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HSBC LAUNCHES MARKET-FIRST RMB AUTOPAY SERVICES

****Services available ahead of HKICL RMB clearing system****

****autoPay services now provided to leading global consumer packaging group****

HSBC today announced the launch of its market-first RMB autoPay services in Hong Kong through the intra Group clearing system for the Bank's customers. Officially launched in December 2010, HSBC's RMB autoPay services were available to customers four months ahead of the scheduled roll-out of Hong Kong Interbank Clearing Limited's (HKICL) RMB autoPay clearing system. As a result of the early launch, HSBC is now well-positioned for the anticipated customer demand for RMB autoPay facilities.

John Laurens, Head of Global Payments and Cash Management, Asia Pacific, said, "By proactively launching these services, the current and future RMB demands of clients are front-of-mind. HSBC is focused on the potential opportunities and implications for our clients resulting from Hong Kong's role in the internationalisation of RMB. In launching RMB autoPay services in Hong Kong, HSBC drew on its deep experience in developing Hong Kong's financial infrastructure, including the design and management of the Hong Kong Clearing House, our role in the establishment of the Interbank Clearing Limited and our current license as the USD Settlement Institution."

HSBC will provide Rexam Plc, the world's leading global consumer packaging group, with the first automated RMB autoPay solution in Hong Kong. Leveraging HSBC's international RMB leadership and experience in creating this new service, Rexam will now have the flexibility of paying salaries to its Hong Kong based expatriate employees from Mainland China in RMB.

In a published statement, Rexam Plc said, "HSBC's new RMB autoPay services will streamline RMB salary payments to our Mainland Chinese expatriates in Hong Kong. Using this service, we anticipate enhanced employee satisfaction and significant cost benefits to our growing expatriate workforce."

This news release is issued by

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Michael Velez, Head of Product Management for Global Payments and Cash Management, Hong Kong, said, “Customers require RMB cash management tools as RMB liberalisation continues to gain momentum, and the launch of our RMB autoPay services in Hong Kong proactively addresses this demand. This capability expands our existing RMB solutions and provides corporate clients with the flexibility to pay salaries in RMB. We also anticipate this service will support the burgeoning RMB investment market and facilitate the RMB IPO refund process as the market further matures in Hong Kong.”

HSBC’s pioneering launch covers both RMB autoPay-IN and autoPay-OUT services, and provides clients with enhanced efficiency and flexibility to streamline RMB payments and collections. The value generating system allows clients to collect bulk receivables from, and process bulk payments to, any HSBC RMB current or savings account in Hong Kong. The service simplifies the collections and payments processes allowing clients to focus on core activities, accelerate incoming fund reconciliation, improve working capital and mitigate the risks associated with incomplete or late payments. Additionally, clients also benefit from increased visibility of information across their fund portfolios.

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Notes to editors:

HSBC Global Payments and Cash Management

HSBC Global Payments and Cash Management is a leader in the provision of cash management services to over 445,000 customers in Asia-Pacific, including Fortune 500 multinational companies, top-tier local corporates, middle market companies, SMEs, financial institutions and government bodies. In addition to a continued investment in products and services, HSBC prides itself on developing and sustaining long term relationships with clients and delivering the highest level of customer service at both the regional and local levels.

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding and a principal member of the HSBC Group which, with over 7,500 properties in 87 countries and territories and assets of US\$2,455 billion at 31 December 2010, is one of the world’s largest banking and financial services organisations.

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