

28th December 2006

ANNOUNCEMENT OF NETWORK RECOVERY

HSBC's telecommunications network was disrupted on 27th December because of damage to submarine cables caused by earthquakes near Taiwan on 26th December.

The network in Japan was fully recovered at 8:00am on 28th December and is working normally.

There was some delay in remittances on 27th December. In total, 32 transactions (256.2 million yen) were delayed. However, all the transactions were completed before 11:30am on 28th December.

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Notes to editors:

HSBC Group

The HSBC Group is one of the largest banking and financial services organisations in the world. The Group has over 9,500 offices in 76 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa, serves over 110 million customers and has assets of US\$1,738 billion at 30 June 2006.

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