | 4,374 | 7,603 | 14 | 16 | - | 330 | 126,876 | 150,836 |
| | | | | | | | | | |
| Financial liabilities | | | | | | | | | |
| Amounts owing to HSBC undertakings | 3,770 | 12 | 2,234 | - | 1 | - | 463 | 5,205 | 11,685 |
| | | | | | | | | | |
| Financial liabilities designated at fair value | - | - | - | - | - | - | 1,283 | 19,744 | 21,027 |
| | | | | | | | | | |
| - debt securities in issue | - | - | - | - | - | - | 1,283 | 6,823 | 8,106 |
| | | | | | | | | | |
| - subordinated liabilities and preferred securities | - | - | - | - | - | - | - | 12,921 | 12,921 |
| Derivatives | 704 | - | - | - | - | - | - | - | 704 |
| | | | | | | | | | |
| Debt securities in issue | - | - | 1,721 | - | - | - | - | 1,070 | 2,791 |
| | | | | | | | | | |
| Accruals | 777 | 109 | 261 | 22 | - | - | - | - | 1,169 |
| | | | | | | | | | |
| Subordinated liabilities | - | - | - | - | - | - | 2,210 | 11,957 | 14,167 |
| | | | | | | | | | |
| Total financial liabilities | 5,251 | 121 | 4,216 | 22 | 1 | - | 3,956 | 37,976 | 51,543 |
| | | | | | | | | | |
| Non-financial liabilities | - | - | - | - | - | - | - | 206 | 206 |
| | | | | | | | | | |
| Total liabilities | 5,251 | 121 | 4,216 | 22 | 1 | - | 3,956 | 38,182 | 51,749 |
| | | | | | | | | | |
| Off-balance sheet commitments given | | | | | | | | | |
| Undrawn formal standby facilities, credit lines and other | 1,245 | - | - | - | - | - | - | - | 1,245 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

commitments to lend

| | At 31 December 2012 | | | | | | | | Total |
|---|--|--|--|--|--|--|--|------------------------------------|----------------|
| | Due over 1 month more than 1 month US\$m | Due over 3 months more than 3 months US\$m | Due over 6 months more than 6 months US\$m | Due over 9 months more than 9 months US\$m | Due over 1 year more than 1 year US\$m | Due over 1 year but not more than 2 years US\$m | Due over 2 years but not more than 5 years US\$m | Due over 5 years US\$m | US\$m |
| Financial assets | | | | | | | | | |
| Cash at bank and in hand: | | | | | | | | | |
| - balances with HSBC undertakings | 353 | - | - | - | - | - | - | - | 353 |
| | | | | | | | | | |
| Derivatives | 3,768 | - | - | - | - | - | - | - | 3,768 |
| | | | | | | | | | |
| Loans and advances to HSBC undertakings | 6,275 | 2,395 | 3,992 | - | 15 | 35 | 635 | 28,328 | 41,675 |
| | | | | | | | | | |
| Financial investments | 23 | - | 8 | - | - | - | - | 1,177 | 1,208 |
| | | | | | | | | | |
| Other financial assets | 4 | - | - | - | - | - | - | - | 4 |
| | | | | | | | | | |
| Total financial assets | 10,423 | 2,395 | 4,000 | - | 15 | 35 | 635 | 29,505 | 47,008 |
| | | | | | | | | | |
| Non-financial assets | - | - | - | - | - | - | - | 92,476 | 92,476 |
| | | | | | | | | | |
| Total assets | 10,423 | 2,395 | 4,000 | - | 15 | 35 | 635 | 121,981 | 139,484 |
| | | | | | | | | | |
| Financial liabilities | | | | | | | | | |
| Amounts owing to HSBC undertakings | 3,576 | 19 | 980 | - | - | - | 1,333 | 6,948 | 12,856 |
| | | | | | | | | | |
| Financial liabilities designated at fair value | - | - | - | - | - | - | 1,258 | 21,937 | 23,195 |
| | | | | | | | | | |
| - debt securities in issue | - | - | - | - | - | - | 1,258 | 7,319 | 8,577 |
| | | | | | | | | | |
| - subordinated liabilities and preferred securities | - | - | - | - | - | - | - | 14,618 | 14,618 |
| Derivatives | 760 | - | - | - | - | - | - | - | 760 |
| | | | | | | | | | |
| | - | - | - | - | - | 1,646 | - | 1,045 | 2,691 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

Debt securities in issue

| | | | | | | | | | |
|--|-------|-----|-------|----|---|-------|-------|--------|--------|
| | | | | | | | | | |
| Accruals | 223 | 171 | 190 | 21 | - | - | - | - | 605 |
| | | | | | | | | | |
| Subordinated liabilities | - | - | - | - | - | - | - | 11,907 | 11,907 |
| | | | | | | | | | |
| Total financial liabilities | 4,559 | 190 | 1,170 | 21 | - | 1,646 | 2,591 | 41,837 | 52,014 |
| | | | | | | | | | |
| Non-financial liabilities | - | - | - | - | - | - | - | 443 | 443 |
| | | | | | | | | | |
| Total liabilities | 4,559 | 190 | 1,170 | 21 | - | 1,646 | 2,591 | 42,280 | 52,457 |
| | | | | | | | | | |
| Off-balance sheet commitments given Undrawn formal standby facilities, credit lines and other commitments to lend | | | | | | | | | |
| ..... | 1,200 | - | - | - | - | - | - | - | 1,200 |

34 Offsetting of financial assets and financial liabilities

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

| | Gross amounts of recognised financial assets US\$m | Gross amounts offset in the balance sheet US\$m | Amounts presented in the balance sheet US\$m | Amounts not offset in the balance sheet | | |
|--|---|---|---|--|---|------------------------|
| | | | | Financial instruments ¹ US\$m | Cash collateral received US\$m | Net amount US\$m |
| At 31 December 2013 | | | | | | |
| Derivatives ² (Note 18) | 569,595 | (287,330) | 282,265 | (215,957) | (36,387) | 29,921 |
| Reverse repos, stock borrowing and similar agreements ³ | 288,903 | (88,775) | 200,128 | (197,287) | (57) | 2,784 |
| Classified as: | | | | | | |
| - trading assets . | 39,008 | (18,570) | 20,438 | (20,438) | - | - |
| - loans and advances to banks at amortised cost | 106,684 | (15,209) | 91,475 | (88,711) | (39) | 2,725 |
| - loans and advances to customers at amortised cost | 143,211 | (54,996) | 88,215 | (88,138) | (18) | 59 |
| Loans and advances to customers excluding reverse repos at amortised cost ⁴ .. | 192,437 | (92,654) | 99,783 | (89,419) | - | 10,364 |
| | 1,050,935 | (468,759) | 582,176 | (502,663) | (36,444) | 43,069 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

At 31 December 2012

| | | | | | | |
|--|-----------|-----------|---------|-----------|----------|--------|
| Derivatives ² (Note 18) | 729,679 | (372,229) | 357,450 | (271,944) | (38,915) | 46,591 |
| Reverse repos, stock borrowing and similar agreements ³ | 293,953 | (89,089) | 204,864 | (202,575) | (214) | 2,075 |
| Classified as: | | | | | | |
| - trading assets . | 195,112 | (60,360) | 134,752 | (134,328) | - | 424 |
| - loans and advances to banks at amortised cost | 42,430 | (6,969) | 35,461 | (33,721) | (170) | 1,570 |
| - loans and advances to customers at amortised cost | 56,411 | (21,760) | 34,651 | (34,526) | (44) | 81 |
| Loans and advances to customers excluding reverse repos at amortised cost ⁴ ... | 172,530 | (89,838) | 82,692 | (76,761) | - | 5,931 |
| | 1,196,162 | (551,156) | 645,006 | (551,280) | (39,129) | 54,597 |

1 Including non-cash collateral.

2 Including amounts that are both subject to and not subject to enforceable master netting agreements and similar agreements.

3 For the amount of reverse repos, stock borrowing and similar agreements recognised in the balance sheet, see the 'Funding sources and uses' table on page 221. In the analysis above, the US\$20,438m (2012: US\$134,752m) of trading assets presented in the balance sheet comprised US\$10,120m of reverse repos (2012: US\$118,681m) and US\$10,318m of stock borrowing (US\$16,071m).

4 At 31 December 2013, the total amount of loans and advances to customers excluding reverse repos at amortised cost was US\$992,089m (2012: US\$962,972m) of which US\$99,783m (2012: US\$82,692m) was subject to offsetting. For the amount of loans and advances to customers excluding reverse repos at amortised cost recognised in the balance sheet, see the 'Funding sources and uses' table on page 221.

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

| | Gross amounts of recognised financial liabilities | Gross amounts offset in the balance sheet | Amounts presented in the balance sheet | Amounts not offset in the balance sheet | Cash collateral pledged | Net amount |
|--|---|---|--|--|-------------------------|------------|
| | US\$m | US\$m | US\$m | Financial instruments ¹ US\$m | US\$m | US\$m |
| At 31 December 2013 | | | | | | |
| Derivatives ² (Note 18) | 561,614 | (287,330) | 274,284 | (216,596) | (29,093) | 28,595 |
| Repos, stock lending and similar agreements ³ | 282,634 | (88,775) | 193,859 | (193,354) | (81) | 424 |
| Classified as: | | | | | | |
| - trading liabilities | 48,209 | (18,570) | 29,639 | (29,625) | - | 14 |
| - deposits by banks at amortised cost . | 57,914 | (15,209) | 42,705 | (42,375) | (70) | 260 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | | |
|--|-----------|-----------|---------|-----------|----------|--------|
| - customer accounts at amortised cost . | 176,511 | (54,996) | 121,515 | (121,354) | (11) | 150 |
| Customer accounts excluding repos at amortised cost ⁴ | 195,153 | (92,654) | 102,499 | (89,394) | - | 13,105 |
| | 1,039,401 | (468,759) | 570,642 | (499,344) | (29,174) | 42,124 |
| At 31 December 2012 | | | | | | |
| Derivatives ² (Note 18) | 731,115 | (372,229) | 358,886 | (275,723) | (39,594) | 43,569 |
| Repos, stock lending and similar agreements ³ | 266,697 | (89,089) | 177,608 | (176,573) | (94) | 941 |
| Classified as: | | | | | | |
| - trading liabilities | 197,401 | (60,360) | 137,041 | (136,173) | - | 868 |
| - deposits by banks at amortised cost . | 18,918 | (6,969) | 11,949 | (11,857) | (92) | - |
| - customer accounts at amortised cost . | 50,378 | (21,760) | 28,618 | (28,543) | (2) | 73 |
| Customer accounts excluding repos at amortised cost ⁴ | 180,494 | (89,838) | 90,656 | (76,761) | - | 13,895 |
| | 1,178,306 | (551,156) | 627,150 | (529,057) | (39,688) | 58,405 |

1 Including non-cash collateral.

2 Including amounts that are both subject to and not subject to enforceable master netting agreements and similar agreements.

3 For the amount of repos, stock lending and similar agreements recognised in the balance sheet, see the 'Funding sources and uses' table on page 221. In the analysis above, the US\$29,639m (2012: US\$137,041m) of trading liabilities presented in the balance sheet comprised US\$17,421m of repos (2012: US\$130,223m) and US\$12,218m of stock lending (US\$6,818m).

4 At 31 December 2013, the total amount of customer accounts excluding repos at amortised cost was US\$1,361,297m (2012: US\$1,311,396m) of which US\$102,499m (2012: US\$90,656m) was subject to offsetting. For the amount of customer accounts excluding repos at amortised cost recognised in the balance sheet, see the 'Funding sources and uses' table on page 221.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

Derivatives and reverse repurchase/repurchase agreements included in the 'Amounts not offset in the balance sheet' column relate to transactions where:

- the counterparty has an offsetting exposure with HSBC and a master netting or similar arrangement is in place with a right of set off only in the event of default, insolvency or bankruptcy, or the offset criteria are otherwise not satisfied; and

- cash and non-cash collateral received/pledged in respect of the transactions described above.

The Group offsets certain loans and advances to customers and customer accounts when the offset criteria are met and the amounts presented above represent this subset of the total amounts recognised in the balance sheet. Of this subset, the loans and advances to customers and customer accounts included in 'Amounts not offset in the balance sheet' column primarily relate to transactions where the counterparty has an offsetting exposure with HSBC and an agreement is in place with the right of offset but the offset criteria are otherwise not satisfied.

35 Foreign exchange exposures

Structural foreign exchange exposures

HSBC's structural foreign exchange exposures are represented by the net asset value of its foreign exchange equity and subordinated debt investments in subsidiaries, branches, joint ventures and associates with non-US dollar functional currencies. Gains or losses on structural foreign exchange exposures are recognised in other comprehensive income. HSBC's management of its structural foreign exchange exposures is discussed on page 285.

In its separate financial statements, HSBC Holdings recognises its foreign exchange gains and losses on structural foreign exchange exposures in the income statement.

Net structural foreign exchange exposures

| Currency of structural exposure | At 31 December | |
|---------------------------------|----------------|---------------|
| | 2013 US\$m | 2012 US\$m |
| Pound sterling | 28,403 | 27,305 |
| Euro | 22,014 | 23,945 |
| Chinese renminbi | 20,932 | 19,060 |
| Hong Kong dollars | 18,974 | 14,466 |
| Mexican pesos | 5,932 | 5,948 |
| Brazilian reais | 5,581 | 6,279 |
| Canadian dollars | 4,372 | 5,024 |
| Indian rupees | 3,222 | 3,967 |
| UAE dirhams | 3,069 | 2,807 |
| Saudi riyals | 2,531 | 2,219 |
| Malaysian ringgit | 2,194 | 2,165 |
| Swiss francs | 1,940 | 2,925 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | |
|---------------------------------|---------|---------|
| Turkish lira | 1,533 | 1,787 |
| Taiwanese dollars | 1,527 | 1,513 |
| Australian dollars | 1,515 | 1,602 |
| Korean won | 1,373 | 1,520 |
| Indonesian rupiah | 1,244 | 1,317 |
| Argentine pesos | 1,067 | 1,054 |
| Singapore dollars | 849 | 874 |
| Egyptian pounds | 739 | 699 |
| Qatari rial | 624 | 599 |
| Thailand baht | 593 | 653 |
| Philippine pesos | 553 | 787 |
| Others, each less than US\$500m | 4,387 | 4,931 |
| Total | 135,168 | 133,446 |

Shareholders' equity would decrease by US\$2,521m (2012: US\$2,562m) if euro and sterling foreign currency exchange rates weakened by 5% relative to the US dollar.

36 Assets charged as security for liabilities and collateral accepted as security for assets

Financial assets pledged to secure liabilities

| | Assets pledged at 31 December | |
|--|----------------------------------|---------------|
| | 2013 US\$m | 2012 US\$m |
| Treasury bills and other eligible securities | 6,387 | 4,381 |
| Loans and advances to banks | 17,733 | 22,074 |
| Loans and advances to customers | 87,894 | 81,333 |
| Debt securities | 190,095 | 198,671 |
| Equity shares | 8,816 | 6,255 |
| | 1,035 | 1,090 |

Other

311,960 313,804

The table above shows assets where a charge has been granted to secure liabilities on a legal and contractual basis. The amount of such assets may be greater than the book value of assets utilised as collateral for funding purposes or to cover liabilities. This is the case for securitisations and covered bonds where the amount of liabilities issued, plus any mandatory over-collateralisation, is less than the book value of financial assets available for funding or collateral purposes in the relevant pool of assets. This is also the case where financial assets are placed with a custodian or settlement agent which has a floating charge over all the financial assets placed to secure any liabilities under settlement accounts.

These transactions are conducted under terms that are usual and customary to collateralised transactions including, where relevant, standard securities lending and repurchase agreements.

Collateral accepted as security for assets

The fair value of assets accepted as collateral in relation to reverse repo and stock borrowing that HSBC is permitted to sell or repledge in the absence of default is US\$259,617m (2012: US\$295,709m). The fair value of any such collateral that has been sold or repledged was US\$186,013m (2012: US\$202,662m). HSBC is obliged to return equivalent securities.

These transactions are conducted under terms that are usual and customary to standard securities borrowing and reverse repurchase agreements.

37 Non-controlling interests

| | At 31 December | |
|--|----------------|-------|
| | 2013 | 2012 |
| | US\$m | US\$m |
| Non-controlling interests attributable to holders of ordinary shares in subsidiaries | 5,900 | 5,159 |
| Preferred securities issued by subsidiaries | 2,688 | 2,728 |
| | 8,588 | 7,887 |

Preferred securities issued by subsidiaries

Preferred securities are securities for which there is no obligation to pay a dividend and, if the dividend is not paid, it may not be cumulative. Such securities do not generally carry voting rights but rank higher than ordinary shares for dividend payments and in the event of a winding-up. These securities have no stated maturity date but may be called and redeemed by the issuer, subject to prior notification to the PRA and, where relevant, the consent of the local banking regulator. Dividends on floating rate preferred securities are generally related to interbank offer rates.

Included in the capital base of HSBC are non-cumulative preferred securities classified as tier 1 capital and cumulative preferred securities classified as tier 2 capital in accordance with the rules and guidance in GENPRU.

Preferred securities issued by HSBC's subsidiaries

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | At 31 December | | |
|--------------------------|---|----------------|-------|-------|
| | | First | 2013 | 2012 |
| | | call | US\$m | US\$m |
| | | date | | |
| HSBC USA Inc. | | | | |
| | Depository shares each representing 25% interest in a share of | | | |
| US\$150m | adjustable-rate cumulative preferred stock, series D | Jul 1999 | 150 | 150 |
| US\$150m | Cumulative preferred stock | Oct 2007 | 150 | 150 |
| US\$518m | Floating rate non-cumulative preferred stock, series F | Apr 2010 | 518 | 518 |
| US\$374m | Floating rate non-cumulative preferred stock, series G | Jan 2011 | 374 | 374 |
| US\$374m | 6.50% non-cumulative preferred stock, series H | Jul 2011 | 374 | 374 |
| HSBC Finance Corporation | | | | |
| US\$575m | 6.36% non-cumulative preferred stock, series B | Jun 2010 | 559 | 559 |
| HSBC Bank Canada | | | | |
| CAD175m | Non-cumulative redeemable class 1 preferred shares, series C | Jun 2010 | 164 | 176 |
| CAD175m | Non-cumulative class 1 preferred shares, series D | Dec 2010 | 164 | 176 |
| CAD250m | Non-cumulative 5 year rate reset class 1 preferred shares, series E | Jun 2014 | 235 | 251 |
| | | | 2,688 | 2,728 |

38 Called up share capital and other equity instruments

Issued and fully paid

HSBC Holdings ordinary shares of US\$0.50 each

| | | At 31 December | |
|--|--|----------------|-------|
| | | 2013 | 2012 |
| | | US\$m | US\$m |
| HSBC Holdings ordinary shares ¹ | | | |
| ..... |  | 9,415 | 9,238 |
| | | Number | US\$m |
| | | 18,476,008,664 | 9,238 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | |
|---|----------------|-------|
| At 1 January 2013 | | |
| | | |
| Shares issued under HSBC employee share plans | 120,033,493 | 60 |
| | | |
| Shares issued in lieu of dividends | 233,964,882 | 117 |
| | | |
| At 31 December 2013 | 18,830,007,039 | 9,415 |
| | | |
| At 1 January 2012 | 17,868,085,646 | 8,934 |
| | | |
| Shares issued under HSBC employee share plans | 238,587,766 | 119 |
| | | |
| Shares issued in lieu of dividends | 369,335,252 | 185 |
| | | |
| At 31 December 2012 | 18,476,008,664 | 9,238 |
| | | |

HSBC Holdings non-cumulative preference shares of US\$0.01 each

| | Number | US\$m |
|---|-----------|-------|
| At 1 January 2013 and 31 December 2013 ² | 1,450,000 | - |
| | | |
| At 1 January 2012 and 31 December 2012 | 1,450,000 | - |
| | | |

1 All HSBC Holdings ordinary shares in issue confer identical rights, including in respect of capital, dividends and voting.

2 Included in the capital base of HSBC as tier 1 capital in accordance with the rules and guidance in GENPRU.

Dividends on the HSBC Holdings non-cumulative dollar preference shares in issue ('dollar preference shares') are paid quarterly at the sole and absolute discretion of the Board of Directors. The Board of Directors will not declare a dividend on the dollar preference shares if payment of the dividend would cause HSBC Holdings not to meet the applicable capital adequacy requirements of the PRA or the profit of HSBC Holdings available for distribution as dividends is not sufficient to enable HSBC Holdings to pay in full both dividends on the dollar preference shares and dividends on any other shares that are scheduled to be paid on the same date and that have an equal right to dividends. HSBC Holdings may not declare or pay dividends on any class of its shares ranking lower in the right to dividends than the dollar preference shares nor redeem nor purchase in any manner any of its other shares ranking equal with or lower than the dollar preference shares unless it has paid in full, or set aside an amount to provide for payment in full, the dividends on the dollar preference shares for the then current dividend period. The dollar preference shares carry no rights to conversion into ordinary shares of HSBC Holdings. Holders of the dollar preference shares will only be entitled to attend and vote at general meetings of shareholders of HSBC Holdings if the dividend payable on the dollar preference shares has not been paid in full for four consecutive dividend payment dates. In such circumstances, holders of the dollar preference shares will be entitled to vote on all matters put to general meetings until such time as HSBC Holdings has paid a full dividend on the dollar preference shares. HSBC Holdings may redeem the dollar preference shares in whole at any time on or after 16 December 2010, subject to prior notification to the PRA.

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

HSBC Holdings non-cumulative preference share of £0.01

The one non-cumulative sterling preference share of £0.01 in issue ('sterling preference share') has been in issue since 29 December 2010 and is held by a subsidiary of HSBC Holdings. Dividends on the sterling preference share are paid quarterly at the sole and absolute discretion of the Board. The sterling preference share carries no rights of conversion into ordinary shares of HSBC Holdings and no rights to attend and vote at general meetings of shareholders of HSBC Holdings. HSBC Holdings may redeem it in whole at any time at the option of the Company.

Other equity instruments

Other equity instruments which have been included in the capital base of HSBC were issued in accordance with the rules and guidance in the PRA's GENPRU. These securities may be called and redeemed by HSBC subject to prior notification to the PRA. If not redeemed at the first call date interest coupons remain unchanged.

Tier 1 capital securities

Tier 1 capital securities are perpetual subordinated securities on which coupon payments may be deferred at the discretion of HSBC Holdings. While any coupon payments are unpaid or deferred, HSBC Holdings will not declare, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Such securities do not generally carry voting rights but rank higher than ordinary shares for coupon payments and in the event of a winding-up.

At HSBC Holdings' discretion, and subject to certain conditions being satisfied, the capital securities may be exchanged on any coupon payment date for non-cumulative preference shares to be issued by HSBC Holdings and ranking pari passu with the dollar and sterling preference shares in issue. The preference shares would be issued at a nominal value of US\$0.01 per share and a premium of US\$24.99 per share, with both such amounts being subscribed and fully paid.

HSBC's qualifying tier 1 capital securities in issue which are accounted for in equity

| | | | At 31 December | |
|------------|--|-----------------------|----------------|---------------|
| | | First call date | 2013 US\$m | 2012 US\$m |
| US\$2,200m | 8.125% perpetual subordinated capital securities | Apr 2013 | 2,133 | 2,133 |
| US\$3,800m | 8.00% perpetual subordinated capital securities, Series 2 | Dec 2015 | 3,718 | 3,718 |
| | | | 5,851 | 5,851 |

Shares under option

For details of the options outstanding to subscribe for HSBC Holdings ordinary shares under the HSBC Holdings Group Share Option Plan, the HSBC Share Plan and HSBC Holdings savings-related share option plans, see Note 7.

Aggregate options outstanding under these plans

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | Number of HSBC Holdings ordinary shares | Period of exercise | Exercise price |
|---------------------------|---|-----------------------|------------------|
| 31 December 2013 | 119,085,250 | 2013 to 2019 | £3.3116 - 7.9911 |
| | | 2013 to 2018 | HK\$37.8797 |
| | 24,215,341 | | -92.5881 |
| | 1,574,652 | 2013 to 2018 | €3.6361 - 7.5571 |
| | | 2013 to 2018 | US\$4.8876 - |
| | 3,997,069 | | 11.8824 |
| 31 December 2012 | 159,703,771 | 2013 to 2018 | £3.3116 - 7.9911 |
| | | | HK\$37.8797 - |
| | 31,637,840 | 2013 to 2018 | 94.5057 |
| | 2,180,263 | 2013 to 2018 | €3.6361 - 9.5912 |
| | | | US\$4.8876 - |
| | 6,488,894 | 2013 to 2018 | 12.0958 |
| 31 December 2011 | 216,078,250 | 2012 to 2017 | £3.3116 - 7.9911 |
| | | | HK\$37.8797 - |
| | 45,422,511 | 2012 to 2017 | 94.5057 |
| | 3,176,265 | 2012 to 2017 | €3.6361 - 9.5912 |
| | | | US\$4.8876 - |
| | 9,752,066 | 2012 to 2017 | 12.0958 |

HSBC Bank Bermuda plans

Upon the acquisition of HSBC Bank Bermuda Limited ('HSBC Bank Bermuda') in 2004, all outstanding options over HSBC Bank Bermuda shares were converted into options to acquire HSBC Holdings ordinary shares using an exchange ratio calculated by dividing US\$40 (being the consideration paid for each HSBC Bank Bermuda Share) by the average price of HSBC Holdings ordinary shares over the five-day period to the completion of the acquisition. The exercise price payable for each option was adjusted using the same exchange ratio.

During 2012 and 2013 there were no options exercised over HSBC Holdings ordinary shares and no shares were delivered from the HSBC (Bank of Bermuda) Employee Benefit Trust 2004. During 2013, options over 149,924 (2012: 880,983) HSBC Holdings ordinary shares lapsed.

At 31 December 2013, the HSBC (Bank of Bermuda) Employee Benefit Trust 2004 held nil (2012: 2,108,830) HSBC Holdings ordinary shares.

Options outstanding over HSBC Holdings ordinary shares under the HSBC Bank Bermuda share plan

| | Number of HSBC Holdings ordinary shares | Period of exercise | Exercise price |
|--|---|-----------------------|----------------|
|--|---|-----------------------|----------------|

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | |
|-----------------------|-----------|-------------------------------|
| 31 December 2013..... | - | 2013 US\$9.32 - 10.33 |
| 31 December 2012..... | 149,924 | 2013 US\$9.32 - 10.33 |
| 31 December 2011..... | 1,030,907 | 2012 to 2013 US\$9.32 - 15.99 |

Maximum obligation to deliver HSBC Holdings ordinary shares

At 31 December 2013, the maximum obligation to deliver HSBC Holdings ordinary shares under all of the above option arrangements, together with GPSP awards and restricted share awards granted under the HSBC Share Plan and/or the HSBC Share Plan 2011, was 265,534,885 (2012: 364,082,766). The total number of shares at 31 December 2013 held by employee benefit trusts that may be used to satisfy such obligations to deliver HSBC Holdings ordinary shares was 12,068,136 (2012: 18,009,459).

39 Notes on the statement of cash flows

Other non-cash items included in profit before tax

| | 2013 US\$m | HSBC 2012 US\$m | 2011 US\$m | HSBC Holdings 2013 US\$m | 2012 US\$m |
|---|---------------|-----------------------|---------------|--------------------------------|---------------|
| Depreciation, amortisation and impairment | 2,330 | 2,531 | 3,135 | 35 | 457 |
| Gains arising from dilution of interests in associates | (1,051) | - | (208) | - | - |
| Revaluations on investment property | (113) | (72) | (118) | - | - |
| Share-based payment expense | 630 | 988 | 1,162 | 49 | 55 |
| Loan impairment losses gross of recoveries and other credit risk provisions | 7,356 | 9,358 | 13,553 | - | - |
| Provisions | 2,578 | 5,732 | 2,199 | - | - |
| Impairment of financial investments | (36) | 519 | 808 | - | - |
| Charge/(credit) for defined benefit plans | 121 | 476 | (140) | - | - |
| Accretion of discounts and amortisation of premiums | 180 | 246 | (513) | (10) | 23 |
| | 11,995 | 19,778 | 19,878 | 74 | 535 |

Change in operating assets

| | 2013 | HSBC 2012 | 2011 | HSBC Holdings 2013 | 2012 |
|--|------|--------------|------|-----------------------|------|
|--|------|--------------|------|-----------------------|------|

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | US\$m | US\$m | US\$m | US\$m | US\$m |
|--|-----------|-----------|----------|----------|---------|
| Change in loans to HSBC undertakings | - | - | - | (11,669) | (3,451) |
| Change in prepayments and accrued income | (1,568) | 557 | 1,907 | (65) | (5) |
| Change in net trading securities and net derivatives . | (24,870) | (36,829) | 27,058 | 923 | (507) |
| Change in loans and advances to banks | (21,578) | 1,083 | 2,618 | - | - |
| Change in loans and advances to customers | (100,115) | (72,619) | (30,853) | - | - |
| Change in financial assets designated at fair value | (4,922) | (2,698) | (583) | - | - |
| Change in other assets | 4,154 | (6,015) | (7,559) | 16 | (48) |
| | (148,899) | (116,521) | (7,412) | (10,795) | (4,011) |

Change in operating liabilities

| | 2013 US\$m | HSBC 2012 US\$m | 2011 US\$m | HSBC Holdings 2013 US\$m | 2012 US\$m |
|--|---------------|-----------------------|---------------|--------------------------------|---------------|
| Change in accruals and deferred income | 3,085 | 78 | (800) | 248 | 10 |
| Change in deposits by banks | 22,975 | (5,393) | 2,238 | - | - |
| Change in customer accounts | 150,262 | 90,071 | 48,401 | - | - |
| Change in debt securities in issue | (15,381) | (11,552) | (14,388) | 98 | 86 |
| Change in financial liabilities designated at fair value | 994 | 2,549 | 5,468 | (550) | 2,464 |
| Change in other liabilities | 2,822 | 13,317 | 3,093 | (857) | 391 |
| | 164,757 | 89,070 | 44,012 | (1,061) | 2,951 |

Cash and cash equivalents

| | 2013 US\$m | HSBC 2012 US\$m | 2011 US\$m | HSBC Holdings 2013 US\$m | 2012 US\$m |
|---|---------------|-----------------------|---------------|--------------------------------|---------------|
| Cash at bank with HSBC undertakings | - | - | - | 407 | 353 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | | |
|--|---------|---------|---------|-----|-----|
| Cash and balances at central banks | 166,599 | 141,532 | 129,902 | - | - |
| Items in the course of collection from other banks .. | 6,021 | 7,303 | 8,208 | - | - |
| Loans and advances to banks of one month or less .. | 164,591 | 148,232 | 169,858 | - | - |
| Treasury bills, other bills and certificates of deposit less than three months | 15,980 | 25,379 | 26,226 | - | - |
| Less: items in the course of transmission to other banks | (6,910) | (7,138) | (8,745) | - | - |
| | 346,281 | 315,308 | 325,449 | 407 | 353 |

Interest and dividends

| | 2013 US\$m | HSBC 2012 US\$m | 2011 US\$m | HSBC Holdings 2013 US\$m | 2012 US\$m |
|--------------------------|---------------|-----------------------|---------------|--------------------------------|---------------|
| Interest paid | (17,262) | (18,412) | (23,125) | (2,705) | (2,661) |
| Interest received | 50,823 | 61,112 | 66,734 | 1,986 | 1,759 |
| Dividends received | 1,133 | 766 | 602 | 20,925 | 13,709 |

The amount of cash and cash equivalents not available for use by HSBC at 31 December 2013 was US\$38,019m (2012: US\$32,368m), of which US\$21,811m (2012: US\$20,464m) related to mandatory deposits at central banks.

Disposal of subsidiaries and businesses

In October 2013, we completed the disposal of HSBC Bank (Panama) S.A., receiving total cash consideration of US\$2,210m which is included under 'Cash flow from investing activities' in the Consolidated statement of cash flows on page 420. The effect of disposals of subsidiaries and businesses in 2012 is tabulated below.

| | 2012 | | | Total |
|---------------------------------------|-------------------------------|-------------------------------|-----------------------------|--------|
| | US cards business US\$m | US branch network US\$m | Other disposals US\$m | US\$m |
| Assets | | | | |
| Loans and advances to banks | - | - | 799 | 799 |
| Loans and advances to customers | 26,748 | 2,091 | 3,632 | 32,471 |
| Financial investments | - | - | 924 | 924 |
| Prepayments and accrued income | 572 | - | 53 | 625 |

Edgar Filing: HSBC HOLDINGS PLC - Form 6-K

| | | | | |
|---|--------|----------|---------|--------|
| Goodwill and intangible assets | 318 | 7 | | |
| ..... |  |  | 276 | 601 |
| Other assets | 369 | 68 | | |
| ..... |  |  | 1,618 | 2,055 |
| Total assets excluding cash and cash equivalents | 28,007 | 2,166 | | |
| ..... |  |  | 7,302 | 37,475 |
| Liabilities | | | | |
| Deposits by banks | - | - | | |
| ..... |  |  | 385 | 385 |
| Customer accounts | - | 13,199 | | |
| ..... |  |  | 5,986 | 19,185 |
| Liabilities under insurance contracts | - | - | | |
| ..... |  |  | 1,080 | 1,080 |
| Other liabilities | 161 | 7 | | |
| ..... |  |  | 1,012 | 1,180 |
| Total liabilities | 161 | 13,206 | | |
| ..... |  |  | 8,463 | 21,830 |
| Aggregate net assets at date of disposal, excluding cash and cash equivalents | | | | |
| ..... | 27,846 | (11,040) | (1,161) | 15,645 |
| Non-controlling interests disposed | - | - | | |
| ..... |  |  | (81) | (81) |
| Gain on disposal including costs to sell | 3,148 | 864 | | |
| ..... |  |  | 355 | 4,367 |
| Add back: costs to sell | 72 | 15 | | |
| ..... |  |  | 56 | 143 |
| Selling price | 31,066 | (10,161) | | |
| ..... |  |  | (831) | 20,074 |
| Satisfied by: | | | | |
| Cash and cash equivalents received/(paid) as consideration | 31,066 | (10,091) | | |
| ..... |  |  | (542) | 20,433 |
| Cash and cash equivalents sold | - | (70) | | |
| ..... |  |  | (321) | (391) |
| Cash consideration received/(paid) up to 31 December 2012 | 31,066 | (10,161) | | |
| ..... |  |  | (863) | 20,042 |
| Cash still to be received at 31 December 2012 | - | - | | |
| ..... |  |  | 32 | 32 |
| Total cash consideration | 31,066 | (10,161) | | |
| ..... |  |  | (831) | 20,074 |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HSBC Holdings plc

By:

Name: Ben J S Mathews

Title: Group Company Secretary

Date: 25 March 2014