



## ***COMPANY ANNOUNCEMENT***

The following is a Company Announcement by HSBC Bank Malta p.l.c. pursuant to Malta Financial Services Authority Listing Rules:

***Quote:***

### **IMPROVING PRODUCTIVITY AND COST EFFECTIVENESS**

Reference is made to the company announcement issued on 19 November 2015 concerning the Interim Directors' Statement covering the period from 1 July 2015 to 19 November 2015, in which HSBC Malta reported a modest decline in profit before tax compared with the same period in 2014 mainly as a result of higher costs and a lower contribution from the life insurance business.

Despite the challenging operating environment mainly due to the record low interest rates and modest economic growth in the eurozone, the Bank is confident in its ability to grow its business in Malta and support the local economy whilst creating value for its shareholders. The Bank's priorities remain those of improving the service it provides to customers, managing costs, and operating to the highest global standards of compliance.

As expected in such challenging market conditions, HSBC Malta is focusing on improving its productivity and cost effectiveness by continuing to streamline its operations while investing in areas of growth and in compliance.

As part of this process, the Bank has approved a plan to deliver sustainable cost savings, mainly through an early retirement scheme for employees. The estimated cost of this one-off expenditure, as the programme is voluntary, will depend on the number of applications

**HSBC Bank Malta p.l.c.**

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Listed on and is a Member of the Malta Stock Exchange.*

received. The programme will reduce profitability in the current financial year but will support an increased level of profitability and efficiency in future years.

The Bank is committed to maintaining a dialogue on this initiative with all stakeholders, including the unions, in the interest of its shareholders, customers, employees and the community we serve.

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**Notes to editors:**

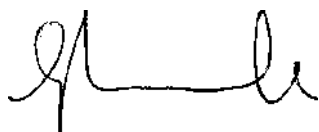
**1. Basis of preparation**

This statement is based on the unaudited management accounts of HSBC Bank Malta p.l.c. up to 30 September 2015 and other financial information.

**2. HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,100 offices in 72 countries and territories in Asia, Europe, North and Latin America, and the Middle East and North Africa. With assets of US\$2,549bn at 30 September 2015, HSBC is one of the world's largest banking and financial services organisations.

*Unquote*



**Dr George Brancalone LL.D.**  
**Company Secretary**  
**26 November 2015**