【表紙】

【提出書類】	有価証券届出書
【提出先】	関東財務局長
【提出日】	平成21年11月27日
【会社名】	エイチエスビーシー・バンク・ピーエルシー (HSBC Bank plc)
【代表者の役職氏名】	会社秘書役 ジョン・ヒューム・マッケンジー (John Hume McKenzie, Company Secretary) 副秘書役 ロバート・ヒュー・マスグローヴ (Robert Hugh Musgrove, Deputy Secretary)
【本店の所在の場所】	連合王国E14 5HQロンドン市カナダ・スクエア８ (8 Canada Square, London E14 5HQ, U.K.)
【代理人の氏名又は名称】	弁護士　神 田 英 一
【代理人の住所又は所在地】	東京都港区赤坂二丁目17番7号赤坂溜池タワー６階 クリフォードチャンス法律事務所外国法共同事業
【電話番号】	03-5561-6640
【事務連絡者氏名】	弁護士　宮 川 賢 司 弁護士　芦 澤 千 尋
【連絡場所】	東京都港区赤坂二丁目17番7号赤坂溜池タワー６階 クリフォードチャンス法律事務所外国法共同事業
【電話番号】	03-5561-6640
【届出の対象とした売出有価証券の種類】	社債
【届出の対象とした売出金額】	3,500,000オーストラリアドル（円貨換算額283,325,000円）（予定） （上記円換算額は１オーストラリアドル＝80.95円の換算率（2009年11月４日（日本時間）現在における株式会社三菱東京UFJ銀行発表の対顧客電信直物売買相場の仲値）による。）
【安定操作に関する事項】	該当なし
【縦覧に供する場所】	該当なし

(注)

1．本書において、別段の記載がある場合を除き、下記の用語は下記の意味を有するものとする。

「当行」、「発行会社」または「HSBCバンク・ピーエルシー」とは、	エイチエスビーシー・バンク・ピーエルシーをいう。
「当行グループ」とは、	エイチエスビーシー・バンク・ピーエルシーおよびその子会社企業をいう。
「HSBCグループ」とは、	エイチエスビーシー・ホールディングス・ピーエルシー（以下「HSBCホールディングス・ピーエルシー」ということがある。）およびその子会社をいう。
「英国」または「連合王国」とは、	グレート・ブリテンおよび北部アイルランド連合王国をいう。

2．別段の記載のない限り、本書中の「ポンド」は英国スターリングポンドを、「円」は日本円を、「AUD」はオーストラリアドルを指す。2009年11月４日（日本時間）現在における株式会社三菱東京UFJ銀行発表の対顧客電信直物売買相場の（ⅰ）ポンドの日本円に対する仲値は、1ポンド＝147.89円、（ⅱ）AUDの日本円に対する仲値は、１AUD＝80.95円であった。本書において記載されているポンドおよびAUDの日本円への換算はかかる換算率によって便宜上なされているもので、将来の換算率を表するものではない。

3．本書の表の計数が四捨五入されている場合、合計は必ずしも計数の総和と一致しない。

4．本書には、当行の財務状態、業績および事業に関する将来の見通しが記載されている。

歴史的事実ではない記述（当行の意見および見込みに関する記載を含む。）は、あくまで将来予測情報である。「期待している」、「予期している」、「意図している」、「予定している」、「考えている」、「目指している」、「見積もっている」、「潜在的」、「合理的に可能」といった用語やこれらの用語の変化形やこれらに類似した表現は、将来予測情報を表現することを意図している。これらの記述は、現在の計画、見積りおよび予測に基づくものであり、したがって、これらに過度に依拠すべきではない。将来予測情報はそれらが発せられた日のみにおけるものであり、これらが新たな情報や今後の事象を勘案して改訂または更新されたと推測すべきものではない。

将来予測情報は、固有のリスクや不確実性を伴っている。読者においては、いくつかの要因によって、実際上、将来予測情報において予想または示唆されていた結果とは異なる結果が生じる場合がある（大きく異なる場合も考えられる。）ことに注意が必要である。

5．当行は、本書において、課税、法令および規制についていかなる助言もするものではない。

第一部【証券情報】

第１【募集要項】

該当事項なし。

第２【売出要項】

1【売出有価証券】

【売出社債（売出短期社債を除く。）】

銘 柄	エイチエスビーシー・バンク・ピーエルシー 2013年12月20日満期100%元本確保型4年オーストラリアドル建てHSCEIリンクスパークリング仕組社債 (以下「本社債」という。)
売出券面額の総額または売出振替社債の総額	3,500,000オーストラリアドル（283,325,000円）(予定)(注１)
売出価額の総額	3,500,000オーストラリアドル（283,325,000円）(予定)(注１)
売出しに係る社債の所有者の住所および氏名または名称	HSBC証券会社東京支店 東京都中央区日本橋三丁目11番1号 (以下「売出人」という。)
記名・無記名の別	無記名式
各社債の金額	10,000オーストラリアドル（以下「額面金額」という。）
利　率	1.25%（年率） したがって、１額面金額に対して、 （ｉ）初回の利払日（以下に定義される。）においては、 124.31オーストラリアドル （ii）その他の利払日においては、 それぞれ125.00オーストラリアドル が支払われる。
償還期限	2013年12月20日(ロンドン時間)
摘　要	(1)　本社債につき、個別の格付は取得していない。ただし、発行会社の長期非劣後無担保上位債務は、ムーディーズ・インベスターズ・サービス・インクからAa2の格付を、またスタンダード・アンド・プアーズ・レーティングズ・サービシズからAAの格付を各々取得している。本社債は発行会社の長期非劣後無担保上位債務である。 (2)　本社債のその他の主要な事項については、下記「売出社債のその他の主要な事項」を参照のこと。

（注１）　本社債は、ユーロ市場で発行され、日本で売り出される。本社債のユーロ市場における発行券面総額は3,500,000オーストラリアドル（283,325,000円）の予定であるが、需要状況を勘案した上で増減することがあり、2009年12月11日までに決定される。

2【売出しの条件】

売出価格	額面金額の100%
申込期間	2009年12月15日から2009年12月21日まで
申込単位	額面金額10,000オーストラリアドル
申込証拠金	なし

申込受付場所	売出人および登録金融機関の日本における支店(注１)
売出しの委託を受けた者の住所および氏名または名称	該当事項なし
売出しの委託契約の内容	該当事項なし
摘　要	受渡しは2009年12月22日(日本時間)に行う。

（注１）　売出人は、以下の金融商品仲介を行う登録金融機関（以下「登録金融機関」という。）に、本社債の売出しの取扱いの一部を委託している。

登録金融機関
名称：香港上海銀行東京支店
住所：東京都中央区日本橋三丁目11番1号
ただし、登録金融機関は、かかる売出しの取扱いを、個人金融サービス本部にて行う。

本社債の申込み、購入および払込みは、各申込人と売出人との間に適用される外国証券取引口座約款に従ってなされる。各申込人は売出人から直接または登録金融機関を通じてあらかじめ同約款の交付を受け、同約款に基づき外国証券取引口座の設定を申し込む旨記載した申込書を売出人に提出しなければならない。

外国証券取引口座を通じて本社債を取得する場合、同口座約款の規定に従い本社債の券面の交付は行わない。

券面に関する事項については、下記「売出社債のその他の主要な事項、11．その他、(1) 本社債の様式」を参照のこと。

（注２）　本社債は、1933年米国証券法（その後の改正を含み、以下「米国証券法」という。）、米国のいずれかの州の証券法またはその他の法域の証券法に基づき登録されておらず、今後登録される予定もない。また、そのように登録される場合を除き、米国内において、または米国人に対し、米国人の計算で、もしくは米国人のために、本社債の勧誘または売り付けを行ってはならない。ただし、ルール144Aに従ってレギュレーションSに依拠する国外取引で非米国人に対する場合、または米国証券法の登録義務の免除もしくは当該登録義務に服さない取引に従う場合で、かつ、その他の適用ある証券法を遵守する場合はこの限りではない。本項において使用される用語は、米国証券法に基づくレギュレーションSにより定義された意味を有する。

（注３）　本社債は、発行会社の社債およびワラント発行プログラム（以下「プログラム」という。）に基づき、2009年12月21日（ロンドン時間）（以下「発行日」という。）に発行会社により発行され、かつ、2009年7月30日付約束証書により構成され、その利益を享受する。本社債に適用ある条項は、2009年7月30日付基本目論見書（以下「基本目論見書」という。）および本社債にかかる2009年12月21日に署名予定の最終条件書（以下「最終条件書」という。）に記載されている。本社債は、いずれの取引所にも上場されない予定である。

売出社債のその他の主要な事項

1．利息支払の方法

(1) 本社債は、2009年12月22日（当日を含む。）から年率1.25%で利息が付され、下記「3．支払」の規定に従って、各利払日に後払いされる。
　各社債に関し、初回の利払日（2010年12月20日）において支払われる利息は、１額面金額に対して124.31オーストラリアドルであり、その他の利払日において支払われる利息は、１額面金額に対して125.00オーストラリアドルである。

「利払日」とは、毎年12月20日をいい、2010年12月20日（当日を含む。）から始まり、満期日（当日を含む。）に終了する。ただし、利払日が営業日（以下に定義される。）に当たらない場合には、翌営業日（かかる翌営業日が翌月に属する場合には、直前の営業日）を利払日とする。なお、かかる利払日の調整によっては、支払われるべき金額の調整は一切なされない。

「営業日」とは、ロンドン、東京およびシドニーにおいて商業銀行および外国為替市場が支払いの決済を行っている日をいう。

(2) 各本社債は、その満期日以降は利息を付さない。ただし、適法な呈示がなされたにもかかわらず、期限前償還金額（下記「2．償還および買入、(2) 税制上の理由による期限前償還」に定義される。）または満期償還金額（下記「2．償還および買入、(1) 満期における償還」に定義される。）の支払いが不当に留保または拒絶

された場合は、各本社債に対し、（ｉ）当該本社債に関してその日までに支払期日が到来している全額が関連ある本社債の所持人（以下「本社債権者」という。）によりもしくはそのために受領された日、または（ii）計算代理人が本社債権者に対して、計算代理人が本社債に関して通知から７日目の日までに支払期日が到来する全額を受領したことを通知した日から７日後の日（ただし、その後の支払いに不履行があった場合を除く。）のいずれか早い方の日まで（判断の前だけでなくその後も含めて）、本「1．利息支払の方法」に従って、継続して利息が付される。

「計算代理人」とは、エイチエスビーシー・フランスをいう。

2．償還および買入

(1) 満期における償還

償還期限前に償還または買入消却されない限り、かつ、本書に別途規定される条項に従い、発行会社は、満期日において、各社債につきオーストラリアドル建てで、計算代理人により決定される金額（以下「満期償還金額」という。）を支払って償還する。満期償還金額は、各社債につき、額面金額に対し、(a)100%と(b)各評価日（以下に定義される。）におけるパフォーマンス（以下に定義される。）の総和を16で除したもの（ただし、０以下になる場合は０）との和を乗じたパーセンテージとする。パーセンテージは、小数点第四位を四捨五入し、小数点第三位までとする。

本書において、以下の用語は以下の意味を有する。

「インデックスパフォーマンス」とは、それぞれの評価日において、評価日インデックス値（以下に定義される。）を分子とし、基準価格（以下に定義される。）を分母として算出される分数で、パーセンテージで表記される。

「評価時刻」とは、HSCEI（以下に定義される。）の値が決定されることとなっているいずれかの日の香港証券取引所（The Stock Exchange of Hong Kong Limited）の予定終了時刻（以下に定義される。）をいう。香港証券取引所が予定終了時刻より早く終了する場合には、評価時刻は、実際に終了する時刻とする。

「評価日」とは、2010年３月16日、2010年６月11日、2010年９月14日、2010年12月13日、2011年３月15日、2011年６月13日、2011年９月12日、2011年12月13日、2012年３月14日、2012年６月12日、2012年９月13日、2012年12月13日、2013年３月14日、2013年６月12日、2013年９月13日および2013年12月13日をいう。ただし、これらの日が、予定取引日（以下に定義される。）に該当しない場合は翌予定取引日に延長される。これらの日が、以下に記載する「障害日の影響」に従い、限定評価日（以下に定義される。）に延期され、かつ、その日が予定取引日でないか障害日（以下に定義される。）である場合、これらの日は評価日とみなされ、各HSCEIの値は計算代理人がその裁量で決定する値となる。

「評価日インデックス値」とは、それぞれの評価日における評価時刻のHSCEIの終値の公表値をいう。

「基準価格」とは、基準日（以下に定義される。）におけるHSCEIの終値の公表値をいう。

「基準日」とは、2009年12月22日をいう。

「限定評価日」とは、本社債の評価日が障害日である場合において、市場障害事由（以下に定義される。）にかかわらず、かかる評価日から８営業日目の日をいう。ただし、

(ｉ)上記の結果として、評価日が満期日、関連する利払日または本社債に関し他に支払いを要する期限の到来している債務の支払いの行われる日の５営業日前以内となる場合には、限定評価日は、かかる日の５営業日前の日（予定取引日に該当しない場合には翌予定取引日）とする。

(ii)予定評価日（以下に定義される。）が、満期日、関連する利払日または本社債に関し他に支払いを要する期限の到来している債務の支払いの行われる日の５営業日前以内である場合には、限定評価日は当該予定評価日となる。

いずれも、評価日が障害日となる理由にかかわらない。

「市場障害事由」とは、計算代理人が重大であると判断する、評価時刻までの1時間の間に、発生もしくは存在している（ｉ）取引障害事由（以下に定義される。）もしくは（ii）取引所障害事由（以下に定義される。）、または（iii）取引早期終了事由（以下に定義される。）をいう。ただし、いずれかの時点でHSCEIに関する市場障害事由が生じているか否かを決定するためには、市場障害事由がHSCEIに含まれている株式銘柄に関して生じている場合、HSCEIの水準に対するかかる株式銘柄の関連寄与率は、（x）かかる株式銘柄に対

して帰せられるHSCEIの水準の割合と（y）包括的なHSCEIの水準の比較に基づく。かかる比較すべき水準は、いずれも、かかる市場障害事由の発生直前の水準とする。

「障害日」とは、予定取引日において、香港証券取引所が通常取引セッションにおいて取引を行うことができない日、または市場障害事由が発生している日をいう。

「取引所営業日」とは、香港証券取引所の取引が予定終了時刻よりも前に終了するかを問わず、香港証券取引所が通常取引セッションにおいて取引を行っている予定取引日をいう。

「取引障害事由」とは、（ｉ）HSCEIの値の20%以上を構成する株式銘柄に関し、香港証券取引所において、または（ii）香港証券取引所におけるHSCEIに関する先物もしくはオプション契約に関して、香港証券取引所その他が許容する制限を超える株価変動を理由とするか否かを問わず、香港証券取引所その他により課せられた取引の停止または制限をいう。

「取引所障害事由」とは、市場参加者が全般的に（ｉ）HSCEIの値の20%以上を構成する株式銘柄の取引を香港証券取引所において実行し、もしくはその時価を取得する、または（ii）香港証券取引所において、HSCEIに関する先物もしくはオプション契約の取引を実行し、もしくはその時価を取得する機能を失い、または毀損する（と計算代理人により決定される）事由（取引早期終了事由を除く。）をいう。

「取引早期終了事由」とは、HSCEIの値の20%以上を構成する株式銘柄に関係する香港証券取引所が取引所営業日において予定終了時刻より前に取引を終了することをいう。ただし、かかる早期終了時刻について、（ｉ）当該取引所営業日の香港証券取引所における通常取引セッションの実際の終了時刻と（ii）当該取引所営業日の評価時刻における執行のために香港証券取引所システムに入れられる注文の提出締切時刻のいずれか早い方から少なくとも1時間前までに香港証券取引所が発表している場合を除く。

「パフォーマンス」とは、それぞれの評価日において、(i)インデックスパフォーマンスがバリアー（以下に定義される。）と等しいかそれよりも小さい場合には、インデックスパフォーマンスから100%を引いたもの（ただし０以下になる場合は０）、(ii)インデックスパフォーマンスがバリアーよりも大きい場合には、15%とする。

「バリアー」は、140%から170%を仮条件とする。最終的に決定されるバリアーは、この仮条件と相違する可能性がある。バリアーは、かかる仮条件により需要状況を勘案した上で2009年12月中旬に決定される。

「予定評価日」とは、障害日を引き起こす事由の発生がなければ、評価日として当初予定された日をいう。

「予定終了時刻」とは、香港証券取引所および予定取引日につき、予定取引日における香港証券取引所の平日の予定された終了時刻をいい、時間外または通常取引セッション外の他の取引は考慮しない。

「予定取引日」とは、香港証券取引所が通常取引セッションでの取引を行う予定の日をいう。

「HSCEI」とは、ハンセン中国企業指数をいう。詳細については、下記「HSCEIに関する情報」を参照のこと。

障害日の影響

評価日が障害日である場合、評価日は障害日でない翌予定取引日とする。ただし、かかる翌予定取引日から限定評価日（当日を含む。）までのいずれかの日が障害日である場合にはこの限りではない。かかる場合、計算代理人は、その完全なる裁量により下記のいずれかに決定する。

（ｉ）かかる日がHSCEIにつき障害日となった理由にかかわらず、限定評価日を評価日とみなす。

（ii）HSCEIにつき障害日とならない翌取引所営業日を評価日とする。

上記の(i)の場合、計算代理人は、最初の障害日の発生の直前に効力を有していたHSCEIの計算式および計算方法に従って、限定評価日の評価時刻現在のHSCEIを構成する各株式銘柄の香港証券取引所の取引価格（または、関連ある株式銘柄について、限定評価日に障害日を引き起こす事由が発生した場合には、限定評価日の評価時刻現在における関連株式銘柄の誠実に見積もられた価値）を用いて、限定評価日における評価時刻のHSCEI値を決定するものとする。

HSCEIの調整

（ｉ）承継HSCEI

（A）HSCEIスポンサーがHSCEIを計算、公表しない場合で計算代理人の承認するスポンサーの承継者がHSCEIを計算し、公表した場合、または（B）HSCEIが、HSCEIの計算で用いられる計算式および方法と同様もしくは実質的に同様と計算代理人が判断した計算式または方法を使って算出される後継の指数

により代替される場合には、いずれの場面においても、かかる承継指数（以下「承継HSCEI」という。）がHSCEIとみなされる。

「HSCEIスポンサー」とは、エイチエスアイ・サービシズ・リミテッド（HIS Services Limited）をいう。

(ⅱ) HSCEI調整事由

(A) 評価日以前に、関連あるHSCEIスポンサーが、HSCEIを計算するための計算式もしくは方法の著しい変更、もしくはその他の方法でHSCEIを著しく変更する（以下「HSCEIの修正」という。構成株式や資本構成の変更ならびに他の慣例的事由が生じた場合にHSCEIを維持するために行う計算式もしくは方法における所定の修正を除く。）、もしくはHSCEIが永久的に廃止される（以下「HSCEIの算定中止」という。）場合、または (B) いずれかの評価日において、HSCEIスポンサーが関連あるHSCEIを計算、公表しない（以下「HSCEIの中断」といい、HSCEIの修正およびHSCEIの算定中止と併せて、以下それぞれを「HSCEI調整事由」という。）場合、計算代理人は、その単独かつ完全なる裁量により、HSCEIの公表水準の代わりに、修正、廃止または障害の直前に有効だったHSCEIを算出するための計算式および方法に従いかかるHSCEI調整事由の直前のHSCEIを構成した株式銘柄のみを使って計算代理人がその単独かつ完全なる裁量により決定する評価日におけるHSCEIの水準を用いて、調整価格を決定する。

(ⅲ) HSCEI値の訂正

いずれかの時点でHSCEIスポンサーにより公表され、本社債に基づく計算または決定のために計算代理人により使用されたまたは使用される予定のHSCEIの水準がその後訂正され、かかる訂正が当初の公表後1決済期間（以下に定義される。）以内にHSCEIスポンサーにより公表された場合、計算代理人は、その単独かつ完全なる裁量により、当該訂正を反映するために本社債の支払条件に対して適切であると判断した調整（もしあれば）を行う。ただし、当該訂正を反映した場合に支払われたであろう金額を超える金額が既に支払われている場合、本社債に関して超過分と同額以上の追加支払いがなされない場合、および計算代理人がかかる訂正を完全に反映する当該調整を実行できないと判断した場合、発行会社は、関連ある超過分の支払い（または（場合により）計算代理人が行った調整により影響を受けなかったその一部）につき、当初の支払いが行われた日（当日を含む。）から本社債権者による払戻日（当日を含まない。）までの期間の当該金額に対する利息とともに、関連ある本社債権者から払い戻しを受ける権利を有する（すべて計算代理人の単独かつ完全なる裁量により計算される。）。かかる払い戻しは発行会社が決定する方法により行われる。

「決済期間」とは、HSCEIにつき、HSCEIの基礎となる株式銘柄の取引後で、香港証券取引所の規程に従って習慣的に決済が行われている振替機関営業日（以下に定義される。）の期間をいう。

「振替機関営業日」とは、振替機関（下記「(5) 違法」に定義される。）につき、当該振替機関が決済指示の受諾および実行を行うために営業している（または決済障害事由（以下に定義する。）が発生しなければ営業していたであろう）日をいう。

「決済障害事由」とは、各本社債につき、発行会社または関連ある債務者の制御範囲を超えており、かつ、関連ある振替機関が当該本社債の移転決済を実行できなくなる事由であると計算代理人がその単独かつ完全なる裁量により決定する事由を意味する。

<u>HSCEIにおける免責</u>

ハンセン中国企業指数（HSCEI）は、ハンセン・データ・サービシズ・リミテッド（Hang Seng Data Services Limited）の許可に基づきエイチエスアイ・サービシズ・リミテッド（HSI Services Limited）により公表かつ編纂されている。「ハンセン中国企業指数」および「HSCEI」のマークおよび名称は、ハンセン・データ・サービシズ・リミテッドが所有している。

エイチエスアイ・サービシズ・リミテッドおよびハンセン・データ・サービシズ・リミテッドは、本社債に関して発行会社がHSCEIを利用しかつ参照することに合意しているが、エイチエスアイ・サービシズ・リミテッドおよびハンセン・データ・サービシズ・リミテッドのいずれも、本社債のブローカーもしくは所持人またはその他いかなる者に対しても（ⅰ）HSCEIの正確性または完全性およびその計算またはこれに関係する情報、（ⅱ）HSCEIまたはこれに含まれる要素もしくはデータの目的適合性、または（ⅲ）目的を問わず、

HSCEIまたはこれに含まれる要素もしくはデータの使用による結果について、いかなる保証も表明も行わず、またHSCEIに関して、いかなる種類の保証も表明も行われず、その示唆もなされない。HSCEIの計算および編纂の手順および根拠ならびに関連する算式、指数構成銘柄および要素はいずれも、通知なしにエイチエスアイ・サービシズ・リミテッドにより随時変更または修正されることがある。**適用ある法律により認められる範囲で、エイチエスアイ・サービシズ・リミテッドまたはハンセン・データ・サービシズ・リミテッドは、（ｉ）本社債に関する発行会社によるHSCEIの利用および／または参照について、（ii）HSCEIの計算におけるエイチエスアイ・サービシズ・リミテッドによる誤り、脱漏、間違いもしくは過失について、（iii）HSCEIの計算に関連して用いた、他の者により提供された情報の誤り、脱漏、間違い、過失もしくは不完全性について、または（iv）上記の結果として、本社債のブローカーもしくは所持人または本社債を取り扱う他の者が直接的もしくは間接的に被った経済的損失その他の損失について、いかなる責任も義務も負わず、**またブローカー、所持人もしくは本社債を取り扱う他の者はいかなる方法においても、本社債に関して、**エイチエスアイ・サービシズ・リミテッドおよび／またはハンセン・データ・サービシズ・リミテッドに対していかなる請求、訴訟または法的手続も行うことができない。**したがって、ブローカー、所持人または本社債を取り扱う他の者は、本免責事項を完全に理解して本社債を取り扱うものとし、エイチエスアイ・サービシズ・リミテッドおよびハンセン・データ・サービシズ・リミテッドに対していかなる依拠もすることができない。疑義を避けるために付言すると、本免責事項は、ブローカー、所持人またはその他の者とエイチエスアイ・サービシズ・リミテッドおよび／またはハンセン・データ・サービシズ・リミテッドとの間にいかなる契約関係またはそれに準じた関係も生じさせるものではなく、またかかる関係を生じさせるものとして解釈されてはならない。

（出典：エイチエスアイ・サービシズ・リミテッド）

HSCEIに関する情報

HSCEIは、香港証券取引所に最初の中国大陸企業（香港証券取引所に上場している中国大陸企業を以下「ハンセン中国企業」という。）が上場した１年後の1994年８月８日に開始された。香港の株式市場におけるハンセン中国企業の株式の時価総額および取引高はいずれも近年著しく増加しているため、HSCEIは主要な市場指標となった。

■ 選定基準

HSCEIは、ハンセン総合指数に含まれる最大級の市場価値を有するハンセン中国企業の銘柄のみで構成される。ハンセン総合指数に追加またはハンセン総合指数から除外されるハンセン中国企業は、自動的にHSCEIに追加またはHSCEIから除外される。

HSCEIの説明のために以下記載する。

ハンセン総合指数は、香港の株式市場に上場する上位200 社の銘柄から構成される。これらは、香港証券取引所のメインボードに上場されている全銘柄の時価総額合計の約90%を占める。

－　適格銘柄リストに追加されるには、過去に上場している必要はない。IPO 後に株式が以下の取引高審査の要件を満たしている場合、適格銘柄リストに追加され、次回の見直しの対象となる。

－　銘柄につき、過去12 ヶ月間おいて取引高のない日（当該銘柄の取引が停止されている日を除く。）が20 取引日を超えてはならない。

－　上場歴が１年未満の銘柄については、按分で計算される。

半年毎に行われる見直しにおいて、以下のいずれかに該当する場合、ハンセン総合指数の指数構成銘柄から除外される。

－　取引高審査の要件を満たさない場合。

－　12 ヶ月間の時価総額平均の順位が240 位を下回る場合。

以下のいずれにも該当する場合、ハンセン総合指数の指数構成銘柄に追加される。

－　取引高審査に合格した場合。

－　12 ヶ月間の時価総額平均の順位が160 位を上回る場合。

■ 計算方法

HSCEIの計算方法として、浮動株調整後時価総額加重平均方式を採用しており、指数に組入れる各ハンセン中国企業株式の割合はそれぞれ15%を上限とする。

浮動株調整後時価総額加重平均方式では、市場においてすぐに取引される予定のない長期的かつ戦略的な保有株式を考慮する。浮動株調整後時価総額加重平均方式を採用する指数は、投資適格性に必要な流動性を確保している。

以下は、浮動株調整後時価総額加重平均方式による指数の計算式である。

$$\text{現在の指数} = \frac{\text{指数構成銘柄の現在における浮動株調整後時価総額}}{\text{指数構成銘柄の前日における浮動株調整後時価総額}} \times \text{前日の指数終値}$$

$$= \frac{\Sigma\ (P_t \times IS \times FAF \times CF)}{\Sigma\ (P_{t-1} \times IS \times FAF \times CF)} \times \text{前日の指数終値}$$

「Pt」とは、t 日における現行価格をいう。
「Pt-1」とは、（t－1）日における終値をいう。
「IS」とは、発行済株式をいう（H 株の指数構成銘柄については、H 株の割合のみを計算上考慮する。）。
「FAF」とは、浮動株調整後の係数をいい、０から１の数値とする。
「CF」とは、上限係数をいい、０から１の数値とする。

浮動株の調整

下記の保有株式は、性質上戦略的とみなされ、指数の計算において除外される。

a） 戦略的保有株式－持株比率30%超につき単独または共同で支配権を有する戦略的株主が保有する株式。
b） 取締役の保有株式－持株比率5%超につき単独で支配権を有する取締役が保有する株式。
c） 持合い株式－持株比率5%超につき支配権を有する香港または中国本土の上場企業が投資として保有する株式。
d） ロックアップ株式－単独または共同で会社の持株比率5%超に相当する株主が保有する株式で、ロックアップ契約が一般に開示されているもの。

浮動株の調整に使用される情報は、公開情報（年次報告書および香港証券取引所および振替機関からの有価証券通知経緯報告書を含む。）から取得する。

発行済株式または発行済ハンセン中国企業株式の割合として浮動株の扱いを受ける株式の割合を示すFAFは、指数の計算上、５%の倍数に該当するパーセンテージに切り上げられ、半年ごとに再計算される。

CF

上限係数（CF）は、いかなる指数構成銘柄も加重平均が15%を超えないよう、半年毎に定期的に実施される指数構成銘柄の入替え時に計算される。

■ 基礎指数

HSCEIの基礎指数は、その開始時である1994 年８月８日には1,000 であった。2001 年10 月３日にハンセン総合指数が開始したことにより、ハンセン総合指数に合わせて、HSCEIは2000 年１月３日現在の基礎指数を2,000 とした。過去の指数値の換算には、換算係数4.34235 が用いられた。

（出典：ハンセン・インデックス・カンパニー・リミテッド）

その他の障害事由

法の変更（以下に定義される。）、ヘッジ障害（以下に定義される。）またはヘッジ費用の増加（以下に定義される。）の発生後、計算代理人は、その完全なる単独の裁量の下、本社債を存続させるか否か、存続させる場合何らかの調整を行うか、調整を行う場合、どのようなものが適切であるか（満期償還金額の計算式その

他本社債の決済や支払いに関する変更可能なものの調整か、いつ調整するか）について決定することができる。

「法の変更」とは、 本社債の発行日以降、(A)適用される法律もしくは規則（税法を含むがこれに限らない。）の採択もしくは変更により、または(B)正当な管轄権を有する裁判所、法廷もしくは規制当局による適用される法律もしくは規則の解釈の公表もしくは変更（税務当局が講じたあらゆる措置を含む。）により、発行会社が、その完全なる単独の裁量にて、(x) 発行会社がヘッジ目的（単独またはポートフォリオ構成のためを問わない）で保有する(i)本社債に関する有価証券、オプション、先物、デリバティブもしくは外国為替に関するポジションまたは契約、(ii)本社債に関するストック・ローン契約または(iii)他の金融商品（名称のいかんを問わない）を保有、取得、購入、譲渡もしくは維持することが違法となったか、または (y) 発行会社が本社債に基づく自身の義務を履行する上で負担する費用が著しく増加することになる（租税債務の増加、税制上の優遇措置の減少、その他の発行会社の課税状況に対する不利な影響による場合を含むがこれらに限らない。）と判断した場合をいう。

「ヘッジ障害」とは、 発行会社が、商業的に合理的な努力を尽くした上で、(A)本社債に関する発行および自身の債務の履行に係る価格リスクをヘッジするために発行会社が必要と判断する取引もしくは資産の取得、設定、再設定、代替、維持、解約もしくは処分を行うことができない場合、または(B)かかる取引もしくは資産による利益を換価、回収もしくは送金することができない事態をいう。

「ヘッジ費用の増加」とは、発行会社が(A)本社債に関する発行および自身の債務の履行に係る価格リスクをヘッジするために発行会社が必要と判断する取引もしくは資産の取得、設定、再設定、代替、維持、解約もしくは処分を行うため、または(B)かかる取引もしくは資産による利益を換価、回収もしくは送金するために負担する税金、課徴金、費用または料金（委託売買手数料を除く。）の金額が（本社債の発行日において存在する状況と比較して）著しく増加することになる場合をいう。ただし、発行会社の信用力の悪化のみを原因として生じた著しい費用の増加は、ヘッジ費用の増加とはみなされない。

その他の調整

計算代理人（その裁量によるが合理的な行為が求められる。）が本社債の価値に潜在的に影響を及ぼしうると判断する事由が生じた場合には、計算代理人（その裁量によるが合理的な行為が求められる。）は、HSCEIについて追加的調整を設けることができ、本社債に基づき支払われる現金の額など本社債に関する支払事項について調整することができ、かかる調整がいつから行われるか決定することができる。

(2) 税制上の理由による期限前償還

発行会社が、本社債について、以下の通知を行う直前に主支払代理人（下記「4．支払代理人 (a)」に定義される。）に対して、

（ｉ）本社債の利息支払いの翌日に、発行会社が下記「8．課税上の取扱い」の規定に従って追加額の支払いを要求されること、または

（ii）発行会社が当該本社債の償還を要求しようとする場合に（かかる目的において、発行会社がその他の方法で当該本社債を償還する権利を有するか否かについて考慮する必要はない。）、（主支払代理人がその単独かつ完全なる裁量により合理的であると判断する努力を発行会社が行ったか否かに関係なく）発行会社が下記「8．課税上の取扱い」の規定に従って追加額の支払いを要求されること、

を了解させた場合、発行会社は、本社債につき、30日以上45日以下の事前の通知を本社債権者に行った後、当該本社債のすべて（一部は不可。）を、償還日までの未払利息を付して期限前償還金額（以下に定義する。）で償還するものとする。ただし、かかる償還の通知は、本社債に関する支払期限が到来している場合に発行会社が追加額の支払いを義務付けられた最も早い日より90日以上前にはなされないものとする。

「期限前償還金額」とは、各本社債につき、計算代理人がその単独かつ完全なる裁量により、期限前償還日の直前の各本社債の公正な市場価値から、基礎となるおよび/または関連あるヘッジおよび/または調達の取決めを解約するのに発行会社および/またはその関連会社が負担した合理的な費用を控除して決定するオーストラリアドル額をいう。

上記努力を行う発行会社の義務のみを条件として、主支払代理人が満足する独立した法律顧問または会計士による証明書で、（ｉ）当該状況が現在において存在する旨、または（ii）当該証明書の日付現在におい

て提案され、かつ、当該法律顧問または会計士の意見によれば、本社債に関する元利金の関連ある支払いがその他の方法でなされる日以前に有効となると合理的に予想される連合王国の法律（当該法律に従う規則を含む。）の変更もしくは改正またはその解釈もしくは適用の変更が、その通りに有効となった場合に、それらの状況が存在するであろう旨を記載した証明書を、発行会社が主支払代理人に対して交付することにより、本「(2) 税制上の理由による期限前償還」に従って証明を要求される状況が十分に証明されるものとする。

(3) 買入れ

発行会社および発行会社と直接的または間接的に関係を有するいずれかの者の各々は、公開市場その他において、随時いかなる価格でも本社債を買入れることができる。かかる本社債は、保有、再発行、再販売、または発行会社の選択により消却されうる。

(4) 消 却

確定社債券（下記「11．その他、(1) 本社債の様式」に定義される。）の場合には、当該確定社債券に添付された期限未到来のすべての利札が付されているか、または共に提出されたことを条件として、本「2．償還および買入」の「(1) 満期における償還」または「(2) 税制上の理由による期限前償還」に従って償還された本社債はすべて直ちに消却されるものとし、本「2．償還および買入」の「(3) 買入れ」に従って買入れられた本社債はすべて、発行会社の選択により直ちに消却されうる。上記の通り償還または買入消却された本社債はすべて再発行または再販売することはできない。

(5) 違 法

（ⅰ）計算代理人が、特に適用ある現在もしくは将来の法律、規程、規則、判決、命令もしくは指令、または政府、行政、立法もしくは司法の当局もしくは権限の要件もしくは要求の遵守を理由として、本社債に基づく義務の履行がその一部またはすべてにおいて不法または実行不可能となったと、その完全なる裁量により決定した場合、発行会社は、当該義務を終了する権利を有する。かかる状況において、本社債は下記(ⅱ)の規定に従って発行会社の選択により償還される。

（ⅱ）発行会社は、下記「10．通知」に従って本社債権者に対して5日以上30日以内の事前の通知を送付することにより（かかる通知は取消不能とする。）、その日に未償還の本社債のすべてまたは一部のみを期限前償還金額にて、かかる償還日までの未払利息を付していつでも償還することができる。

本(ⅱ)に従って本社債（仮大券（以下「仮大券」という。）または恒久大券（以下「恒久大券」という。）である本社債を除く。）がいずれかの日にその一部のみが償還される場合、償還される本社債は、主支払代理人が指定するヨーロッパの都市において抽選により決定されるか、または主支払代理人が承認し、かつ、適切および公正とみなすその他の方法もしくは場所において確認されるものとする。ただし、ユーロクリア・システム（以下「ユーロクリア」という。）および/またはクリアストリーム・バンキング・ソシエテ・アノニム・ルクセンブルク（以下「クリアストリーム・ルクセンブルク」という。）（併せて、以下「振替機関」という。）の規程および手続きに服し（かかる償還は、ユーロクリアおよびクリアストリーム・ルクセンブルクの帳簿において、その裁量により、プール・ファクターまたは額面金額の減少のいずれかとして記載される。）、かつ、常に適用ある法律を遵守することを条件とする。

(6) その他の障害事由

法の変更、ヘッジ障害またはヘッジ費用の増加の発生後、計算代理人が、その完全なる単独の裁量により、本社債を終了すると判断した場合、本社債は、計算代理人がその完全なる裁量の下で決定した日において償還され、満期償還金額を受領する本社債権者の権利は終了し、発行会社の本社債に基づく債務は、計算代理人の意見の下（かかる意見は計算代理人の完全なる単独の裁量による）、本社債の終了に対する補償としてその状況の下では公正であると判断する金額を支払うことによって消滅する。

3．支 払

(1) 本社債に関する元金および利息は、（以下の規定に服することを条件として）関連ある本社債の呈示および引渡により支払われ、また、利息の支払いについては、（次段落を条件として）米国外に所在する支払代理人の指定事務所において関連ある利札の引渡により支払われる。本社債の支払いは、米国内の住所への郵送または米国内で所持人が維持する口座への振り込みによりなされるものではない。

本社債の利息について支払われるべき金額の支払いは、米国またはその属領（米国歳入法およびそれに基づく規則に定義される。）内に所在する支払代理人の指定事務所でなされることはない。ただし、(a) 米国外に所在する支払代理人のすべての指定事務所における、支払期限の到来した当該本社債の利息につき支払われるべき金額の全額の支払いが違法であるか、または為替管理もしくはその他同様の制限により妨げられる場合、および (b) 当該支払が、適用ある米国法により許可される場合を除く。かかる場合には、発行会社は、ニューヨーク市に指定事務所を有する追加の支払代理人を直ちに任命するものとする。

本社債について支払われるべき金額の支払期日が、関連金融センター日（以下に定義する。）に当たらない場合、当該本社債権者は、かかる日の翌日までその支払いを受ける権利を有さず、かかる繰延により利息その他のための追加支払いはなされない。ただし、本書に従ってその後の支払いが懈怠された場合にはこの限りではない。かかる場合には、利息は上記「1．利息支払の方法」の規定の通りに継続して付される。

本書において、「関連金融センター日」とは、商業銀行および外国為替市場が、ロンドン、東京およびシドニーにおいて支払いの決済を行い、かつ、通常業務（外国為替および外貨預金の取引を含む。）を行うために営業している日をいう。

確定社債券の償還日後は、当該確定社債券にかかる期限未到来の利札（添付されているか否かを問わず）は無効となり、当該確定社債券に関する支払いは一切なされない。

上記にかかわらず、満期日および利率が設定された確定社債券が発行され、当該確定社債券に付されたまたは当該確定社債券と共に引き渡された期限未到来の利札を伴わずに当該確定社債券が支払いのために呈示された際に差し引かれるべき金額が、支払われるべき金額を上回る場合、償還日に当該期限未到来の利札（添付されているか否かを問わない。）は要求に応じて無効となり（かつ、それに関する支払いはなされない。）、差し引かれるべき金額は支払われるべき金額を上回らないものとする。前文の適用により、確定社債券に関する期限未到来の利札の一部（全部ではない。）が無効となる場合、関連ある支払代理人は、その単独かつ完全なる裁量により、いずれの期限未到来の利札が無効となるかを決定し、また、かかる目的上、その単独かつ完全なる裁量により、期限到来までの期間が短い利札よりも期間が長い利札を選択するものとする。

（上記の適用以外の理由により）本社債のいずれかの償還日が、当該本社債に付された利札の支払期日に当たらない場合、利札の直前の支払期日（または場合により2009年12月22日）（当日を含む。）から当該本社債につき発生した利息は、当該本社債および当該本社債に付された期限未到来のすべての利札の提出と引換えによってのみ支払いがなされる。

大券の様式による本社債（以下「大券」という。）の場合、その元利金の支払いは、ユーロクリアおよび/またはクリアストリーム・ルクセンブルクの勘定で保有される当該大券の関連ある部分についてユーロクリアおよび/またはクリアストリーム・ルクセンブルクに対してなされる（仮大券の場合には、それに規定された証明を条件とする。）。かかる状況において、ユーロクリアおよび/またはクリアストリーム・ルクセンブルクは、当該大券に関する元金または（場合により）利息を、当該大券の持分がその帳簿の貸方に記入されている者の貸方に記入する。

(2) 以下の規定が本社債に適用される。本社債に関して支払われるべき金額（元金、利息またはその他）の支払いは、小切手により、または受取人の選択により、（本社債に関する支払いについて）受取人が指定した米国外に所在するオーストラリアドル建の口座への送金により、オーストラリアドルでなされる。

支払いは、いかなる場合においても、下記「8．課税上の取扱い」の規定を侵害することなく、支払場所において適用ある財務その他の法令に従う。

上記の一般性を害することなく、発行会社は、発行会社、発行会社の親会社もしくは持株会社または当該親会社もしくは持株会社の子会社が、米国連邦所得税法または発行会社、かかるその親会社、その持株会社もしくはその子会社が遵守すべきその他の法律の要件を遵守するために必要な証明または情報を支払代理人に提供するように、本社債または利札に関する元金または（場合により）利息の支払いを受ける者に対して要求する権利を留保する。

本社債に関して支払うべき金額は、1オーストラリアセント未満を四捨五入するものとする。

4．支払代理人

(a) 当初の主支払代理人の名称および指定事務所は、以下のとおりである。

主支払代理人兼発行代理人

名 称： エイチエスビーシー・バンク・ピーエルシー (HSBC Bank plc)
住 所： 連合王国E14 5HQロンドン市カナダ・スクエア8
(8 Canada Square, London E14 5HQ, U.K.)

発行会社は、いずれかの支払代理人または計算代理人の任命を変更または終了し、および/またはいずれかの支払代理人または計算代理人が行為する指定事務所の変更を承認する権利を有する。ただし、

（ｉ）本社債が未償還である限り、2000年11月26日から同年11月27日に開催された経済相・蔵相理事会会議の決定を実施する欧州理事会指令（European Council Directive）2003/48/ECその他の指令を実施する法律に従って、税金を源泉徴収または控除する義務を負わない欧州連合加盟国内に支払代理人を常に維持する。

（ⅱ）本社債が未償還である限り、主支払代理人を常に維持するものとする。

(b) さらに、発行会社は、上記「3．支払 (1)」の第2段落に記載された状況においては、ニューヨーク市に指定事務所を有する支払代理人を直ちに任命するものとする。変更、終了または任命は、下記「10．通知」に従って、本社債権者に通知がなされた後にのみ（ただし、支払不能の場合を除く。かかる場合には即時に）効力を生じるものとする。

5．本社債の地位

本社債は、発行会社の直接、非劣後かつ無担保債務であり、その間に優先関係はなく、その発行日において、（法律により優先されるべき一定の債務を除き）発行会社のその他のすべての未履行の無担保かつ非劣後の債務と同順位である。

6．債務不履行事由

本社債に関して、以下の事由（以下「債務不履行事由」という。）のいずれか１つ以上が発生し、継続した場合、本社債権者は、発行会社が受領した日に発効する発行会社への書面による通知により、所持人が保有する本社債の期限の利益が喪失した旨を宣言することができ、これによって当該本社債は、呈示、請求、異議申し立てまたはその他いかなる種類の通知もなく、期限前償還金額で直ちに支払期限が到来するものとする。

(a) 本社債もしくはそのいずれかにつき支払期限の到来した元金、または本社債もしくはそのいずれかにつき支払期限の到来した利息に関する支払いが14日以上懈怠した場合。ただし、(1)かかる支払に適用ある財務またはその他の法令を遵守するため、またはかかる支払に適用ある管轄権を有する法域の裁判所命令に従うため、または(2)かかる法令または命令の有効性または適用可能性に疑義が存在する場合において、主支払代理人が満足できる独立した法律顧問により、かかる有効性または適用可能性について上記14日間になされた助言に従って、かかる支払いを差し控えるかまたは拒絶する場合には、かかる債務不履行を構成しない。

(b) 英国における発行会社の清算について命令がなされ、有効な決議が可決した場合（関連ある本社債権者の特別決議（下記「7．社債権者集会、修正および代替」に定義される。）により、組織再編または合併の仕組みに関する条件が事前に書面により承認されている場合を除く。）。

7．社債権者集会、修正および代替

プログラムに関連する1999年２月24日付社債発行基本契約（2009年７月30日に直近の修正および再述がなされている。）（以下「社債発行基本契約」という。）には、本社債または社債発行基本契約のいずれかの規定の修正に関する特別決議による承認を含む、当該本社債権者の利益に影響を及ぼす事項を検討するために本社債の社債権者集会を招集することに関する規定が含まれている。かかる集会は、発行会社またはその時点で未償還の本社債の額面金額の5%以上を保有する本社債権者により招集されうる。当該集会において特別決議を可決する定足数は、その時点で未償還の本社債の額面金額の50%以上を保有または代理する１名以上の者とし、延会においては、保有または代理する本社債の額面金額にかかわらず、１名以上の本社債権者本人または代理人とする。ただし、当該集会の議事に本社債の一定の規定（本社債の満期日の変更、本社債に関して支払われるべき金額の減額もしくは消却、または本社債の支払通貨の変更を含む。）の修正が含まれる集会においては、定足数は、その時点で未償還の本社債の額面金額の75%以上を保有または代理する１名以上の者とし、その延会においては、その時点で未償還の本社債の額面金額の絶対過半数を保有または代理する１名

以上の者とする。本社債の社債権者集会で可決した特別決議は、当該本社債権者が集会に参加したか否かを問わず、本社債権者のすべてを拘束するものとする。

発行代理人および発行会社は、本社債権者の同意なく、以下に同意することができる。

(a) 本社債権者全体の利益に重大な損害を及ぼさない社債発行基本契約または本社債の要項（以下「本社債の要項」という。）の修正、

(b) 本社債または社債発行基本契約の形式的、微細または技術的な修正、または明白な誤りを修正するためもしくは発行会社が設立された法域における強制的法律の規定を遵守するためになされる修正、

(c) 本社債の最終の発行要項（関連ある最終条件書によって修正または補足される本社債の要項を構成する。）と本社債の関連あるターム・シートとの間の矛盾を修正するためになされる本社債の修正。

かかる修正は、本社債権者を拘束するものとし、当該修正後、下記「10．通知」に従って実行可能な限り速やかに本社債権者に通知するものとする。

また、発行代理人および発行会社は、本社債権者の同意なく、本社債およびそれに付された利札に基づく主債務者である発行会社に代わり、発行会社の子会社もしくは持株会社または当該持株会社の子会社（以下「新発行会社」という。）による代替に同意することができる。ただし、当該本社債およびそれに付された利札は、発行会社により取消不能の形で保証される。かかる代替がなされる場合、本書における発行会社は、新発行会社と解釈される。かかる代替は、下記「10．通知」に従って、関連ある本社債権者に速やかに通知される。代替のかかる権利について、発行会社は、何らかの目的で特定の領域に居所を有するかもしくは特定の領域の居住者であるか、またはその他特定の領域と関係を持っているかもしくは特定の領域の管轄に服していることに起因する本社債権者個人の当該権利の行使による結果を考慮する義務はないものとし、本社債権者は、当該本社債権者に対するかかる代替の租税上の公課について、補償または支払いを発行会社に請求する権利を有さない。

以下は社債発行基本契約別紙２の社債権者集会に関する規定である。

1) 以下の用語は、文脈上その他の解釈を要する場合を除き、以下の意味を有する。

(ⅰ)「議決権証書」とは、発行会社が発行する英文による証書で、日付が付され、以下の事項が記載されているものを意味する。

(a) 当該日現在、一定の券面番号を有する本社債（当該議決権証書で指定された集会およびその延会に関して議決権一括行使指図書が発行されており、また、これが撤回されていない本社債を除く。）が発行会社に預託されており、または（発行会社の満足するように）発行会社の指図に従ってもしくは発行会社の管理下で保有されており、次のいずれかの事由が生じるときまで、当該本社債のかかる預託または保有が停止されないこと。

(1) 当該証書で指定された集会または（適用ある場合には）その延会の終了、および

(2) 当該証書を発行した発行会社に対する当該証書の引渡し。

(b) 当該証書の持参人が、当該証書により表章される本社債に関する集会およびその延会に出席し、議決権を行使することができること。

(ⅱ)「議決権一括行使指図書」とは、発行会社が発行する英文による文書で、日付が付され、以下の要件を満たしているものを意味する。

(a) 本社債（当該議決権一括行使指図書で指定された集会およびその延会に関して議決権証書が発行されており、また、これが撤回されていない本社債を除く。）が発行会社に預託されており、または（発行会社の満足するように）発行会社の指図に従ってもしくは発行会社の管理下で保有されており、次のいずれかの事由が生じるときまで、当該本社債のかかる預託または保有が停止されないことが証明されていること。

(1) 当該文書で指定された集会または（適用ある場合には）その延会の終了、および

(2) 返還される予定のかかる預託された各本社債につき発行会社から発行される受領書、または（必要な場合には）発行会社の指図に従ったもしくは発行会社の管理下での保有を発行会社の同意を得て停止される一または複数の本社債が、当該集会またはその延

会の招集時刻の48時間前までに発行会社に対して引渡されること。

(b) 当該本社債の各所持人が、発行会社に対して、当該集会またはその延会に上程される決議に関し、上記の通り預託または保有された一または複数の本社債に帰属する議決権を特定の方法により行使すべき旨を指図していること、およびすべての当該指図が当該集会またはその延会の招集時間の48時間前からその終了またはその延期までの間、取消も変更もできないことが証明されていること。

(c) 上記の通り預託または保有された本社債の総数および券面番号が、当該本社債に帰属する議決権につき、上記に従って賛成投票の指図がなされた決議事項と反対投票の指図がなされた決議事項とに明確に区分して列記されていること。

(d) かかる文書に記名された1名以上の者（各々を以下「議決権行使代理人」という。）が、当該文書に記載されたとおり上記(c)に定める指図に従い列記された本社債に帰属する議決権を行使することを、発行会社により授権かつ指図されていること。

議決権証書の所持人または議決権一括行使指図書に記名された議決権行使代理人は、本社債の関連ある社債権者集会またはその延会に関連する一切の目的において、当該議決権証書または議決権一括行使指図書に関連する本社債権者とみなされるものとし、また、当該本社債が預託されている発行会社または発行会社の指図に従いもしくは発行会社の管理下で当該本社債を保有している者は、上記の目的において当該本社債権者とはみなされないものとする。

(iii) 本項において「本社債」とは、関連ある集会が招集される本社債を意味するものとする。

2) 発行会社は、本社債の社債権者集会を随時招集することができ、また、本社債の残存元金額の5%以上を有する本社債権者の書面による要求があった場合には、本社債の社債権者集会を招集しなければならない。なお、発行会社が当該集会の招集を7日間怠った場合には、本社債の社債権者集会はその請求者により招集されうる。発行会社が当該集会を招集しようとする場合、その日時、場所および処理すべき議事の内容を書面により直ちに発行代理人に通知しなければならない。各当該集会は発行代理人が承認する時刻および場所にて開催されるものとする。

3) 集会の場所および日時を記載した少なくとも21日（通知のなされた日および集会開催日を含まない。）前の通知が、本社債権者に対して本項「7．社債権者集会、修正および代替」に規定された方法により、本社債の社債権者集会に先立ってなされなければならない。当該通知には、通常、招集される集会で処理すべき議事の内容が記載されるが、（特別決議を除き）提案された決議について当該通知に明記する必要はない。当該通知には、集会の所定開始時刻の24時間前までに、議決権証書の取得または議決権行使代理人の任命を目的として、本社債を発行会社に預託することができる旨、または法人の場合には、取締役または他の運営組織の決議により、代表者を任命することができる旨が記載される。発行会社が集会を招集する場合を除き、招集通知の写しが、発行会社に郵送されるものとする。

4) 発行会社が書面により指名した者（本社債権者であってもよいが、必ずしもその必要はない。）は、各当該集会において議長に就任する権限を有する。ただし、かかる指名が行われない場合、または指名された者が集会の開催指定時刻から15分以内に当該集会に出席しない場合、出席している本社債権者は、その中から1名を議長に選出するものとする。

5) かかる集会において、本社債もしくは議決権証書を保有しているか、または議決権行使代理人であり、かつ、本社債の残存元金額の20%以上を保有または代表する1名以上の者の出席をもって、議事の処理のため（特別決議の可決を目的とする場合を除く。）の定足数を構成するものとし、議事の開始時において必要な定足数が出席していない限り、いかなる議事（議長の選出を除く。）も処理されないものとする。特別決議を可決するための当該集会の定足数は、（以下の規定に従うことを条件として）本社債もしくは議決権証書を保有しているか、または議決権行使代理人であり、かつ、本社債の残存元金額の50%以上を保有または代表する1名以上の者の出席をもって構成されるものとする。ただし、集会における議事は以下の事項のいずれかを含むものとする（各事項とも、特別決議の承認後にのみ実行することができる。）。すなわち、

（ｉ）本社債の満期日の変更、または満期に支払われる額面金額の減額もしくは消却、

（ii）本社債において支払いがなされる通貨の変更、

(iii) 特別決議を可決するために必要な多数の変更、
(iv) 下記18)(F)に記載されているスキームまたは提案の承認、または
(v) 本但書きまたは下記6)の但書きの修正

定足数は、本社債もしくは議決権証書を保有しているか、または議決権行使代理人であり、かつ、本社債の残存元金額の75%以上を保有または代表する1名以上の者の出席をもって構成されるものとする。本社債の社債権者集会において可決した特別決議は、本社債権者本人による集会への出席・欠席を問わず、すべての本社債権者を拘束する。

6) 集会の指定時刻から15分以内に定足数が出席していない場合、当該集会は、本社債権者の要求により招集された場合には、散会となる。その他の場合には、翌週の同曜日（または該当日が祝日の場合は翌営業日）に延期され、同時刻に同じ場所で開催されるものとする（ただし、特別決議が提案される集会の場合を除く。特別決議が提案される集会の場合は、議長が指定し、発行代理人が承認する場所において、また、議長が指定し、発行代理人が承認する14日以上42日以内の期間につき延期される。）。かかる延会では、本社債もしくは議決権証書を保有しているか、または議決権行使代理人（保有または代表する本社債の元金額を問わない。）である1名以上の者の出席をもって（以下の規定に従うことを条件として）定足数を構成するものとし、当該出席者は、（以下の規定に従うことを条件として）特別決議またはその他の決議を可決し、また、当初の集会において必要な定足数の出席があれば適切に処理することが可能であった一切の事項を決定する権限を有する。ただし、延会の議事が上記5)但書きに定める事項のいずれかを含む場合には、その定足数は、本社債もしくは議決権証書を保有しているか、または議決権行使代理人であり、かつ、本社債の残存元金額の過半数以上を保有または代表する1名以上の者の出席をもって構成されるものとする。

7) 特別決議が提出される延会に関する招集通知は、当初の集会と同一の方法でなされるものとし（ただし、上記3)に記載の「21日」を「10日」と読み替えることとする。）、かかる通知には、（関連ある定足数を当該通知に記載している場合に上記6)の但書きが適用される場合を除き）本社債もしくは議決権証書を保有しているか、または延会における議決権行使代理人（保有または代表する本社債の元金額を問わない。）である1名以上の者の出席をもって定足数を構成する旨が記載される。上記に従うことを条件として、延会の通知を行う必要がないものとする。

8) 集会に提出された各議案は、先ず挙手により決定されるものとし、可否同数の場合には、議長が挙手および投票の双方において、本社債権者、議決権証書の所持人または議決権行使代理人として有する議決権（もしあれば）に加えて、決定票を有する。

9) 集会において、（挙手の結果を宣言する以前に）議長、発行会社、または本社債もしくは議決権証書を保有しているか、もしくは議決権行使代理人である1名以上の出席者（保有する本社債の元金額を問わない。）により投票の要求がない限り、ある決議が可決されもしくは一定の多数により可決され、または否決されもしくは一定の多数により可決されなかったとの議長による宣言は、当該決議の賛成票または反対票の数または比率を記録した証拠を要することなく、当該事実の確定的な証拠となるものとする。

10) 下記12)を条件として、当該集会において投票が上記のとおり要求された場合、当該投票は、議長が指示する方法により以下の規定に従って直ちにまたは延期後に行われるものとし、かかる投票の結果は、投票が要求された集会における、投票がなされた日付の決議とみなされるものとする。投票の要求は、当該集会において、投票が要求された議案以外の議事の処理の続行を妨げるものではない。

11) 議長は、集会の同意があれば、随時いかなる場所でも当該集会を延期することができる（また、当該集会により指示された場合には、随時いかなる場所でも当該集会を延期するものとする）。ただし、延会においては、当初の集会で（必要定足数の不足がなければ）適法に処理されたであろう議事を除き、いかなる議事も処理されないものとする。

12) 議長の選任または延期に係る議案に関して当該集会で要求された投票は、延期されることなく、当該集会で行われるものとする。

13) 発行会社の取締役または役員およびその弁護士は、社債権者集会に出席して発言することができる。上記を除き（ただし、プログラムに関連する発行および支払代理契約の第1.2条に記載されている「残存」の定義の条件を侵害することなく）、保有している本社債もしくは議決権証書を呈示するか

または議決権行使代理人でない限り、いずれの者も本社債の社債権者集会に出席し発言することはできず、またいずれの者も当該集会で議決権を行使することまたは当該集会の招集を要求するに当たり第三者と共同することができない。発行会社またはその各子会社のいずれも当該会社の利益のために保有している本社債に関するいかなる集会においても議決権を有さず、その他いかなる者も当該会社の利益のために保有している本社債に関する集会において議決権を有さない。本別紙に含まれるいかなる規定も、議決権一括行使指図書に記名された議決権行使代理人が、発行会社の取締役、役員もしくは代表者または発行会社と関係を有するその他であることを妨げない。

14) 上記13)の規定に従うことを条件として、いかなる集会にも以下の規定が適用される。

(A) 挙手に際しては、本人であり、かつ、本社債もしくは議決権証書を呈示した者、または議決権行使代理人である者は、各々1個の議決権を有するものとする。

(B) 投票に際しては、各出席者が以下の場合において1個の議決権を有するものとする。

（ｉ）本社債のすべてが単一通貨建ての本社債の社債権者集会の場合は、当該通貨の最小単位毎、および

（ii）複数通貨建ての本社債の社債権者集会の場合は、1.00米ドル毎、または米ドル以外の通貨建ての本社債の場合は、当該集会（もしくは延期された当該集会の当初の集会）の通知の公布日の午前11時頃（ロンドン時間）における発行代理人の当該通貨の対米ドル直物買相場による1.00米ドル相当額毎、

または上記の通り呈示された本社債の額面金額、上記の通り呈示された議決権証書により表章された本社債の額面金額、または各出席者が議決権行使代理人である本社債の額面金額において発行会社がその完全なる裁量により取り決めるその他の金額。

議決権一括行使指図書に記名された議決権行使代理人の義務を害することなく、2個以上の議決権を有する者はすべての議決権を行使することを要せず、また、すべての議決権を同一の方法で投票することも要しない。

15) 議決権一括行使指図書に記名された議決権行使代理人は、本社債権者であることを要しない。

16) 各議決権一括行使指図書は、議決権一括行使指図書に記名された議決権行使代理人が議決権の行使を予定している集会または延会の開催指定時刻の24時間前までに、発行会社が承認する場所に預託されるものとし、かかる預託がなされない場合、当該集会または延会の議事が行われる前に集会の議長が別段の決定を行わない限り、議決権一括行使指図書は有効なものとして扱われないものとする。各議決権一括行使指図書の認証された写しは、集会または延会が開始される前に発行代理人に預託されなければならない。ただし、発行代理人はこれにより、議決権一括行使指図書に記名された議決権行使代理人の効力または権限に関して、調査または配慮する義務を負うものではない。

17) 議決権一括行使指図書の条件に従い行使された議決権は、議決権一括行使指図書またはそのもととなった本社債権者の指図に係る事前の取消または変更にかかわらず、効力を有する。ただし、かかる取消または変更に係る書面の通知が、登録事務所（またはかかる目的上発行会社により承認されたその他の場所）において議決権一括行使指図書が使用される集会または延会の開催指定時刻の24時間前までに発行会社により受領されていないことを条件とする。

18) 本社債の社債権者集会は、以上の規定により付与される権限に加えて、特別決議（上記5)および6)に記載されている定足数に関連する規定に従う。）により行使可能な以下の権限のみを有する。

(A) 発行会社および本社債権者または本社債権者のいずれかとの間で提案される和解または調整を承認する権限。

(B) 発行会社または発行会社の財産のいずれかに対する本社債権者の権利に関して、かかる権利が本社債発行基本契約、本社債またはその他に基づき生じるかを問わず、廃止、変更、和解または調整を承認する権限。

(C) 本社債発行基本契約、本社債の要項または本社債に記載されている規定に関して、発行会社が提案する変更に同意する権限。

(D) 本社債発行基本契約または本社債の規定に基づき特別決議により付与されることが要求される権能または承認を付与する権限。

(E) 本社債権者の利益を代表する義務遂行受任者として、いずれかの者（本社債権者か否かを問わな

い。）を任命し、本社債権者が特別決議により自ら行使することができる権限または裁量権を当該義務遂行受任者に付与する権限。

(F) 発行会社または設立済もしくは設立予定のその他の会社の株式、ノート、ボンド、ディベンチャー、ディベンチャー・ストックおよび/もしくはその他の債務および/もしくは有価証券（以下「有価証券等」と総称する。）と本社債との交換、有価証券等を対価とした本社債の売却、本社債の有価証券等への転換、もしくは有価証券等を対価とした本社債の消却、または現金と本社債との交換、現金を対価とした本社債の売却、本社債の現金への転換、もしくは現金を対価とした本社債の消却、または有価証券等の一部および現金の一部と本社債との交換、有価証券等の一部および現金の一部を対価とした本社債の売却、本社債の有価証券等の一部および現金の一部への転換、もしくは有価証券等の一部および現金の一部を対価とした本社債の消却に関するスキームまたは提案を承認する権限。

(G) 本社債の主たる債務者である発行会社（または前代替者）を代替する法人を承認する権限。

19) 本項の規定に従い適法に招集および開催された本社債の社債権者集会で可決されたあらゆる決議は、当該集会への出席の有無を問わず、また議決権行使の有無を問わず、すべての本社債権者を拘束し、各本社債権者は、これに従って当該決議を発効させる義務を負い、また、当該決議の可決は、当該決議がなされた状況がその可決の正当性を根拠付ける確定的な証拠となるものとする。本社債権者が適法に検討した決議に対する投票の結果の通知は、当該結果が明らかとなった日から14日以内に発行会社によって下記「10．通知」に従い公表される。ただし、当該通知の非公表は当該決議を無効にするものではない。

20) 本社債発行基本契約または本社債の要項で使用されている「特別決議」という用語は、本項の規定に従い適法に招集および開催された本社債の社債権者集会において、挙手により議決権を行使した者の75%以上の多数により可決された決議を、または投票が適法に要求された場合は、当該投票により行使された議決権の75%以上の多数により可決された決議を意味する。

21) 上記の各集会におけるすべての決議および議事手続に関して議事録が作成されるものとし、発行会社が当該目的のために随時提供する記録簿に適法に記入される。かかる議事録は、当該決議が可決され、または議事手続が実施された集会の議長が署名することにより、それに記入された事項に関する確定的な証拠となるものとし、反対の事実が証明されない限り、議事手続に関して議事録が作成された各集会は、適法に招集および開催されたものとみなされ、可決された一切の決議または実施された議事手続は適法に可決または実施されたものとみなされる。

22) 発行会社は、本項に記載されたその他すべての規定に従い、本社債権者の同意なしに、本社債の社債権者集会の要求および/または開催、ならびに本社債の社債権者集会への出席および議決権行使に関する追加規則について、発行会社がその単独の裁量により適当であると考えるとおりに規定することができる。

8．課税上の取扱い

連合王国の租税

本書に別途記載される場合を除き、本社債に関する元利金の発行会社による支払いはすべて、連合王国によりまたはそのために賦課される現在または将来の一切の種類の税金、賦課金その他の公租公課を源泉徴収または控除することなく行われる。ただし、法律により、かかる税金、賦課金その他の公租公課の源泉徴収または控除が要求される場合はこの限りではない。

発行会社が法律により上記の源泉徴収または控除を要求される場合、かかる源泉徴収または控除の後に本社債権者または（場合により）利札の所持人が受領する純額が、かかる源泉徴収または控除がなければ本社債および/または（場合により）利札に関して受領するするはずであった元金および利息の額と等しくなるように、それぞれ必要な追加額を支払う。ただし、以下の場合においては、本社債または利札に関してかかる追加額は支払われない。

(a) 本社債または利札の所持以外に連合王国またはその他の関連法域と関係を有することを理由として、本社債または利札に関する税金、賦課金その他の公租公課が課される本社債または利札の所持人または当該所持人に代わる第三者に対する場合。

(b)　本社債または利札を呈示する主支払代理人が満足する程度に、所持人が制定法上の要件を満たすことにより、非居住者である旨の宣言もしくはその他類似の免除請求を関連課税当局に行うことにより、元金もしくは利息の当該支払いを課税当局に通知（および/もしくは当該課税当局に当該通知の証拠を提示）することにより、またはその他の支払代理人の指定事務所において関連ある本社債もしくは利札を呈示することにより、かかる源泉徴収または控除を回避することが不可能であることが証明されない場合。

(c)　関連日（以下に定義する。）後30日を超える期間を経過した場合。ただし、その所持人がかかる30日間の最終日に支払いのために呈示していたならば受領する権利を有していた追加額を除く。

(d)　かかる源泉徴収または控除が個人への支払に対して課されたものであり、また貯蓄収入に関する2000年11月26日から同年11月27日に開催された経済相・蔵相理事会会議の決定を実施する欧州理事会指令（European Council Directive）2003/48/ECもしくはいずれかの指令、かかる指令を実施もしくは遵守する法律、またはかかる指令を遵守するために制定される法律に従って、かかる源泉徴収または控除がなされるよう要求される場合。

(e)　本社債もしくは利札またはいずれかの一部の唯一の実質所有者でないまたは受託者もしくはパートナーシップ（ただし、受託者に関する受益者もしくは設定者、実質所有者またはパートナーシップの一員が、享受可能なまたは分配される支払いを直接受ける場合には、当該受益者、設定者、実質所有者または一員が追加額の支払いを受ける権利を有していない範囲を限度とする。）である所持人または当該所持人に代わる第三者に対する場合。

本書における「関連日」とは、かかる支払いに関して支払期日が最初に到来する日、ただし主支払代理人がかかる支払期日以前に支払われるべき金額の全額を受領しなかった場合は、下記「10．通知」に従いかかる金額の全額が受領された旨の通知が関連ある所持人に対してなされた日、をいう。

本書において、関連ある本社債の元金、利息または元利金とは、適宜以下を含むものとみなされる。

（ｉ）本「8．課税上の取扱い」に基づいて支払われるべき追加額、

（ii）関連ある本社債について満期日に支払われるべき額面金額、

(iii) 関連ある本社債について満期日より前に償還により支払われるべき額面金額、および

(iv) 関連ある本社債に基づいてまたはそれに関連して支払われ得る額面超過金またはその他の金額。

<u>日本国の租税</u>

以下は主に本社債に関する日本国の租税上の取扱いの概略を述べたにすぎず、本社債に投資しようとする投資家は、各投資家の状況に応じて、本社債に投資することによるリスクや本社債に投資することが適当か否かについて各自の会計・税務顧問に相談することが望ましい。

本社債に投資した場合の日本国における課税上の取扱いは現在以下のとおりである。

将来、日本の税務当局が支払が不確定である社債に関する取扱いを新たに取り決めたり、あるいは日本の税務当局が日本の税法について異なる解釈をしたりした場合、本社債に対して投資した者の課税上の取扱いが、本書に述べるものと著しく異なる可能性がある。

本社債の利息は、一般的に利息として取扱われるものと考えられる。日本国の居住者および内国法人が支払を受ける本社債の利息は、それが租税特別措置法第３条の３第１項に定める国内における支払の取扱者を通じて支払われる場合には、日本の税法上20%（国税と地方税の合計）の源泉税を課される。居住者においては、当該源泉税の徴収により課税関係は終了する。内国法人においては、当該利息は課税所得に含められ、日本国の所得に関する租税の課税対象となる。ただし、当該法人は当該源泉税額を、一定の制限の下で、日本国の所得に関する租税から控除することができる。

本社債の償還により支払を受ける金額が本社債の取得価額を超える場合のその差額は、全く疑義無しとはしないが、償還差益として取り扱われるものと思われる。償還差益として取り扱われ、かつ、所得が日本国の居住者たる個人に帰属する場合は雑所得として取り扱われ、総合課税の対象となる。当該償還差益が日本国の内国法人に帰属する場合は、原則として、償還差益は課税所得に含められ、日本国の所得に関する租税の課税対象となる。

日本国の居住者である個人投資家が本社債を譲渡することにより生じた譲渡益については課税の対象としないと考えられる。内国法人が本社債を譲渡することにより生じた所得は、課税所得に含められ日本国の所得に関する租税の課税対象となる。

9．準拠法

(a) 準拠法

本社債および本社債から生じるもしくは本社債に関連するすべての事項は、英国法に準拠し、それに従って解釈される。

(b) 英国の裁判所

英国の裁判所が本社債から生じるまたは本社債に関連する紛争を解決するための専属的管轄権を有する。

10．通 知

(a) 本社債権者に対する通知

本社債または本社債に付された利札の所持人に対する通知はすべて、ロンドンで頒布されている主要日刊新聞1紙（フィナンシャル・タイムズを予定）、またはかかる公告が実行不可能な場合にはヨーロッパで一般に頒布されている英文の主要日刊新聞に公告された場合、有効となる。かかる通知は、当該通知は、当該公告の日、または２紙以上で公告された場合には最初の公告の日（2紙以上での公告が要求される場合には、要求されたすべての紙上において公告がなされた最初の日）になされたものとみなされる。

大券の様式による本社債の場合、本社債または本社債に付された利札の所持人に対する通知はすべて、ユーロクリアおよび/またはクリアストリーム・ルクセンブルクに対して、その各々の帳簿に持分を有していると記されている者に通信を行うために交付された場合に有効となる。

本社債に付された利札の所持人は、あらゆる目的において、本書に従って当該本社債権者に対してなされた通知の内容を通知されたものとみなされる。

(b) 本社債権者からの通知

本社債権者からの通知は書面によるものとし、当該通知は、主支払代理人の指定事務所に関連ある本社債と共に提出されることにより行われるものとする。

11．その他

(1) 本社債の様式

(a) 本社債は無記名式で発行される（以下「無記名式社債」という。）。本社債は、恒久大券に交換される仮大券により表章され、恒久大券は、恒久大券に規定された限られた状況下でのみ確定社債券（以下「確定社債券」という。）に交換される。確定社債券には連続番号が付される。

確定社債券は、当初の交付時において利札が付され、一定の状況下における利払いにおいて、その呈示が前提要件となる。

(b) 権 利

本社債または利札の「所持人」という記載には、当該本社債または利札の持参人を含む。

以下を条件として、本社債の権利は交付により移転する。法律により許可される範囲に限り、発行会社および主支払代理人は、いずれかの本社債または利札の所持人を、そのために支払いを受ける目的その他あらゆる目的のために、（支払期限が経過したか否かを問わず、また、所有に関する通知もしくは所有に係る書面による通知、またはその過去の紛失もしくは盗失の通知に関係なく）その完全な所有者とみなし、そのように取り扱うことができる。

本社債（またはその一部）が大券により表章されている限り、ユーロクリアおよび/またはクリアストリーム・ルクセンブルクの帳簿において自身の証券口座の貸方に記入された本社債の特定の元金額をその時点で有する者は、発行および支払代理契約の条項（「本社債権者」および本社債の「所持人」という表現ならびに関連表現はこれに従って解釈される。）に従い、かつ、これに服して、関連ある大券の持参人にのみ（発行会社に対する）その権利が付与される当該本社債の元利金の支払い以外のすべての目的において、本社債の当該元金額に関して本社債権者として取り扱われるものとする。大券により表章された本社債は、ユーロクリアおよび/またはクリアストリーム・ルクセンブルク（場合による。）のその時点における規程および手続きにのみ従って譲渡可能となる。本社債における本社債権者の持分を反映した関連ある振替機関の帳簿は、大券により表章された本社債の額面金額の確定証拠となる。

(c) TEFRA Dに従って発行される無記名式社債

TEFRA Dに従って発行される無記名式社債およびその利札には、以下が記載される。

「本社債を保有する米国人は、米国所得税法に基づく制限（内国歳入法第165条(j)および第1287条(a)に規定された制限を含む。）に服する。

(2) 時 効

本社債および利札は、本社債についてはその関連日から10年以内、利札についてはその関連日から５年以内に支払いのために呈示されない場合には、無効となる。本社債または利札に関して元金または利息の支払いのために発行会社から主支払代理人に対して支払われ、かつ、当該本社債または利札が無効となった時点で未請求の金員は、発行会社に返還され、それに関する主支払代理人の債務はそれにより終了する。

(3) 本社債の代替社債券

本社債または利札を紛失、盗失、汚損、毀損または滅失した場合、請求者が再発行に関して発生する費用を支払い、かつ、発行会社が要求する証拠および補償を満たした場合に、発行代理人の指定事務所において、かかる本社債または利札は再発行されうる。汚損または毀損した本社債または利札は、再発行される前に提出されなければならない。

(4) 追加発行

発行会社は、随時その自由裁量で、本社債権者または当該本社債に付される利札の同意なく、本社債とすべての点において（または関連ある最終条件書に記載された事項を除くすべての点において）同順位の社債を追加で起債・発行し、かかる社債をその時点で未償還の本社債と併せて単一のシリーズを構成する。

(5) 第三者の権利

いかなる者も、1999年（第三者の権利に関する）契約法に基づき本社債の条項を強制する権利を有さない。

12. 売出有価証券に関するリスク要因およびその他の留意点

投資家は、とりわけ、以下を参照されたい。

一般

本社債への投資は、投機的行為であり、必然的に重大なリスクを伴う。本社債の価値は、実勢金利、類似証券の市場、一般的な経済状況および発行会社の財政状態により左右され、上下動する。本社債は、それに含まれるリスクを理解するために必要な経験と知識を有する投資家のみに投資されることを意図している。本社債を取得しようと検討している投資家は、本社債にかかる取引に関するリスクを理解し、かつ、各自個別の状況（自身の財政状態と投資目的を含むがこれらに限らない。）ならびに本書に記載された情報を鑑みて本社債が適切であるかを自身の財務、法律、規制、税務、会計その他の顧問と十分検討した上で投資判断を下すべきである。

本社債の購入者が本社債を理解し、かつ、本社債の投資に関して独自の決断を下すことができるか否かに関係なく、本社債を購入することにより、当該購入者は、発行会社およびディーラーとしてのエイチエスビーシー・バンク・ピーエルシー（以下「ディーラー」という。）に対して、発行会社およびディーラーが本社債固有の複雑性およびリスクが購入者の目的および財政状態ならびに（適用ある場合には）その事業の規模、性質および状況（かかる情報が発行会社またはディーラーに開示されているかを問わない。）に適したものである旨を黙示的に表明および保証するものとし、また、発行会社およびディーラーはその旨を当然として前提とすることができる。

情報

本社債の発行に関連して、HSCEIの公表者またはHSCEIの構成銘柄の発行者の財政状態または信用力についてはいかなる調査も行っていない。本社債に投資しようとする者は、HSCEIに関連して上記情報を取得し、評価しなければならない。さらに、投資を予定する者は、HSCEIの過去の推移が将来の変動を示唆すると考えてはならないことを理解すべきである。

本社債の価値に影響を及ぼす要因

満期前の本社債の価値は、当該時点までのHSCEIの実績、金利、予想変動率および満期までの残存期間等の様々な要因により左右されるものと考えられる。本社債権者が満期前に本社債を売却できる価格は、下記の要因の一つまたは複数による影響により、元本割れ（大幅に下回る可能性がある。）をする可能性がある。本社債の取引価値に影響を与える要因は、互いに複雑に影響しあっている（例えば、ある要因により上昇した

本社債の取引価値が別の要因により相殺される可能性がある。）。本社債の価値に影響を及ぼすと考えられうる要因には、その他の要因が一定であると仮定した場合、以下が含まれる。

HSCEIの水準： 本社債の償還金額の決定においてはHSCEIの水準を用いるため、本社債の価値はHSCEIの水準に大きく依存することとなる。HSCEIの水準の変動は、満期日または本社債の償還の基準を決定するための価格や水準を決定する満期日前のいずれか日までの残存期間における水準の変動を予測させることにより、本社債の価値に影響を及ぼしうる。HSCEIに影響を及ぼす政治的、経済的およびその他の発展も、HSCEIの水準に影響を及ぼす可能性がある。

金利： 本社債の価値は金利の変動に影響される可能性がある。金利の上昇は本社債の価値を低下させる可能性があり、逆に金利の下落は本社債の価値を上昇させる可能性がある。金利の変動は、HSCEI構成銘柄が取引されている国の経済にも影響を及ぼす可能性があり、したがって本社債の価値に影響が及ぶことが予想される。

HSCEIの予想変動率： HSCEIの市場水準の変動の幅および頻度に増減がある場合、本社債の取引価値は重大な影響を受ける可能性がある。

満期までの残存期間： 本社債は、金利やHSCEIの水準により、予想した金額よりも高い価値で取引される可能性がある。この差額は、本社債の満期前の期間中のHSCEIに関する期待から生じる「タイム・プレミアム」を反映する。本社債の満期が近づくにつれて、かかるタイム・プレミアムは減少し、本社債の価値に重大な影響を及ぼす可能性がある。

配当利回りと保有コスト： 一般的に、HSCEIの構成銘柄の配当利回りの上昇、あるいはHSCEIならびにHSCEI先物の保有コストの下落は、本社債の価格を下落させる方向に作用し、逆にHSCEIの構成銘柄の配当利回りの下落、あるいはHSCEIならびにHSCEI先物の保有コストの上昇は本社債の価格を上昇させる方向に作用すると予想される。

発行会社の格付け： 一般的に発行会社の格付けが上昇すると本社債の価格は上昇し、格付けが下落すると本社債の価格は下落すると予想される。

ヘッジ

有価証券または指数への投資に関連する市場リスクをヘッジするために本社債を取得しようと考えている投資家は、かかる種類の未上場の本社債の複雑性を認識すべきである。例えば、本社債の需給が増減すると、本社債の価値がHSCEIの水準の変動と連動するという保証はない。

非保有

本社債への投資は、HSCEI構成銘柄への投資とは異なり、HSCEI構成銘柄の利益、議決権、配当受領権その他HSCEI構成銘柄の保有者であれば有する権利を法的にも実質的にも与えられるものではない。本社債は発行会社の非劣後かつ非担保の債務を構成する。

HSCEIのスポンサーの作為・不作為

一定の状況下において、本社債が関連するHSCEIのスポンサーによる作為・不作為（発行会社は関与できない。）が、本社債権者の権利および/または本社債の価値に重大な影響を与える可能性がある（これには、本社債の調整または早期償還を発生させる可能性のある行為を含む。）。

発行会社およびその関連会社によるヘッジ活動

発行会社またはその関連会社は、本社債に関連するヘッジ活動（HSCEIの構成銘柄の購入を含む。）を行うことができるが、かかる活動を行う義務を負ってはいない。また、発行会社の関連会社の一部は、その通常の証券業務の一環としてHSCEIの構成銘柄の売買を行うことができる。かかる活動の一部がHSCEIの水準、ひいては本社債の価値に潜在的に影響を及ぼす可能性がある。

税制上の理由による償還

発行会社は、本社債につき一定の税額相当分の加算額の支払いを要求される場合には、本社債をすべて償還することができる。かかる償還において発行会社が支払う金額は、計算代理人がその単独かつ完全なる裁量により決定する金額とし、本社債の投資金額を下回る可能性がある。本社債権者は、かかる償還後に生じたHSCEIの上昇から利益を得ることはない。

本社債に関し活発な取引市場や流通市場による流動性が存しない可能性がある

本社債は新しく発行されており、広く分売されない可能性があるため、活発な取引市場がない。本社債が当初の発行後に売却される場合、特に実勢金利、類似証券の市場、一般的な経済状況、発行会社が支払った手数

料および発行会社の財政状態によっては、当初の募集価格よりも低い価格で取引される可能性がある。

本社債の取引市場が発達するか、発達した場合の流通市場における本社債の価格、かかる市場が流動性を有するか否かについては、予測することができない。本社債は上場されていないため、本社債の価格に関する情報を取得するのは困難であり、本社債の流動性は悪影響を受ける。さらに、本社債が償還、買入れまたは消却された場合、未償還の本社債の数は減少し、本社債の流動性の減少の原因となる。本社債の流動性の減少は、本社債の価格の変動率の上昇を生じさせる可能性がある。本社債の流動的な流通市場がない場合、投資家は、その投資価値を現実化するためには、本社債の償還時まで待たなければならない可能性がある。

発行会社および発行会社と直接的または間接的に関係を有するいずれかの者の各々は、公開市場その他において、随時いかなる価格でも本社債を買入れることができる。かかる本社債は、保有、再発行、再販売、または発行会社の選択により消却されうる。

市場リスク

政治および経済環境、業務状況、投資家の心理および確信等を含む複数の要因が本社債の価格に影響をあたえる。

インフレ・リスク

インフレの影響により、本社債の実際の収益が減少する可能性がある。

潜在的な利益相反

発行会社または発行会社の関連会社は、HSCEIの構成銘柄にかかる発行者または債務者が行う取引につき、当該者に随時助言を行い、または自己勘定および当該者の管理下にあるその他の勘定でHSCEIもしくはHSCEIの構成銘柄にかかる取引を随時行うことができる。かかる取引はHSCEIの水準、ひいては本社債の価値にプラスまたはマイナスの影響を及ぼす可能性がある。また、発行会社の関連会社の一部は、本社債に基づく発行会社の債務のヘッジの相手方となる場合がある。エイチエスビーシー・フランスは、計算代理人としての権能において、本社債に関する決定および計算を行う責任を負う。したがって、発行会社とかかる関連会社間で、および発行会社とかかる関連会社の利益と本社債権者の利益との間で一定の利益相反が生じる可能性がある。

信用リスク

本社債の購入を予定している者または本社債に投資を予定している者は、発行会社にかかるリスクを引き受ける。発行会社の格付けは、関連ある格付機関の独立した意見を反映しているが、発行会社の信用度を保証するものではない。

障害事由

計算代理人が支払いができない旨または市場障害事由の発生を決定した場合、その後の評価の遅滞または代替の評価方法が本社債の価値に重大な影響を及ぼす可能性がある。

構成銘柄の価値

本社債の関するHSCEIの構成銘柄全体の価値は、構成銘柄の個数によって影響を受ける。一般的に、インデックスを構成する会社、債務者その他構成銘柄の数が多い場合、または、構成銘柄がそれぞれインデックスに対し均等な影響を与える場合には、構成銘柄の数が少ない場合、または、ある構成銘柄が他よりも大きい影響をインデックスに対し与える場合と比較して、ある構成銘柄の価値の変動によって、構成銘柄全体の価値の変動が小さい。さらに、構成銘柄が特定の業界に属しまたは関連する場合には、構成銘柄が様々な経済的事由、金融的事由その他の事由の影響を受ける様々な業界またはかかる事由が様々に影響する業界に関連する場合と比較して、構成銘柄全体の価値は、その業界に影響を与える経済的事由、金融的事由その他の事由の影響を受けやすい。

関連水準の変動

HSCEIの水準またはHSCEIの構成銘柄の株価の変動は本社債の価値に影響を及ぼす。

本社債の元本リスク

本書に別途記載される場合を除き、本社債の投資金額の払戻金および投資収益は変動し、保証はされていない。投資の成果は本社債の期間中のHSCEIの水準に左右される。HSCEIの水準は、HSCEIの構成銘柄のパフォーマンスおよびその他の市況を反映するため、激しく変動する場合がある。

本社債については、満期償還金額がHSCEIに連動する。満期償還時の元本は全額保証されているが、早期償還における払戻金額は当初の投資額を下回る可能性がある。

早期償還リスク

本社債は、本書に記載された要項に従い、早期償還される可能性がある。その際に早期償還された償還金額を再投資した場合に、早期償還されない場合に得られる本社債の利金と同等の利回りが得られない可能性（再投資リスク）がある。

配　当

HSCEIの水準は構成銘柄の価格のみから計算されるため、各構成銘柄に支払われる配当金およびその再投資は反映されない。

為替変動リスク

本社債の円貨建ての価値は、為替相場（円貨とオーストラリアドルの交換比率）の変化の影響を受ける。すなわち、為替相場が円高の状況で本社債を円貨換算した価値は下落し、逆に円安の状況では本社債を円貨換算した価値は上昇する。したがって、売却時あるいは償還時の為替相場の状況によっては、円貨ベースで投資元本を下回るおそれがある。

税務上の取扱い

本社債にかかる取引には、本社債の購入を予定する者において、当該購入予定者の状況と譲渡税や登録税に関する法律から特に影響を受ける租税効果が生じる可能性がある。発行会社およびディーラーは、本社債の取得、保有もしくは処分または本社債にかかるその他の取引による、いずれかの者の租税効果について、なんら表明を行うものではない。かかる事項または本社債にかかるその他の租税問題について確信を持てない購入予定者は、各自の税務顧問に相談し、依拠すべきである。

日本の税務当局は本社債についての日本の課税上の取扱いについて明確にしていない。上記「8．課税上の取扱い、日本国の租税」の項を参照のこと。なお、将来、日本の税務当局が現状の取扱いとは異なる新たな取扱いを決めたり、異なる解釈を行う可能性がある。本社債に投資しようとする投資家は、各投資家の状況に応じて、本社債に投資することによるリスクや本社債に投資することが適当か否かについて各自の会計・税務顧問に相談することが望ましい。

振替システム

仮大券または恒久大券が、ユーロクリアおよびクリアストリーム・ルクセンブルグによってまたはそれに代理して保有されるため、投資家は譲渡、支払いおよび本社債における支払いを受けるための発行会社との情報のやりとりに関し、ユーロクリアおよびクリアストリーム・ルクセンブルグの手続きに依拠しなければならない。

本プログラムによって発行された無記名式社債は、仮大券または恒久大券によって表章され得る。かかる大券は、ユーロクリアおよびクリアストリーム・ルクセンブルグを代理して共通預託銀行に預託される。大券に記載された状況を除き、投資家は確定社債券を保有することができない。ユーロクリアおよびクリアストリーム・ルクセンブルグは、大券の持ち分についての記録を行う。本社債が大券によって表章されている間は、投資家は、その大券に対する持ち分をユーロクリアおよびクリアストリーム・ルクセンブルグを通してのみ取引することができる。

本社債が大券によって表章されている間は、発行会社は、本社債に係る支払義務については、(i) ユーロクリアおよびクリアストリーム・ルクセンブルグの代理人として行為する共通サービス提供者または(ii) ユーロクリアおよびクリアストリーム・ルクセンブルグの共通預託銀行に対して、支払いを行うことによって履行される。

発行会社は、大券の持ち分に関する記録やそれに対する支払いの記録を行う責任や義務を負わない。本社債権者は、本社債に関し直接の議決権を有せず、代わりに、ユーロクリアおよびクリアストリーム・ルクセンブルグによって許される範囲で適切な代理人を任命することができる。

修正、権利放棄および承継

本社債は、社債権者の利益全般に影響を与える項目について検討するために社債権者集会を招集するための要項を含む。かかる要項は、多数決によりすべての社債権者を、その者が社債権者集会に欠席した場合または多数票とは逆の投票をした場合であっても、拘束することを認めている。

さらに、本社債の要項の修正は、発行会社が本社債権者の利益の重要な毀損とはならないと判断する場合および要項が関連するタームシートと整合しない場合には、本社債権者の同意なく行われ得る。

本社債は、発行会社の保証を条件として、発行会社の関連会社に発行会者がその主債務者としての地位を承

継させることを認めている。

法の変更

本社債の要項は、基本目論見書の作成日における英国法に基づいている。基本目論見書の作成日以後の司法判断または英国法もしくは行政手続きの変更については何らの保証もない。

第３【その他の記載事項】

発行会社のロゴ、本社債、売出人および登録金融機関の名称が、本社債の売出しに関する届出目論見書の表紙に記載される。

以下の文言が、目論見書の表紙裏に記載される。

「エイチエスビーシー・バンク・ピーエルシーの原文（英文）の年次財務書類は、本社債売出届出目論見書には記載されておりませんが、有価証券届出書には記載されております。
本社債の満期償還金額は、ハンセン中国企業指数の水準の変動により影響を受けることがあります。詳細につきましては、本書「第一部 証券情報 第２ 売出要項」をご参照下さい。
本社債への投資は、香港証券取引所の株式市場の動向により直接的に影響を受けます。株式投資にかかるリスクに耐え得る投資家のみが本社債への投資を行って下さい。
本社債はオーストラリアドル建てであり、元利金の支払いはオーストラリアドルによって行われますので、円貨換算された本社債の価値、受取金額等は、外国為替の変動により影響を受けます。」

Financial Statements

Consolidated income statement for the year ended 31 December 2008

	Notes	2008 £m	2007 £m (restated)[1]
Interest income		**18,998**	16,439
Interest expense		**(13,301)**	(12,585)
Net interest income		**5,697**	3,854
Fee income		**5,453**	5,442
Fee expense		**(1,496)**	(1,258)
Net fee income		**3,957**	4,184
Trading income excluding net interest income		**1,165**	1,698
Net interest income on trading activities		**1,802**	1,789
Net trading income		**2,967**	3,487
Net (expense)/income from financial instruments designated at fair value		**(1,097)**	126
Gains less losses from financial investments		**82**	552
Dividend income		**85**	43
Net earned insurance premiums	*4*	**2,891**	1,921
Other operating income		**1,593**	307
Total operating income		**16,175**	14,474
Net insurance claims incurred and movement in liabilities to policyholders	*5*	**(1,835)**	(1,674)
Net operating income before loan impairment charges and other credit risk provisions		**14,340**	12,800
Loan impairment charges and other credit risk provisions		**(1,861)**	(1,043)
Net operating income	*6*	**12,479**	11,757
Employee compensation and benefits[1]	*7*	**(4,498)**	(4,305)
General and administrative expenses	*8*	**(3,049)**	(2,872)
Depreciation and impairment of property, plant and equipment	*22*	**(466)**	(422)
Amortisation and impairment of intangible assets	*21*	**(109)**	(142)
Total operating expenses		**(8,122)**	(7,741)
Operating profit		**4,357**	4,016
Share of profit in associates and joint ventures		**9**	47
Profit before tax		**4,366**	4,063
Tax expense	*10*	**(843)**	(767)
Profit for the year		**3,523**	3,296
Profit attributable to shareholders of the parent company		**3,441**	3,209
Profit attributable to minority interests		**82**	87

1 *On 1 January 2008, the group adopted IFRIC 11. Comparative information has been restated accordingly. See note 1(a).*

Consolidated balance sheet at 31 December 2008

	Notes	2008 £m	2007 £m
ASSETS			
Cash and balances at central banks		**9,470**	7,146
Items in the course of collection from other banks		**1,917**	2,434
Trading assets	*15*	**172,026**	153,206
Financial assets designated at fair value	*16*	**13,895**	14,969
Derivatives	*17*	**243,084**	60,470
Loans and advances to banks	*31*	**50,719**	60,764
Loans and advances to customers	*31*	**298,304**	227,687
Financial investments	*18*	**103,511**	69,528
Interests in associates and joint ventures	*20*	**73**	118
Goodwill and intangible assets	*21*	**11,780**	9,877
Property, plant and equipment	*22*	**4,697**	4,119
Other assets	*24*	**8,802**	5,869
Current tax assets		**215**	67
Deferred tax assets	*10*	**113**	50
Prepayments and accrued income		**5,625**	5,976
Total assets		**924,231**	622,280
LIABILITIES AND EQUITY			
Liabilities			
Deposits by banks	*31*	**61,431**	48,786
Customer accounts	*31*	**369,880**	268,269
Items in the course of transmission to other banks		**1,802**	1,975
Trading liabilities	*25*	**124,450**	117,454
Financial liabilities designated at fair value	*26*	**15,184**	15,659
Derivatives	*17*	**241,031**	61,539
Debt securities in issue	*31*	**52,308**	50,921
Retirement benefit liabilities	*7*	**664**	674
Other liabilities[1]	*27*	**6,897**	6,843
Current tax liability		**197**	467
Liabilities under insurance contracts issued	*28*	**16,132**	12,251
Accruals and deferred income		**5,464**	6,509
Provisions	*29*	**428**	427
Deferred tax liability	*10*	**443**	302
Subordinated liabilities	*30*	**7,259**	5,205
Total liabilities		**903,570**	597,281
Equity			
Called up share capital	*35*	**797**	797
Share premium account	*36*	**17,249**	15,499
Other equity instruments	*36*	**1,750**	1,000
Other reserves	*36*	**(7,842)**	(460)
Retained earnings	*36*	**7,969**	7,587
Total equity attributable to shareholders of the parent company		**19,923**	24,423
Minority interests	*36*	**738**	576
Total equity		**20,661**	24,999
Total equity and liabilities		**924,231**	622,280

S K Green, *Chairman*

2 March 2009

Financial Statements (continued)

Consolidated statement of recognised income and expense for the year ended 31 December 2008

	2008 £m	2007 £m (restated)[1]
Available-for-sale investments:		
– fair value losses taken to equity	**(11,551)**	(964)
– fair value gains transferred to income statement on disposal	**(330)**	(517)
– amount transferred to the income statement in respect of impairment	**429**	16
Cash flow hedges:		
– fair value gains/(losses) taken to equity	**545**	(71)
– fair value (gains)/losses transferred to income statement	**(8)**	33
Foreign exchange reserve:		
– amounts transferred to income statement on disposal	**(136)**	–
– exchange differences taken to equity	**3,357**	1,109
Share of changes in equity of associates and joint ventures	**–**	101
Actuarial (losses)/gains on defined benefit plans	**(129)**	1,267
	(7,823)	974
Tax on items taken directly to equity	**438**	(311)
Total income and expense taken to equity during the year	**(7,385)**	663
Profit for the year	**3,523**	3,296
Total recognised income and expense for the year	**(3,862)**	3,959
Total recognised income and expense for the year attributable to:		
– shareholders of the parent company	**(4,062)**	3,857
– minority interests	**200**	102

1 *On 1 January 2008, the group adopted IFRIC 11. Comparative information has been restated accordingly. See note 1(a).*

Consolidated cash flow statement for the year ended 31 December 2008

	Notes	2008 £m	2007 £m (restated)[1]
Cash flows from operating activities			
Profit before tax		**4,366**	4,063
Adjustments for:			
– non-cash items included in profit before tax	*37*	**2,733**	2,205
– change in operating assets	*37*	**(72,242)**	(56,617)
– change in operating liabilities	*37*	**118,194**	83,387
– elimination of exchange differences [2]		**(24,765)**	(332)
– net gain from investing activities		**(1,284)**	(552)
– share of profits in associates and joint ventures		**(9)**	(47)
– distributions from associates		**2**	7
– contributions paid for defined benefit plans		**(273)**	(548)
– tax paid		**(795)**	(872)
Net cash generated from operating activities		**25,927**	30,694
Cash flows from investing activities			
Purchase of financial investments		**(102,333)**	(71,980)
Proceeds from the sale of financial investments		**71,626**	43,217
Purchase of property, plant and equipment		**(782)**	(578)
Proceeds from the sale of property, plant and equipment		**281**	67
Purchase of goodwill and intangible assets		**(182)**	(123)
Proceeds from the sale of goodwill and intangible assets		**18**	-
Net cash (outflow)/inflow from acquisition of and increase in stake of subsidiaries		**(28)**	9
Net cash outflow from acquisition of and increase in stake of associates		**(1)**	(118)
Proceeds from disposal of subsidiaries		**1,554**	–
Proceeds from disposal of associates		**62**	982
Purchases of HSBC Holdings plc shares to satisfy share based payment transactions		**(197)**	(182)
Net cash used in investing activities		**(29,982)**	(28,706)
Cash flows from financing activities			
Issue of share capital		**1,750**	510
Issue of capital securities		**750**	1,000
Subordinated loan capital issued		**1,014**	59
Subordinated loan capital repaid		**(51)**	10
Dividends paid to shareholders		**(2,974)**	(1,706)
Dividends paid to minority interests		**(25)**	(7)
Net cash generated from/(used in) financing activities		**464**	(134)
Net (decrease)/increase in cash and cash equivalents		**(3,591)**	1,854
Cash and cash equivalents at 1 January		**51,235**	46,721
Effect of exchange rate changes on cash and cash equivalents		**13,211**	2,660
Cash and cash equivalents at 31 December	*37*	**60,855**	51,235

1 *On 1 January 2008, the group adopted IFRIC 11. Comparative information has been restated accordingly. See note 1(a).*
2 *Adjustment to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.*

Financial Statements (continued)

HSBC Bank plc balance sheet at 31 December 2008

	Notes	2008 £m	2007 £m
ASSETS			
Cash and balances at central banks		**6,779**	3,677
Items in the course of collection from other banks		**692**	1,377
Trading assets	*15*	**130,205**	149,102
Financial assets designated at fair value	*16*	**4,592**	3,439
Derivatives	*17*	**197,128**	46,325
Loans and advances to banks	*31*	**18,295**	32,028
Loans and advances to customers	*31*	**217,309**	150,649
Financial investments	*18*	**46,608**	13,821
Interests in associates and joint ventures	*20*	**53**	46
Investments in subsidiary undertakings	*23*	**15,236**	15,754
Goodwill and intangible assets	*21*	**598**	540
Property, plant and equipment	*22*	**1,515**	1,078
Other assets	*24*	**3,637**	2,076
Current tax assets		**291**	1
Deferred tax assets	*10*	**138**	515
Prepayments and accrued income		**2,705**	3,601
Total assets		**645,781**	424,029
LIABILITIES AND EQUITY			
Liabilities			
Deposits by banks	*31*	**54,986**	41,061
Customer accounts	*31*	**240,397**	184,899
Items in the course of transmission to other banks		**772**	1,056
Trading liabilities	*25*	**98,389**	99,755
Financial liabilities designated at fair value	*26*	**9,429**	8,082
Derivatives	*17*	**197,247**	47,536
Debt securities in issue	*31*	**8,670**	8,117
Retirement benefit liabilities	*7*	**414**	551
Other liabilities[1]	*27*	**3,163**	2,874
Current taxation		**4**	198
Accruals and deferred income		**2,585**	4,214
Provisions	*29*	**158**	163
Deferred tax liability	*10*	**2**	2
Subordinated liabilities	*30*	**7,310**	4,744
Total liabilities		**623,526**	403,252
Equity			
Called up share capital	*35*	**797**	797
Share premium account	*36*	**17,249**	15,499
Other equity instruments	*36*	**1,750**	1,000
Other reserves	*36*	**(622)**	180
Retained earnings	*36*	**3,081**	3,301
Total equity		**22,255**	20,777
Total equity and liabilities		**645,781**	424,029

S K Green, *Chairman*

2 March 2009

HSBC Bank plc statement of recognised income and expense for the year ended 31 December 2008

	2008 £m	2007 £m (restated)[1]
Available-for-sale investments:		
– fair value (losses)/gains taken to equity	**(1,533)**	238
– fair value gains transferred to income statement on disposal	**(164)**	(167)
– amounts transferred to the income statement in respect of impairment	**103**	–
Cash flow hedges:		
– fair value gains taken to equity	**563**	10
– fair value (gains)/losses transferred to income statement	**(16)**	19
Exchange differences	**(34)**	(10)
Actuarial gains on defined benefit plans	**33**	1,231
	(1,048)	1,321
Tax on items taken directly to equity	**281**	(364)
Total income and expense taken to equity during the year	**(767)**	957
Profit for the year	**2,681**	2,336
Total recognised income and expense for the year	**1,914**	3,293

1 *On 1 January 2008, the group adopted IFRIC 11. Comparative information has been restated accordingly. See note 1(a).*

Financial Statements (continued)

HSBC Bank plc cash flow statement for the year ended 31 December 2008

	Notes	2008 £m	2007 £m (restated)[1]
Cash flows from operating activities			
Profit before tax		**3,235**	2,844
Adjustments for:			
– non-cash items included in net profit	*37*	**1,448**	1,719
– change in operating assets	*37*	**(39,012)**	(44,754)
– change in operating liabilities	*37*	**70,364**	39,266
– elimination of exchange differences[2]		**(7,301)**	(924)
– net gain from investing activities		**(733)**	(167)
– contribution paid for defined pension schemes		**(252)**	(535)
– tax paid		**(365)**	(428)
Net cash generated from/(used in) operating activities		**27,384**	(2,979)
Cash flows from investing activities			
Purchase of financial investments		**(77,011)**	(20,361)
Proceeds from the sale of financial investments		**48,606**	19,027
Purchase of property, plant and equipment		**(393)**	(307)
Proceeds from the sale of property, plant and equipment		**67**	59
Purchase of goodwill and intangible assets		**(132)**	(97)
Proceeds from the sale of goodwill and intangible assets		**16**	–
Net cash outflow from acquisition of and increase in stake of subsidiaries		**(28)**	–
Net cash outflow from acquisition of and increase in stake of associates		**(7)**	(61)
Net cash inflow due to repayment of capital in subsidiary		**1,116**	–
Proceeds from disposal of subsidiaries		**224**	–
Proceeds from disposal of associates		–	298
Purchases of HSBC Holdings plc shares to satisfy share based payment transactions		**(99)**	(26)
Net cash used in investing activities		**(27,641)**	(1,468)
Cash flows from in financing activities			
Issue of ordinary share capital		**1,750**	510
Issue of capital securities		**750**	1,000
Subordinated loan capital issued		**1,612**	–
Subordinated loan capital repaid		–	22
Dividends paid		**(2,974)**	(1,706)
Net cash generated from/(used in) financing activities		**1,138**	(174)
Net increase/(decrease) in cash and cash equivalents		**881**	(4,621)
Cash and cash equivalents at 1 January		**22,592**	26,485
Effect of exchange rate changes on cash and cash equivalents		**4,318**	728
Cash and cash equivalents at 31 December	*37*	**27,791**	22,592

1 *On 1 January 2008, the bank adopted IFRIC 11. Comparative information has been restated accordingly. See note 1(a).*
2 *Adjustment to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.*

1 Basis of preparation

(a) Compliance with International Financial Reporting Standards

The consolidated financial statements of the group and the separate financial statements of HSBC Bank plc have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as issued by the International Accounting Standards Board ('IASB') and as endorsed by the EU. EU-endorsed IFRSs may differ from IFRSs as issued by the IASB if, at any point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2008, there were no unendorsed standards effective for the year ended 31 December 2008 affecting these consolidated and separate financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the group. Accordingly, the group's financial statements for the year ended 31 December 2008 are prepared in accordance with IFRSs as issued by the IASB.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') and its predecessor body.

During 2008, the group adopted the following amendments to standards and interpretations:

- IFRIC 14 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction' had no significant effect on the consolidated financial statements of the group or the separate financial statements of HSBC Bank plc.
- An amendment to IAS 39 'Financial Instruments: Recognition and Measurement' ('IAS 39') and to IFRS 7 'Financial Instruments: Disclosures' ('IFRS 7') – 'Reclassification of Financial Assets' ('Reclassification Amendment'). See note 14 – Reclassification of financial assets.
- IFRIC 11 'Group and Treasury Share Transactions' ('IFRIC 11'). Application of this interpretation has resulted in the group treating all share based payment transactions as equity settled.

  This change in accounting policy was made in accordance with the transitional provisions of IFRIC 11, which require that the interpretation be applied retrospectively in accordance with IAS 8 'Accounting Policies, changes in Accounting Estimates and Errors', subject to the transitional provisions of IFRS 2 'Share-based Payments'. The effect of the adoption of IFRIC 11 was to increase the group's 'employee compensation and benefits' in 2007 by £18 million. (bank £15 million)

(b) Presentation of information

In publishing the parent company financial statements together with the group financial statements, the group is taking advantage of the exemption in s230 of the Companies Act 1985 not to present its individual income statement and related notes that form part of these approved financial statements.

The group has taken advantage of the exemption under Regulation 7 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993 from certain partnerships that are consolidated by the group presenting their own individual financial statements under IFRSs.

Capital disclosures under IAS 1 'Presentation of Financial Statements' have been included in the audited sections of the Report of the Directors on pages 14 to 17.

The functional currency of the bank is sterling, which is also the presentation currency of the consolidated financial statements of the group.

(c) Consolidation

The consolidated financial statements of the group comprise the financial statements of HSBC Bank plc and its subsidiaries made up to 31 December. Subsidiaries are consolidated from the date that the group gains control. The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured at the fair value of the consideration given at the date of exchange, together with costs directly attributable to that acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair value of the group's share of the identifiable assets, liabilities and contingent liabilities acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the group's share of the identifiable assets, liabilities and contingent liabilities of the business acquired, the difference is recognised immediately in the

income statement.

Entities that are controlled by the group are consolidated until the date that control ceases.

In the context of Special Purpose Entities ('SPEs'), the following circumstances may indicate a relationship in which, in substance, the group controls and, consequently, consolidates an SPE:

- the activities of the SPE are being conducted on behalf of the group according to its specific business needs so that the group obtains benefits from the SPE's operation;
- the group has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the group has delegated these decision-making powers;
- the group has rights to obtain the majority of the benefits of the SPE and therefore may be exposed to risks incident to the activities of the SPE; or
- the group retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.

The group performs a re-assessment of consolidation whenever there is a change in the substance of the relationship between the group and an SPE. All intra-group transactions are eliminated on consolidation.

The consolidated financial statements of the group also include the attributable share of the results and reserves of joint ventures and associates. These are based on financial statements made up to dates not earlier than three months prior to 31 December, adjusted for the effect of any significant transactions or events that occur between that date and the group's reporting date.

(d) Future accounting developments

Standards and Interpretations issued by the IASB and endorsed by the EU

IFRS 8 'Operating Segments' ('IFRS 8'), which replaces IAS 14 'Segment Reporting' ('IAS 14'), was issued on 30 November 2006 and is effective for annual periods beginning on or after 1 January 2009. This standard specifies how an entity should disclose information about its segments which enables users to evaluate the nature and financial effects of its business activities and the economic environments in which it operates. The group will adopt IFRS 8 with effect from 1 January 2009, and will accordingly present financial information for segments whose operating activities are regularly reviewed by the chief operating decision maker in order to make decisions about allocating resources and assessing performance. The group currently presents two sets of segment data in accordance with IAS 14, one geographical and one based on customer groups.

A revised IAS 1, which is applicable for annual periods beginning on or after 1 January 2009, was issued on 6 September 2007. The revised standard aims to improve users' ability to analyse and compare information given in financial statements. The adoption of the revised standard will have no effect on the results reported in the group's consolidated financial statements or the separate financial statements of the bank. It will, however, result in certain presentational changes in the primary financial statements of the group.

The IASB issued an amendment to IFRS 2 'Share-based Payment' – 'Vesting Conditions and Cancellations' – on 17 January 2008. The amendment, which is applicable for annual periods beginning on or after 1 January 2009, clarifies that vesting conditions comprise only service conditions and performance conditions. It also specifies the accounting treatment for a failure to meet a non-vesting condition. The group does not expect adoption of the amendment to have a significant effect on the group's consolidated financial statements or the separate financial statements of the bank.

The IASB issued a revised IAS 23 'Borrowing Costs' on 29 March 2007, which is applicable for annual periods beginning on or after 1 January 2009. The revised standard eliminates the option of recognising borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. The group does not expect adoption of the revised standard to have a significant effect on the consolidated financial statements or the separate financial statements of the bank.

IFRIC 13 'Customer Loyalty Programmes' ('IFRIC 13') was issued on 28 June 2007 and is effective for annual periods beginning on or after 1 July 2008. IFRIC 13 addresses how companies that grant their customers loyalty award credits (often called 'points') when buying goods or services should account for their obligation to

provide free or discounted goods and services, if and when the customers redeem the points. IFRIC 13 requires companies to allocate some of the proceeds of the initial sale to the award credits and recognise these proceeds as revenue only when they have fulfilled their obligations to provide goods or services. The group does not expect the adoption of this interpretation to have a significant effect on the consolidated financial statements or the separate financial statements of the bank.

Standards and Interpretations issued by the IASB but not endorsed by the EU

At 31 December 2008, the following amendments to standards and interpretations, effective for these consolidated financial statements, were issued by the IASB but not endorsed by the EU:

- An amendment to IAS 39 and to IFRS 7 – 'Reclassification of Financial Assets – Effective Date and Transition' was issued on 27 November 2008. The amendment, which clarifies the effective date of the Reclassification Amendment, will have no effect on the consolidated financial statements of the group or the separate financial statements of the bank.
- IFRIC 12 'Service Concession Arrangements' was issued on 30 November 2006 and is effective for annual periods beginning on or after 1 January 2008. The adoption of this interpretation is not expected to have a significant effect on the consolidated financial statements of the group or the separate financial statements of the bank.

A revised IFRS 3 'Business Combinations' and an amended IAS 27 'Consolidated and Separate Financial Statements' were issued on 10 January 2008. The revisions to the standards apply prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual financial reporting period beginning on or after 1 July 2009. The main changes under the standards are that:

- acquisition-related costs are recognised as expenses in the income statement in the period they are incurred;
- equity interests held prior to control being obtained are remeasured to fair value at the time control is obtained, and any gain or loss is recognised in the income statement;
- changes in a parent's ownership interest in a subsidiary that do not result in a change of control are treated as transactions between equity holders and reported in equity; and
- an option is available, on a transaction-by-transaction basis, to measure any non-controlling (previously referred to as minority) interests in the entity acquired either at fair value, or at the non-controlling interests' proportionate share of the net identifiable assets of the entity acquired.

The effect that the changes will have on the consolidated financial statements of the group and the separate financial statements of the bank will depend on the incidence and timing of business combinations occurring on or after 1 January 2010.

The IASB issued amendments to IAS 32 'Financial Instruments: Presentation' and IAS 1 – 'Puttable Financial Instruments and Obligations Arising on Liquidation' – on 14 February 2008. The amendments are applicable for annual periods beginning on or after 1 January 2009. The group does not expect the adoption of this amendment to have a significant effect on the consolidated financial statements or the separate financial statements of the bank.

The IASB issued 'Improvements to IFRSs' on 22 May 2008, which comprises a collection of necessary, but not urgent, amendments to IFRSs. The amendments are primarily effective for annual periods beginning on or after 1 January 2009, with earlier application permitted. The group does not expect adoption of the amendments to have a significant effect on the consolidated financial statements or the separate financial statements of the bank.

The IASB issued amendments to IFRS 1 'First-time Adoption of International Financial Reporting Standards' and IAS 27 – 'Determining the cost of an Investment in the Separate Financial Statements' – on 22 May 2008. The amendment is effective for annual periods beginning on or after 1 January 2009. These amendments are not expected to have a significant effect on the separate financial statements of the bank and will have no effect on the consolidated financial statements.

The IASB issued an amendment to IAS 39 – 'Eligible Hedged Items' on 31 July 2008, which is applicable for annual periods beginning on or after 1 July 2009. The amendment clarifies how the existing principles underlying hedge accounting should be applied. This amendment will have no effect on the consolidated financial statements or the separate financial statements of the bank..

Notes on the Financial Statements (continued)

IFRIC 15 'Agreements for the Construction of Real Estate' ('IFRIC 15') was issued on 3 July 2008 and is effective for annual periods beginning on or after 1 January 2009. IFRIC 15 provides guidance on the recognition of revenue among real estate developers for sales of units. The group does not expect adoption of IFRIC 15 to have a significant effect on the group's consolidated financial statements. This interpretation will have no effect on the separate financial statements of the bank.

IFRIC 16 'Hedges of a Net Investment in a Foreign Operation' ('IFRIC 16') was issued on 3 July 2008 and is effective for annual periods beginning on or after 1 October 2008. IFRIC 16 provides guidance on accounting for the hedge of a net investment in a foreign operation in an entity's consolidated financial statements. The main change introduced by IFRIC 16 is to eliminate the possibility of an entity applying hedge accounting for a hedge of foreign exchange differences between the functional currency of a foreign operation and the presentation currency of the parent's consolidated financial statements. The adoption of IFRIC 16 will have no effect on the group's consolidated financial statements.

IFRIC 17 'Distributions of Non-cash Assets to Owners' ('IFRIC 17') was issued on 27 November 2008 and is effective for annual periods beginning on or after 1 July 2009. IFRIC 17 provides guidance on how distributions of assets other than cash as dividends to its shareholders should be accounted for. The group does not expect adoption of IFRIC 17 to have a significant effect on the group's consolidated financial statements or the separate financial statements of the bank.

IFRIC 18 'Transfers of Assets from Customers' ('IFRIC 18') was issued on 29 January 2009 and is required to be applied prospectively to transfers of assets from customers received on or after 1 July 2009. IFRIC 18 clarifies the requirements of IFRSs for agreements in which an entity receives from a customer an item of property, plant, and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water). The group does not expect adoption of IFRIC 18 to have an effect on the group's consolidated financial statements or the separate financial statements of the bank.

2 Summary of significant accounting policies

(a) Interest income and expense

Interest income and expense for all financial instruments except for those classified as held-for-trading or designated at fair value (other than debt securities issued by the group and derivatives managed in conjunction with such debt securities issued) are recognised in 'Interest income' and 'Interest expense' in the income statement using the effective interest method. The effective interest method is a way of calculating the amortised cost of a financial asset or a financial liability (or groups of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the group estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the group that are an integral part of the effective interest rate of a financial instrument, including transaction costs and all other premiums or discounts.

Interest on impaired financial assets is calculated by applying the original effective interest rate (or, when appropriate, the effective interest rate calculated upon reclassification) of the financial asset to the carrying amount as reduced by any allowance for impairment.

(b) Non interest income

Fee income is earned from a diverse range of services provided by the group to its customers. Fee income is accounted for as follows:

- income earned on the execution of a significant act is recognised as revenue when the act is completed (for example, fees arising from negotiating, or participating in the negotiation of, a transaction for a third party, such as an arrangement for the acquisition of shares or other securities);
- income earned from the provision of services is recognised as revenue as the services are provided (for example, asset management, portfolio and other management advisory and service fees); and

– income which forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate (for example, certain loan commitment fees) and recorded in 'Interest income' (Note 2(a)).

Net trading income comprises all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading, together with related interest income, expense and dividends.

Net expense/income from financial instruments designated at fair value includes all gains and losses from changes in the fair value of financial assets and financial liabilities designated at fair value through profit or loss, interest income and expense and dividend income arising on those financial instruments are also included in 'Net income from financial instruments designated at fair value', except for debt securities issued, and derivatives managed in conjunction with debt securities issued, which is recognised in 'Interest expense'.

Dividend income is recognised when the right to receive payment is established. For equity securities this is the ex-dividend date.

(c) Segment reporting

The group is organised into three geographical regions – the United Kingdom, Continental Europe and Rest of the World – and manages its business through seven business segments: UK Personal Financial Services; UK Commercial Banking; UK Global Banking and Markets; International Banking; France; Private Banking; and HSBC Trinkaus & Burkhardt. The 'Other' segment comprises activities, operations and sources of income and expense which are not allocated to any of the other business segments. This includes movements in fair value on debt securities issued by the group designated at fair value and exchange movements on foreign-currency denominated equity instruments issued by the group. Segment income and expenses include transfers between geographical regions and transfers between business segments. These transfers are conducted on arm's length terms and conditions.

(d) Determination of fair value

All financial instruments are recognised initially at fair value. In the normal course of business, the fair value of a financial instrument on initial recognition is the transaction price (that is, the fair value of the consideration given or received). In certain circumstances, however, the initial fair value will be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only data from observable markets, such as interest rate yield curves, option volatilities and currency rates. When such evidence exists, the group recognises a trading gain or loss on inception of the financial instrument. When unobservable market data have a significant impact on the valuation of financial instruments, the entire initial difference in fair value indicated by the valuation model from the transaction price is not recognised immediately in the income statement but is recognised over the life of the transaction on an appropriate basis, or when the inputs become observable, or the transaction matures or is closed out, or when the group enters into an offsetting transaction.

Subsequent to initial recognition, the fair values of financial instruments measured at fair value that are quoted in active markets are based on bid prices for assets held and offer prices for liabilities issued. When independent prices are not available, fair values are determined by using valuation techniques which refer to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. Fair values of financial instruments may be determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data, where current prices or observable market data are not available.

Factors such as bid-offer spread, credit profile and model uncertainty are taken into account, as appropriate, when fair values are calculated using valuation techniques. Valuation techniques incorporate assumptions that other market participants would use in their valuations, including assumptions about interest rate yield curves, exchange rates, volatilities, and prepayment and default rates. Where a portfolio of financial instruments has quoted prices in an active market, the fair value of the instruments are calculated as the product of the number of units and quoted price and no block discounts are applied.

If the fair value of a financial asset measured at fair value becomes negative, it is recorded as a financial liability until its fair value becomes positive, at which time it is recorded as a financial asset.

The fair values of financial liabilities are measured using quoted market prices where available, or using valuation techniques. These fair values include market participants' assessments of the appropriate credit spread to apply to the group's liabilities. The amount of change during the period, and cumulatively, in the fair value of designated financial liabilities and loans and advances that is attributable to changes in their credit spread is determined as the amount of change in the fair value that is not attributable to changes in market conditions that give rise to market risk.

(e) Reclassification of financial assets

Non-derivative financial assets (other than those designated at fair value through profit or loss upon initial recognition) may be reclassified out of the fair value through profit or loss category in particular circumstances:

- Financial assets that would have met the definition of loans and receivables at initial recognition (if the financial asset had not been required to be classified as held for trading) may be reclassified out of the fair value through profit or loss category if there is the intention and ability to hold the financial asset for the foreseeable future or until maturity.
- Financial assets (except financial assets that would have met the definition of loans and receivables) may be reclassified out of the fair value through profit or loss category and into another category in rare circumstances.

When a financial asset is reclassified as described in the above circumstances, the financial asset is reclassified at its fair value on the date of reclassification. Any gain or loss already recognised in the income statement is not reversed. The fair value of the financial asset on the date of reclassification becomes its new cost or amortised cost, as applicable.

(f) Loans and advances to banks and customers

Loans and advances to banks and customers include loans and advances originated by the group which are not classified either as held for trading or designated at fair value. Loans and advances are recognised when cash is advanced to borrowers. They are derecognised when either borrowers repay their obligations, or the loans are sold or written off, or substantially all the risks and rewards of ownership are transferred. They are initially recorded at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method, less impairment losses. Where loans and advances are hedged by derivatives designated and qualifying as fair value hedges, the carrying value of the loans and advances so hedged includes a fair value adjustment for the hedged risk only.

For certain leveraged finance and syndicated lending activities, the group may commit to underwrite loans on fixed contractual terms for specified periods of time, where the drawdown of the loan is contingent upon certain future events outside the control of the group. Where the loan arising from the lending commitment is expected to be held for trading, the commitment to lend is recorded as a trading derivative and measured at fair value through profit and loss. On drawdown, the loan is classified as held for trading and measured at fair value through profit and loss. Where it is not the group's intention to trade the loan, a provision on the loan commitment is only recorded where it is probable that the group will incur a loss. This may occur, for example, where a loss of principal is probable or the interest rate charged on the loan is lower than the cost of funding. On inception of the loan, the held portion is recorded at its fair value and subsequently measured at amortised cost using the effective interest method. However, where the initial fair value is lower than the cash amount advanced (for example, due to the rate of interest charged on the loan being below the market rate of interest), the write down is charged to the income statement. The write down will be recovered over the life of the loan, through the recognition of interest income using the effective interest rate method, unless the loan becomes impaired. The write down is recorded as a reduction to other operating income.

Financial assets which have been reclassified out of of the fair value through profit and loss category into the loans and receivables category are initially recorded at the fair value at the date of reclassification. The reclassified assets are subsequently measured at amortised cost, using the effective intererest rate determined at the date of reclassification.

(g) Impairment of loans and advances

Losses for impaired loans are recognised promptly when there is objective evidence that impairment of a loan or

portfolio of loans has occurred. Impairment losses are calculated on individual loans and on groups of loans assessed collectively. Impairment losses are recorded as charges to the income statement. The carrying amount of impaired loans on the balance sheet is reduced through the use of impairment allowance accounts. Losses expected from future events are not recognised.

Individually assessed loans and advances

For all loans that are considered individually significant, the group assesses on a case-by-case basis at each balance sheet date whether there is any objective evidence that a loan is impaired. For those loans where objective evidence of impairment exists, impairment losses are determined by considering the following factors:

- the group's aggregate exposure to the customer;
- the viability of the customer's business model and its capability to trade successfully out of financial difficulties and generate sufficient cash flow to service its debt obligations;
- the amount and timing of expected receipts and recoveries;
- the likely dividend available on liquidation or bankruptcy;
- the extent of other creditors' commitments ranking ahead of, or *pari passu* with, the group and the likelihood of other creditors continuing to support the company;
- the complexity of determining the aggregate amount and ranking of all creditor claims and the extent to which legal and insurance uncertainties are evident;
- the realisable value of security (or other credit mitigants) and likelihood of successful repossession;
- the likely deduction of any costs involved in recovery of amounts outstanding;
- the ability of the borrower to obtain, and make payments in, the currency of the loan if not denominated in local currency; and
- when available, the secondary market price of the debt.

Impairment losses are calculated by discounting the expected future cash flows of a loan at its original effective interest rate, and comparing the resultant present value with the loan's current carrying amount.

Collectively assessed loans and advances

Impairment is assessed on a collective basis in two circumstances:

- to cover losses which have been incurred but have not yet been identified on loans subject to individual assessment; and
- for homogeneous groups of loans that are not considered individually significant.

Incurred but not yet identified impairment

Individually assessed loans for which no evidence of loss has been specifically identified on an individual basis are grouped together according to their credit risk characteristics for the purpose of calculating an estimated collective loss. This reflects impairment losses that the group has incurred as a result of events occurring before the balance sheet date, which the group is not able to identify on an individual loan basis, and that can be reliably estimated. These losses will only be individually identified in the future. As soon as information becomes available which identifies losses on individual loans within the group, those loans are removed from the group and assessed on an individual basis for impairment.

The collective impairment allowance is determined after taking into account:

- historical loss experience in portfolios of similar credit risk characteristics (for example, by industry sector, loan grade or product);
- the estimated period between impairment occurring and the loss being identified and evidenced by the establishment of an appropriate allowance against the individual loan; and

- management's experienced judgement as to whether current economic and credit conditions are such that the actual level of inherent losses at the balance sheet date is likely to be greater or less than that suggested by historical experience.

The period between a loss occurring and its identification is estimated by local management for each identified portfolio.

Homogeneous groups of loans and advances

Statistical methods are used to determine impairment losses on a collective basis for homogeneous groups of loans that are not considered individually significant, because individual loan assessment is impracticable. Losses in these groups of loans are recorded on an individual basis when individual loans are written off, at which point they are removed from the group. Two alternative methods are used to calculate allowances on a collective basis:

- When appropriate empirical information is available, the group uses roll-rate methodology. This methodology employs statistical analyses of historical data and experience of delinquency and default to estimate the amount of loans that will eventually be written off as a result of the events occurring before the balance sheet date which the group is not able to identify on an individual loan basis, and that can be reliably estimated. Under this methodology, loans are grouped into ranges according to the number of days past due, and statistical analysis is used to estimate the likelihood that loans in each range will progress through the various stages of delinquency and ultimately prove irrecoverable. The estimated loss is the difference between the present value of expected future cash flows, discounted at the original effective interest rate of the portfolio, and the carrying amount of the portfolio. Current economic conditions are also evaluated when calculating the appropriate level of allowance required to cover inherent loss. In certain highly developed markets, sophisticated models also take into account behavioural and account management trends as revealed in, for example, bankruptcy and rescheduling statistics.
- In other cases, when the portfolio size is small or when information is insufficient or not reliable enough to adopt a roll-rate methodology, the group adopts a formulaic approach which allocates progressively higher percentage loss rates the longer a customer's loan is overdue. Loss rates are based on historical experience.

In normal circumstances, historical experience provides the most objective and relevant information from which to assess inherent loss within each portfolio. In certain circumstances, historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date, for example, where there have been changes in economic, regulatory or behavioural conditions, such that the most recent trends in the portfolio risk factors are not fully reflected in the statistical models.

These additional portfolio risk factors may include recent loan portfolio growth and product mix, unemployment rates, bankruptcy trends, geographic concentrations, loan product features (such as the ability of borrowers to repay adjustable-rate loans where reset interest rates give rise to increases in interest charges), economic conditions such as national and local trends in housing markets and interest rates, portfolio seasoning, account management policies and practices, current levels of write-offs, changes in laws and regulations and other items which can affect customer payment patterns on outstanding loans, such as natural disasters. These risk factors, where relevant, are taken into account when calculating the appropriate level of impairment allowances by adjusting the impairment allowances derived solely from historical loss experience.

Roll rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure they remain appropriate.

Write-off of loans and advances

A loan (and the related impairment allowance account) is normally written off, either partially or in full, when there is no realistic prospect of recovery of the principal amount and, for a collateralised loan, when the proceeds from realising the security have been received.

Reversals of impairment

If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write back is recognised in the income statement.

Reclassified loans and advances

Where financial assets have been reclassified out of the fair value through profit or loss category to the loans and receivables category, the effective interest rate determined at the date of reclassification is used to calculate any impairment losses.

Following reclassification, where there is a subsequent increase in the estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognised as an adjustment to the effective interest rate from the date of change in the estimate rather than as an adjustment to the carrying amount of the asset at the date of change in the estimate.

Assets acquired in exchange for loans

Non-financial assets acquired in exchange for loans as part of an orderly realisation are recorded as assets held for sale and reported in 'Other assets'. The asset acquired is recorded at the lower of its fair value (less costs to sell) and the carrying amount of the loan (net of impairment allowance) at the date of exchange. No depreciation is charged in respect of assets held for sale. Any subsequent write-down of the acquired asset to fair value less costs to sell is recognised in the income statement, in 'Other operating income'. Any subsequent increase in the fair value less costs to sell, to the extent this does not exceed the cumulative write down, is also recognised in 'Other operating income', together with any realised gains or losses on disposal.

Renegotiated loans

Loans subject to collective impairment assessment whose terms have been renegotiated are no longer considered past due, but are treated as new loans for measurement purposes once the minimum numbers of payments required under the new arrangements have been received. Loans subject to individual impairment assessment, whose terms have been renegotiated, are subject to ongoing review to determine whether they remain impaired or should be considered past due. The carrying amount of loans that have been classified as renegotiated retain this classification until maturity or derecognition.

(h) Trading assets and trading liabilities

Treasury bills, debt securities, equity shares, loans, deposits, debt securities in issue, and short positions in securities are classified as held for trading if they have been acquired principally for the purpose of selling or repurchasing in the near term, or they form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking. These financial assets or financial liabilities are recognised on trade date, when the group enters into contractual arrangements with counterparties to purchase or sell financial instruments, and are normally derecognised when either sold (assets) or extinguished (liabilities). Measurement is initially at fair value, with transaction costs taken to the income statement. Subsequently their fair values are remeasured, and all gains and losses from changes therein are recognised in the income statement in 'Net trading income' as they arise.

(i) Financial instruments designated at fair value

Financial instruments, other than those held for trading, are classified in this category if they meet one or more of the criteria set out below, and are so designated by management. The group may designate financial instruments at fair value when the designation:

- eliminates or significantly reduces measurement or recognition inconsistencies that would otherwise arise from measuring financial assets or financial liabilities, or recognising gains and losses on them, on different bases. Under this criterion, the main classes of financial instruments designated by the group are:

  Long-term debt issues – The interest payable on certain fixed rate long-term debt securities issued has been matched with the interest on 'receive fixed/pay variable' interest rate swaps as part of a documented interest rate risk management strategy. An accounting mismatch would arise if the debt securities issued were accounted for at amortised cost, because the related derivatives are measured at fair value with changes in the fair value recognised in the income statement. By designating the long-term debt at fair value, the movement in the fair value of the long-term debt will also be recognised in the income statement.

  Financial assets and financial liabilities under investment contracts – Liabilities to customers under linked contracts are determined based on the fair value of the assets held in the linked funds, with changes

recognised in the income statement. If no designation was made for the assets relating to the customer liabilities they would be classified as available-for-sale and the changes in fair value would be recorded directly in equity. These financial instruments are managed on a fair value basis and management information is also prepared on this basis. Designation at fair value of the financial assets and liabilities under investment contracts allows the changes in fair values to be recorded in the income statement and presented in the same line.

- applies to groups of financial assets, financial liabilities or combinations thereof that are managed, and their performance evaluated, on a fair value basis in accordance with a documented risk management or investment strategy, and where information about the groups of financial instruments is reported to management on that basis. Under this criterion, certain financial assets held to meet liabilities under insurance contracts are the main class of financial instrument so designated. The group has documented risk management and investment strategies designed to manage such assets at fair value, taking into consideration the relationship of assets to liabilities in a way that mitigates market risks. Reports are provided to management on the fair value of the assets. Fair value measurement is also consistent with the regulatory reporting requirements under the appropriate regulations for these insurance operations.
- relates to financial instruments containing one or more embedded derivatives that significantly modify the cash flows resulting from those financial instruments, including certain debt issues and debt securities held.

The fair value designation, once made, is irrevocable. Designated financial assets and financial liabilities are recognised when the group enters into the contractual provisions of the arrangements with counterparties, which is generally on trade date, and are normally derecognised when sold (assets) or extinguished (liabilities). Measurement is initially at fair value, with transaction costs taken directly to the income statement. Subsequently, the fair values are remeasured, and gains and losses from changes therein are recognised in 'Net income from financial instruments designated at fair value'.

(j) Financial investments

Treasury bills, debt securities and equity shares intended to be held on a continuing basis, other than those designated at fair value or classified as loans and receivables, are classified as available-for-sale or held-to-maturity. Financial investments are recognised on trade date, when the group enters into contractual arrangements with counterparties to purchase securities, and are normally derecognised when either the securities are sold or the borrowers repay their obligations.

(i) Available-for-sale financial assets are initially measured at fair value plus direct and incremental transaction costs. They are subsequently remeasured at fair value, and changes therein are recognised in equity in the 'Available-for-sale fair value reserve' until the financial assets are either sold or become impaired. When available-for-sale financial assets are sold, cumulative gains or losses previously recognised in equity are recognised in the income statement as 'Gains less losses from financial investments'.

Interest income is recognised on available-for-sale debt securities using the effective interest rate method, calculated over the asset's expected life. Premiums and/or discounts arising on the purchase of dated investment securities are included in the calculation of their effective interest rates. Dividends are recognised in the income statement when the right to receive payment has been established.

At each balance sheet date an assessment is made of whether there is any objective evidence of impairment in the value of a financial asset or group of financial assets. Impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

If the available-for-sale financial asset is impaired, the difference between the financial asset's acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any previous impairment loss recognised in the income statement, is removed from equity and recognised in the income statement.

Impairment losses for available-for-sale debt securities are recognised within 'Loan impairment charges and other credit risk provisions' in the income statement and impairment losses for available-for-sale equity securities are recognised within 'Gains less losses from financial investments' in the income statement.

Once an impairment loss has been recognised on an available-for-sale financial asset, the subsequent accounting treatment for changes in the fair value of that asset differs depending on the nature of the available-for-sale financial asset concerned:

- For an available-for-sale debt security, a subsequent decline in the fair value of the instrument is recognised in the income statement when there is further objective evidence of impairment as a result of further decreases in the estimated future cash flows of the financial asset. Where there is no further objective evidence of impairment, the decline in fair value of the financial asset is recognised directly in equity. If the fair value of the debt security increases in a subsequent period, and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the cumulative impairment loss is reversed through the income statement to the extent of the increase in fair value.
- For an available-for-sale equity security, all subsequent increases in the fair value of the instrument are treated as a revaluation and are recognised directly in equity. Impairment losses recognised on the equity security are not reversed through the income statement. Subsequent decreases in the fair value of the available-for-sale equity security are recognised in the income statement, to the extent that further cumulative impairment losses have been incurred in relation to the acquisition cost of the equity security.

(ii) Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group positively intends, and is able, to hold until maturity. Held-to-maturity investments are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.

(k) Sale and repurchase agreements (including stock lending and borrowing)

When securities are sold subject to a commitment to repurchase them at a predetermined price ('repos'), they remain on the balance sheet and a liability is recorded in respect of the consideration received. Securities purchased under commitments to sell ('reverse repos') are not recognised on the balance sheet and the consideration paid is recorded in 'Loans and advances to banks' or 'Loans and advances to customers' as appropriate. The difference between the sale and repurchase price is treated as interest and recognised over the life of the agreement.

Securities lending and borrowing transactions are generally secured, with collateral taking the form of securities or cash advanced or received. The transfer of securities to counterparties under these agreements is not normally reflected on the balance sheet. Cash collateral advanced or received is recorded as an asset or a liability respectively.

Securities borrowed are not recognised on the balance sheet. If they are sold on to third parties, an obligation to return the securities is recorded as a trading liability and measured at fair value, and any gains or losses are included in 'Net trading income'.

(l) Derivatives and hedge accounting

Derivatives are recognised initially, and are subsequently remeasured, at fair value. Fair values of exchange-traded derivatives are obtained from quoted market prices. Fair values of over-the-counter derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models.

Derivatives may be embedded in other financial instruments, for example, a convertible bond with an embedded conversion option. Embedded derivatives are treated as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host contract, the terms of the embedded derivative would meet the definition of a stand-alone derivative if they were contained in a separate contract, and the combined contract is not held for tradings nor designated at fair value. These embedded derivatives are measured at fair value with changes therein recognised in the income statement.

Derivatives are classified as assets when their fair value is positive, or as liabilities when their fair value is negative. Derivative assets and liabilities arising from different transactions are offset only if the transactions are with the same counterparty, a legal right of offset exists, and the parties intend to settle the cash flows on a net basis.

The method of recognising fair value gains or losses depends on whether derivatives are held for trading or are designated as hedging instruments, and if the latter, the nature of the risks being hedged. All gains and losses from changes in the fair value of derivatives held for trading are recognised in the income statement. When derivatives are designated as hedges, the group classifies them as either: (i) hedges of the change in fair value of recognised assets or liabilities or firm commitments ('fair value hedges'); (ii) hedges of the variability in highly probable future cash flows attributable to a recognised asset or liability, or a forecast transaction ('cash flow hedges'); or (iii) a hedge of net investments in a foreign operation ('net investment hedges'). Hedge accounting is applied to derivatives designated as hedging instruments in a fair value, cash flow or net investment hedge provided certain criteria are met.

Hedge accounting

At the inception of a hedging relationship, the group documents the relationship between the hedging instruments and hedged items, its risk management objective and its strategy for undertaking the hedge. The group also requires a documented assessment, both at hedge inception and on an ongoing basis, of whether or not the hedging instruments, primarily derivatives, that are used in hedging transactions are highly effective in offsetting the changes attributable to the hedged risks in the fair values or cash flows of the hedged items. Interest on designated qualifying hedges is included in 'Net interest income'.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in the income statement, along with changes in the fair value of the hedged assets, liabilities or group thereof that are attributable to the hedged risk.

If a hedging relationship no longer meets the criteria for hedge accounting, the cumulative adjustment to the carrying amount of the hedged item is amortised to the income statement based on a recalculated effective interest rate over the residual period to maturity, unless the hedged item has been derecognised, in which case it is released to the income statement immediately.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity within the cash flow hedging reserve. Any gain or loss in fair value relating to an ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled to the income statement in the periods in which the hedged item will affect profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity until the forecast transaction is eventually recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Net investment hedge

Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. A gain or loss on the effective portion of the hedge instrument is recognised in equity; a gain or loss on the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement on the disposal of the foreign operation.

Hedge effectiveness testing

To qualify for hedge accounting, the group requires that, at the inception of the hedge and throughout its life, each hedge must be expected to be highly effective (prospective effectiveness) and demonstrate actual effectiveness (retrospective effectiveness) on an ongoing basis.

The documentation of each hedging relationship sets out how the effectiveness of the hedge is assessed. The method a group entity adopts for assessing hedge effectiveness will depend on its risk management strategy.

For prospective effectiveness the hedging instrument must be expected to be highly effective in offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated. For actual effectiveness to be achieved, the changes in fair value or cash flows must offset each other in the range of 80 per cent to 125 per cent.

Hedge ineffectiveness is recognised in the income statement in 'Net trading income'.

Derivatives that do not qualify for hedge accounting

All gains and losses from changes in the fair values of derivatives that do not qualify for hedge accounting are recognised immediately in the income statement. These gains and losses are reported in 'Net trading income', except where derivatives are managed in conjunction with financial instruments designated at fair value (other than derivatives managed in conjunction with debt securities issued by the group), in which case gains and losses are reported in 'Net expense/income from financial instruments designated at fair value'. The interest on derivatives managed in conjunction with debt securities issued by the group which are designated at fair value is recognised in 'Interest expense'. All other gains and losses on these derivatives are reported in 'Net expense/income from financial instruments designated at fair value'.

(m) Derecognition of financial assets and liabilities

Financial assets are derecognised when the contractual right to receive cash flows from the assets has expired; or when the group has transferred its contractual right to receive the cash flows of the financial assets, and either:

- substantially all the risks and rewards of ownership have been transferred; or
- the group has neither retained nor transferred substantially all the risks and rewards, but has not retained control.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expires.

(n) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount 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.

(o) Subsidiaries, associates and joint ventures

The group classifies investments in entities which it controls as subsidiaries. Where the group is a party to a contractual arrangement whereby, together with one or more parties, it undertakes an economic activity that is subject to joint control, the group classifies its interest in the venture as a joint venture. The group classifies investments in entities over which it has significant influence, and that are neither subsidiaries nor joint ventures, as associates. For the purpose of determining this classification, control is considered to be the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Investments in associates and interests in joint ventures are recognised using the equity method. Under this method, such investments are initially stated at cost, including attributable goodwill, and are adjusted thereafter for the post-acquisition change in the group's share of net assets.

Profits on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in the respective associates or joint ventures. Losses are also eliminated to the extent of the group's interest in the associates or joint ventures unless the transaction provides evidence of an impairment of the asset transferred.

The bank's investments in subsidiaries, associates and joint ventures are stated at cost less any impairment losses. Reversals of impairment losses are recognised in the income statement if there has been a change in the estimates used to determine the recoverable amount of the investment.

Notes on the Financial Statements (continued)

(p) Goodwill and intangible assets

(i) Goodwill arises on business combinations, including the acquisition of subsidiaries, and on the acquisition of interests in joint ventures and associates, when the cost of acquisition exceeds the fair value of the group's share of the identifiable assets, liabilities and contingent liabilities acquired. If the group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of an acquired business is greater than the cost of acquisition, the excess is recognised immediately in the income statement.

Intangible assets are recognised separately from goodwill when they are separable or arise from contractual or other legal rights, and their fair value can be measured reliably.

Goodwill is allocated to cash-generating units for the purpose of impairment testing, which is undertaken at the lowest level at which goodwill is monitored for internal management purposes. Impairment testing is performed at least annually, and whenever there is an indication that the cash-generating unit may be impaired, by comparing the recoverable amount from a cash-generating unit with the carrying amount of its net assets, including attributable goodwill. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Value in use is the present value of the expected future cash flows from a cash-generating unit. If the recoverable amount is less than the carrying value, an impairment loss is charged to the income statement. Goodwill is stated at cost less accumulated impairment losses.

Goodwill on acquisitions of interests in joint ventures and associates is included in 'Interests in associates and joint ventures'.

At the date of disposal of a business, attributable goodwill is included in the group's share of net assets in the calculation of the gain or loss on disposal.

(ii) Intangible assets include the present value of in-force long-term insurance business, computer software, trade names, mortgage servicing rights, customer lists, core deposit relationships, credit card customer relationships and merchant or other loan relationships. Intangible assets are subject to impairment review if there are events or changes in circumstances that indicate that the carrying amount may not be recoverable.

- Intangible assets that have an indefinite useful life, or are not yet ready for use, are tested for impairment annually. This impairment test may be performed at any time during the year, provided it is performed at the same time every year. An intangible asset recognised during the current period is tested before the end of the current year.
- Intangible assets that have a finite useful life, except for the present value of in-force long-term insurance business, are stated at cost less amortisation and accumulated impairment losses and are amortised over their estimated useful lives. Estimated useful life is the lower of legal duration and expected useful life. The amortisation of mortgage servicing rights is included within 'Net fee income'.

For the accounting policy governing the present value of in-force long-term insurance businesses, see note 2(y).

(iii) Intangible assets with finite useful lives are amortised, generally on a straight-line basis, over their useful lives as follows:

Trade names	10 years
Mortgage servicing rights	generally between 5 and 12 years
Internally generated software	between 3 and 5 years
Purchased software	between 3 and 5 years
Customer/merchant relationships	between 3 and 10 years
Other	generally 10 years

(q) Property, plant and equipment

Land and buildings are stated at historical cost, or fair value at the date of transition to IFRSs ('deemed costs'), less any impairment losses and depreciation calculated to write off the assets over their estimated useful lives as follows:

- freehold land is not depreciated;
- freehold buildings are depreciated at the greater of two per cent per annum on a straight-line basis or over their remaining useful lives; and

– leasehold buildings are depreciated over the unexpired terms of the leases, or over their remaining useful lives.

Equipment, fixtures and fittings (including equipment on operating leases where the group is the lessor) are stated at cost less any impairment losses and depreciation calculated on a straight-line basis to write off the assets over their useful lives, which run to a maximum of 35 years but are generally between 5 years and 20 years.

Property, plant and equipment is subject to an impairment review if there are events or changes in circumstances which indicate that the carrying amount may not be recoverable.

The group holds certain properties as investments to earn rentals or for capital appreciation, or both. Investment properties are included in the balance sheet at fair value with changes therein recognised in the income statement in the period of change. Fair values are determined by independent professional valuers who apply recognised valuation techniques.

(r) Finance and operating leases

Agreements which transfer to counterparties substantially all the risks and rewards incidental to the ownership of assets, but not necessarily legal title, are classified as finance leases. When the group is a lessor under finance leases the amounts due under the leases, after deduction of unearned charges, are included in 'Loans and advances to banks' or 'Loans and advances to customers', as appropriate. The finance income receivable is recognised in 'Net interest income' over the periods of the leases so as to give a constant rate of return on the net investment in the leases.

When the group is a lessee under finance leases, the leased assets are capitalised and included in 'Property, plant and equipment' and the corresponding liability to the lessor is included in 'Other liabilities'. A finance lease and its corresponding liability are recognised initially at the fair value of the asset or, if lower, the present value of the minimum lease payments. Finance charges payable are recognised in 'Net interest income' over the period of the lease based on the interest rate implicit in the lease so as to give a constant rate of interest on the remaining balance of the liability.

All other leases are classified as operating leases. When acting as lessor, the group includes the assets subject to operating leases in 'Property, plant and equipment' and accounts for them accordingly. Impairment losses are recognised to the extent that residual values are not fully recoverable and the carrying value of the assets is thereby impaired. When the group is the lessee, leased assets are not recognised on the balance sheet. Rentals payable and receivable under operating leases are accounted for on a straight-line basis over the periods of the leases and are included in 'General and administrative expenses' and 'Other operating income' respectively.

A sale and leaseback transaction involves the sale of an asset followed by the leasing back of the same asset. The resulting lease is classified either as a finance lease or an operating lease and it is accounted for accordingly. If a sale and leaseback transaction results in the recognition of a finance lease, any excess of sales proceeds over the carrying amount is deferred and amortised over the lease term. If a sale and leaseback transaction results in an operating lease, and it is clear that the transaction is established at fair value, any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately except that, if the loss is compensated for by future lease payments below market price, it is deferred and amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is deferred and amortised over the period for which the asset is expected to be used.

(s) Income tax

Income tax comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the group intends to settle on a net basis and the legal right to offset.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled based on tax rates and laws enacted, or substantively enacted, by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when the group has a legal right to offset.

Deferred tax relating to actuarial gains and losses on post-employment benefits is recognised directly in equity. Deferred tax relating to fair value remeasurement of available-for-sale investments and cash flow hedging instruments which are charged or credited directly to equity, is also credited or charged directly to equity and is subsequently recognised in the income statement when the deferred fair value gain or loss is recognised in the income statement.

(t) Pension and other post-employment benefits

The group operates a number of pension and other post-employment benefit plans. These plans include both defined benefit and defined contribution plans and various other post-employment benefits such as post-employment health care.

Payments to defined contribution plans and state-managed retirement benefit plans, where the group's obligations under the plans are equivalent to a defined contribution plan, are charged as an expense as they fall due.

The defined benefit pension costs and the present value of defined benefit obligations are calculated at the reporting date by the scheme's actuaries using the Projected Unit Credit Method. The net charge to the income statement mainly comprises the current service cost, plus the unwinding of the discount rate on plan liabilities, less the expected return on plan assets, and is presented in operating expenses. Past service costs are charged immediately to the income statement to the extent that the benefits have vested, and are otherwise recognised on a straight-line basis over the average period until the benefits vest. Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred), as well as the effects of changes in actuarial assumptions. Actuarial gains and losses are recognised in 'Equity' and presented in the Statement of recognised income and expense in the period in which they arise.

The defined benefit liability recognised in the balance sheet represents the present value of defined benefit obligations adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any net defined benefit surplus is limited to unrecognised past service costs plus the present value of available refunds and reductions in future contributions to the plan.

The costs of obligations arising from other defined post-employment benefits plans, such as defined benefit health-care plans, are accounted for on the same basis as defined benefit pension plans.

(u) Equity compensation plans

The cost of share-based payment arrangements with employees is measured by reference to the fair value of equity instruments on the date they are granted, and recognised as an expense on a straight-line basis over the vesting period. The fair value of equity instruments that are made available immediately, with no vesting period attached to the award, are expensed immediately.

Fair value is determined by using appropriate valuation models, taking into account the terms and conditions upon which the equity instruments were granted. Market performance conditions are taken into account when estimating the fair value of equity instruments at the date of grant, so that an award is treated as vesting irrespective of whether the market performance condition is satisfied, provided all other conditions are satisfied.

Vesting conditions, other than market performance conditions, are not taken into account in the initial estimate of the fair value at the grant date. They are taken into account by adjusting the number of equity instruments included in the measurement of the transaction, so that the amount recognised for services received as

consideration for the equity instruments granted is based on the number of equity instruments that eventually vest. On a cumulative basis, no expense is recognised for equity instruments that do not vest because of a failure to satisfy non-market performance or service conditions.

Where an award has been modified, as a minimum the expense of the original award continues to be recognised as if it had not been modified. Where the effect of a modification is to increase the fair value of an award or increase the number of equity instruments, the incremental fair value of the award or incremental fair value of the extra equity instruments is recognised in addition to the expense of the original grant, measured at the date of modification, over the remaining vesting period.

A cancellation that occurs during the vesting period is treated as an acceleration of vesting, and recognised immediately for the amount that would otherwise have been recognised for services over the vesting period.

(v) Foreign currencies

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date. Any resulting exchange differences are included in the income statement. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated into the functional currency using the rate of exchange at the date of the initial transaction. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated into the functional currency using the rate of exchange at the date the fair value was determined. Any exchange component of a gain or loss on a non-monetary item is recognised in equity if the gain or loss on the non-monetary item is recognised directly in equity. Any exchange component of a gain or loss on a non-monetary item is recognised directly in the income statement if the gain or loss on the non-monetary item is recognised in the income statement.

In the consolidated financial statements, the assets, including related goodwill where applicable, and liabilities of branches, subsidiaries, joint ventures and associates whose functional currency is not sterling, are translated into the group's presentational currency at the rate of exchange ruling at the balance sheet date. The results of branches, subsidiaries, joint ventures and associates whose function currency is not sterling are translated into sterling at the average rates of exchange for the reporting period. Exchange differences arising from the retranslation of opening foreign currency net investments, and exchange differences arising from retranslation of the result for the reporting period from the average rate to the exchange rate prevailing at the period end, are recognised in equity in the 'Foreign exchange reserve'. Exchange differences on a monetary item that is part of a net investment in a foreign operation are recognised in the income statement of the separate financial statements. In consolidated financial statements these exchange differences are recognised in the 'Foreign exchange reserve' in shareholders' equity. On disposal of a foreign operation, exchange differences relating thereto and previously recognised in reserves are recognised in the income statement.

(w) Provisions

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a current legal or constructive obligation, which has arisen as a result of past events, and for which a reliable estimate can be made of the amount of the obligation.

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the control of the group, or are present obligations that have arisen from past events but are not recognised because it not probable that settlement will require outflow of economic benefits, or because the amount of the obligations cannot be reliably measured. Contingent liabilities are not recognised in the financial statements but are disclosed unless the probability of settlement is remote.

(x) Financial guarantee contracts

Liabilities under financial guarantee contracts not classified as insurance contracts are recorded

initially at their fair value, which is generally the fee received or receivable. Subsequently, the financial guarantee liabilities are measured at the higher of the initial fair value, less cumulative amortisation, and the best estimate of the expenditure required to settle the obligations.

HSBC Bank plc has issued financial guarantees to other group entities. Where it has previously asserted explicitly that it regards such contracts as insurance contracts and has used accounting applicable to insurance contracts, the group may elect to account for guarantees as insurance contracts. This election is made on a contract by contract basis, but the election for each contract is irrevocable. Where these guarantees have been classified as insurance contracts, they are measured and recognised as insurance liabilities.

(y) Insurance contracts

Through its insurance subsidiaries, the group issues contracts to customers that contain insurance risk, financial risk or a combination thereof. A contract under which the group accepts significant insurance risk from another party by agreeing to compensate that party on the occurrence of a specified uncertain future event is classified as an insurance contract. An insurance contract may also transfer financial risk, but is accounted for as an insurance contract if the insurance risk is significant.

Although investment contracts with discretionary participation features are financial instruments, they are treated as insurance contracts as permitted by IFRS 4.

Insurance contracts are accounted for as follows:

Premiums

Gross insurance premiums for non-life insurance business are reported as income over the term of the insurance contract based on the proportion of risks borne during the accounting period. The unearned premium (the proportion of the business underwritten in the accounting year relating to the period of risk after the balance sheet date) is calculated on a daily or monthly pro rata basis.

Premiums for life assurance are accounted for when receivable, except in unit-linked insurance contracts where premiums are accounted for when liabilities are established.

Reinsurance premiums are accounted for in the same accounting period as the premiums for the direct insurance to which they relate.

Claims and reinsurance recoveries

Gross insurance claims for non-life insurance contracts include paid claims and movements in outstanding claims liabilities.

Gross insurance claims for life insurance contracts reflect the total cost of claims arising during the year, including claim handling costs and any policyholder bonuses allocated in anticipation of a bonus declaration. Claims arising in the year include maturities, surrenders and death claims.

Maturity claims are recognised when due for payment. Surrenders are recognised when paid or at an earlier date on which, following notification, the policy ceases to be included within the calculation of the related insurance liabilities. Death claims are recognised when notified.

Reinsurance recoveries are accounted for in the same period as the related claim.

Liabilities under insurance contracts

Outstanding claims liabilities for non-life insurance contracts are based on the estimated ultimate cost of all claims incurred but not settled at the balance sheet date, whether reported or not, together with related claim-handling costs and a reduction for the expected value of salvage and other recoveries. Liabilities for claims incurred but not reported are made on an estimated basis, using appropriate statistical techniques.

Liabilities under non-linked life insurance contracts are calculated by each life insurance operation based on local actuarial principles.

Liabilities under unit-linked life insurance contracts are at least equivalent to the surrender or transfer value which is calculated by reference to the value of the relevant underlying funds or indices.

A liability adequacy test is carried out on insurance liabilities to ensure that the carrying amount of the liabilities is sufficient in the light of current estimates of future cash flows. When performing the liability adequacy test, all contractual cash flows are discounted and compared against the carrying value of the liability. Where a shortfall is identified it is charged immediately to the income statement.

Present value of in-force long-term insurance business

The value placed on insurance contracts that are classified as long-term insurance business and are in force at the balance sheet date is recognised as an asset.

The present value of in-force ('PVIF') long-term insurance business is determined by discounting future cash flows expected to emerge from business currently in force using appropriate assumptions in assessing factors such as future mortality, lapse rates and levels of expenses and a risk discount rate that reflects the risk premium attributable to the respective long-term insurance business. Movements in the PVIF long-term insurance business are included in 'Other operating income' on a gross of tax basis.

Future profit participation

Where contracts provide discretionary profit participation benefits to policyholders, insurance liabilities include the net unrealised gains recognised in connection with the assets backing the contracts to the extent that policyholders will benefit from such gains. The benefit may arise from the contractual terms, regulation or past distribution policy. The corresponding movement in the liability is recognised in equity or in the income statement in the same proportion to the net unrealised gains on the assets. In the case of net unrealised losses, a deferred participating asset is recognised only to the extent that its recoverability is highly probable.

Investment contracts

Customer liabilities under linked and certain non-linked investment contracts and the corresponding financial assets are designated at fair value. Movements in fair value are recognised in 'Net expense/income from financial instruments designated at fair value'. Premiums receivable and amounts withdrawn are accounted for as increases or decreases in the liability recorded in respect of investment contracts.

Liabilities under linked life insurance contracts are at least equivalent to the surrender or transfer value which is calculated by reference to the value of the relevant underlying funds or indices.

Investment management fees receivable are recognised in the income statement over the period of the provision of the investment management services, in 'Net fee income'.

The incremental costs directly related to the acquisition of new investment contracts or renewing existing investment contracts are deferred and amortised over the period during which the investment management services are provided.

(z) Debt securities in issue and deposits by customers and banks

Financial liabilities are recognised when the group enters into the contractual provisions of the arrangements with counterparties, which is generally on trade date, and initially measured at fair value which is normally the consideration received net of directly attributable transaction costs incurred. Subsequent measurement of financial liabilities, other than those measured at fair value through profit or loss and financial guarantees, is at amortised cost, using the effective interest rate method to amortise the difference between proceeds net of directly attributable transaction costs and the redemption amount over the expected life of the debt.

(aa) Share capital and other equity instruments

Shares and other financial instruments are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

(ab) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes on the Financial Statements (continued)

Such investments are normally those with less than three months' maturity from the date of acquisition, and include cash and balances at central banks, treasury bills and other eligible bills, loans and advances to banks, items in the course of collection from or in transmission to other banks and certificates of deposit.

3 Use of assumptions, estimates and judgement

The results of the group are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its consolidated financial statements. The accounting policies used in the preparation of the consolidated financial statements are described in detail in Note 2.

When preparing the financial statements, it is the Directors' responsibility under UK company law to select suitable accounting policies and to make judgements and estimates that are reasonable and prudent.

The accounting policies that are deemed critical to the group's results and financial position, in terms of the materiality of the items to which the policy is applied, or which involve a high degree of judgement including the use of assumptions and estimation, are disclosed below:

Impairment of loans and advances

The group's accounting policy for losses arising from the impairment of customer loans and advances is described in Note 2(f). Further information can be found in Note 38 'Risk Management'. Loan impairment allowances represent management's best estimate of losses incurred in the loan portfolios at balance sheet date.

Management is required to exercise judgement in making assumptions and estimations when calculating loan impairment allowances on both individually and collectively assessed loans and advances. The most significant judgemental area is the calculation of collective impairment allowances.

The group uses two alternative methods to calculate collective impairment allowances on homogeneous groups of loans that are not considered individually significant:

- When appropriate empirical information is available, the group uses roll-rate methodology. This methodology employs statistical analysis of historical data and experience of delinquency and default to estimate the likelihood that loans will progress through the various stages of delinquency and ultimately prove irrecoverable. The estimated loss is the difference between the present value of expected future cash flows, discounted at the original effective interest rate of the portfolio, and the carrying amount of the portfolio.
- In other cases, when the portfolio size is small or when information is insufficient or not reliable enough to adopt a roll-rate methodology, the group adopts a formulaic approach which allocates progressively higher percentage loss rates the longer a customer's loan is overdue. Loss rates are based on historical experience.

Both methodologies are subject to estimation uncertainty, in part because it is not practicable to identify losses on an individual loan basis because of the large number of individually insignificant loans in the portfolio.

In addition, the use of statistically assessed historical information is supplemented with significant management judgement to assess whether current economic and credit conditions are such that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience. In normal circumstances, historical experience provides the most objective and relevant information from which to assess inherent loss within each portfolio. In certain circumstances, historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date, for example, where there have been changes in economic, regulatory or behavioural conditions such that the most recent trends in the portfolio risk factors are not fully reflected in the statistical models. In these circumstances, such risk factors are taken into account when calculating the appropriate levels of impairment allowances, by adjusting the impairment allowances derived solely from historical loss experience.

This key area of judgement is subject to uncertainty and is highly sensitive to factors such as loan portfolio growth, product mix, unemployment rates, bankruptcy trends, geographic concentrations, loan product features, economic conditions such as national and local trends in housing markets, the level of interest rates, portfolio seasoning, account management policies and practices, changes in laws and regulations, and other factors that can affect customer payment patterns. Different factors are applied in different regions and countries to reflect different economic conditions and laws and regulations. The assumptions underlying this judgement are highly subjective. The methodology and the assumptions used in calculating impairment losses are reviewed regularly in the light of differences between loss estimates and actual loss experience. For example, roll rates, loss rates and the expected

timing of future recoveries are regularly benchmarked against actual outcomes to ensure they remain appropriate.

The total amount of the group's impairment allowances on homogeneous groups of loans is inherently uncertain because it is highly sensitive to changes in economic and credit conditions across a large number of geographical areas. Economic and credit conditions within geographical areas are influenced by many factors with a high degree of interdependency so that there is no one single factor to which the group's loan impairment allowances as a whole are particularly sensitive. It is possible that the outcomes within the next financial year could be different from the assumptions built in to the models, resulting in a material adjustment to the carrying amount of loans and advances.

Goodwill impairment

The group's accounting policy for goodwill is described in Note 2(p). The process of identifying and evaluating goodwill impairment is inherently uncertain because it requires significant management judgement in making a series of estimations, the results of which are highly sensitive to the assumptions used. The review of goodwill impairment represents management's best estimate of the factors below:

- the future cash flows of the cash-generating units ('CGUs') are sensitive to the cash flows projected for the periods for which detailed forecasts are available, and to assumptions regarding the long-term pattern of sustainable cash flows thereafter. Forecasts are compared with actual performance and verifiable economic data in future years; however, the cash flow forecasts necessarily and appropriately reflect management's view of future business prospects at the time of the assessment; and
- the discount rate used to discount the future expected cash flows is based on the cost of capital assigned to an individual CGU, and can have a significant effect on the CGU's valuation. The cost of capital percentage is generally derived from a Capital Asset Pricing Model, which incorporates inputs reflecting a number of financial and economic variables, including the risk-free interest rate in the country concerned and a premium to reflect the inherent risk of the business being evaluated. These variables are established on the basis of significant management judgement and are subject to uncertainty.

When this exercise demonstrates that the expected cash flows of a CGU have declined and/or that its cost of capital has increased, the effect is to reduce the CGU's estimated recoverable amount. If this results in an estimated recoverable amount that is lower than the carrying value of the CGU, a charge for impairment of goodwill will be recognised in the group's income statement for the year.

The accuracy of forecast cash flows is subject to a high degree of uncertainty in volatile market conditions. In such market conditions, management retests goodwill for impairment more frequently than annually to ensure that the assumptions on which the cash flow forecasts are based continue to reflect current market conditions and management's best estimate of future business prospects.

Management concluded that the recoverable amount of the goodwill included within each of the CGUs to which goodwill has been allocated exceeded its carrying value. However, in the event of further significant deterioration in the economic and credit conditions beyond the levels already reflected by management in the cash flow forecasts for the CGUs, a material adjustment to a CGU's recoverable amount may occur which may result in the recognition of an impairment charge in the income statement.

Note 21 includes details of the CGUs with significant balances of goodwill, states the key assumptions used to assess the goodwill in each CGU for impairment, and provides a discussion of the sensitivity of the carrying value of goodwill to changes in key assumptions.

Valuation of financial instruments

The group's accounting policy for valuation of financial instruments is described in Note 2(d). The best evidence of fair value is a quoted price in an actively traded market. In the event that the market for a financial instrument is not active, a valuation technique is used. The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial instruments are valued on the basis of valuation techniques that feature one or more significant market inputs that are unobservable. Valuation techniques that rely to a greater extent on unobservable inputs require a higher level of management judgement to calculate a fair value than those based wholly on observable inputs.

Valuation techniques used to calculate fair values include comparisons with similar financial instruments for which market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. Valuation techniques incorporate assumptions that other market participants

would use in their valuations, including assumptions about interest rate yield curves, exchange rates, volatilities, and prepayment and default rates. When valuing instruments by reference to comparable instruments, management takes into account the maturity, structure and rating of the instrument with which the position held is being compared.

The main assumptions and estimates which management considers when applying a model with valuation techniques are:

- the likelihood and expected timing of future cash flows on the instrument. These cash flows are usually governed by the terms of the instrument, although management judgement may be required when the ability of the counterparty to service the instrument in accordance with the contractual terms is in doubt. Future cash flows may be sensitive to changes in market rates;
- selecting an appropriate discount rate for the instrument. Management bases the determination of this rate on its assessment of what a market participant would regard as the appropriate spread of the rate for the instrument over the appropriate risk-free rate; and
- judgement to determine what model to use to calculate fair value in areas where the choice of valuation model is particularly subjective, for example, when valuing complex derivative products.

When applying a model with unobservable inputs, estimates are made to reflect uncertainties in fair values resulting from a lack of market data inputs, for example, as a result of illiquidity in the market. For these instruments, the fair value measurement is less reliable. Inputs into valuations based on unobservable data are inherently uncertain because there are little or no current market data available from which to determine the level at which an arm's length transaction would occur under normal business conditions. However, in most cases there are some market data available on which to base a determination of fair value, for example historical data, and the fair values of most financial instruments will be based on some market observable inputs even where the unobservable inputs are significant.

Given the uncertainty and subjective nature of valuing financial instruments at fair value, it is possible that the outcomes within the next financial year could differ from the assumptions used, and this would result in a material adjustment to the carrying amount of financial instruments measured at fair value.

Impairment of available-for-sale financial assets

The group's accounting policy for impairment on available-for-sale financial assets is described in Note 2(j) on the Financial Statements.

Management is required to exercise judgement in determining whether there is objective evidence that an impairment loss has occurred. Once an impairment has been identified, the amount of impairment is measured in relation to the fair value of the asset. More information on assumptions and estimates requiring management judgement relating to the determination of fair values of financial instruments is provided above in 'Valuation of financial instruments'.

The objective evidence required to determine whether an available-for-sale debt security is impaired comprises evidence of the occurrence of a loss event, and evidence that the loss event results in a decrease in estimated future cash flows. Where cash flows are readily determinable, a low level of judgement may be involved. Where determination of estimated future cash flows requires consideration of a number of variables, some of which may be unobservable in current market conditions, more significant judgement is required.

The most significant judgements concern more complex instruments, such as asset-backed securities ('ABSs'), where it is necessary to consider factors such as the estimated future cash flows on underlying pools of collateral, the extent and depth of market price declines and changes in credit ratings. The review of estimated future cash flows on underlying collateral is subject to estimation uncertainties where the assessment is based on historical information on pools of assets, and judgement is required to determine whether historical performance is likely to be representative of current economic and credit conditions.

There is no single factor to which the group's charge for impairment of available-for-sale debt securities is particularly sensitive, because of the range of different types of securities held, the range of geographical areas in which those securities are held, and the wide range of factors which can affect the occurrence of loss events and the cash flows of securities, including different types of collateral.

It is reasonably possible that outcomes in the next financial year could be different from the assumptions and estimates used in identifying impairment on available-for-sale debt securities, as a result of which, evidence of

impairment may be identified in available-for-sale debt securities which had previously been determined not to be impaired. It is possible that this could result in the recognition of material impairment losses in the next financial year.

Pensions

The assumptions used are disclosed in Note 7 'Employee compensation and benefits'.

Share-based payments

The assumptions used are disclosed in Note 9 'Share-based payments'.

Consolidation

The circumstances under which the group consolidates special purpose entities are outlined in Note 1(c) and disclosed in Note 38 'Risk Management'.

4 Net earned insurance premiums

	Non-life insurance £m	Life insurance (non-linked) £m	Life insurance (linked) £m	Investment contracts with discretionary participation features £m	Total £m
2008					
Gross written premiums	**418**	**1,252**	**238**	**1,500**	**3,408**
Movement in unearned premiums	**42**	**(84)**	**–**	**–**	**(42)**
Gross earned premiums	**460**	**1,168**	**238**	**1,500**	**3,366**
Gross written premiums ceded to reinsurers	**(63)**	**(423)**	**(3)**	**–**	**(489)**
Reinsurers' share of movement in unearned premiums	**(2)**	**16**	**–**	**–**	**14**
Reinsurers' share of gross earned premiums	**(65)**	**(407)**	**(3)**	**–**	**(475)**
Net earned insurance premiums	**395**	**761**	**235**	**1,500**	**2,891**
2007					
Gross written premiums	372	723	129	933	2,157
Movement in unearned premiums	6	2	–	–	8
Gross earned premiums	378	725	129	933	2,165
Gross written premiums ceded to reinsurers	(73)	(154)	(9)	–	(236)
Reinsurers' share of movement in unearned premiums	(8)	–	–	–	(8)
Reinsurers' share of gross earned premiums	(81)	(154)	(9)	–	(244)
Net earned insurance premiums	297	571	120	933	1,921

Notes on the Financial Statements (continued)

5 Net insurance claims incurred and movement in liabilities to policyholders

	Non-life insurance £m	Life insurance (non-linked) £m	Life insurance (linked) £m	Investment contracts with discretionary participation features £m	Total £m
2008					
Claims, benefits and surrenders paid	**318**	**374**	**135**	**1,047**	**1,874**
Movement in liabilities	**(8)**	**682**	**(189)**	**(138)**	**347**
Gross claims incurred and movement in liabilities	**310**	**1,056**	**(54)**	**909**	**2,221**
Reinsurers' share of claims, benefits and surrenders paid	**(46)**	**(83)**	**(7)**	**–**	**(136)**
Reinsurers' share of movement in liabilities	**42**	**(313)**	**21**	**–**	**(250)**
Reinsurers' share of claims incurred and movement in liabilities	**(4)**	**(396)**	**14**	**–**	**(386)**
Net insurance claims incurred and movement in liabilities to policyholders	**306**	**660**	**(40)**	**909**	**1,835**
2007					
Claims, benefits and surrenders paid	250	132	139	537	1,058
Movement in liabilities	36	(123)	19	536	468
Gross claims incurred and movement in liabilities	286	9	158	1,073	1,526
Reinsurers' share of claims, benefits and surrenders paid	(65)	(73)	(8)	–	(146)
Reinsurers' share of movement in liabilities	29	263	2	–	294
Reinsurers' share of claims incurred and movement in liabilities	(36)	190	(6)	–	148
Net insurance claims incurred and movement in liabilities to policyholders	250	199	152	1,073	1,674

6 Net operating income

Net operating income is stated after the following items of income, expense, gains and losses:

	2008 £m	2007 £m
Income		
Interest recognised on impaired financial assets	**21**	28
Fees earned on financial assets or liabilities not held for trading nor designated at fair value, other than fees included in effective interest rate calculations on these types of assets and liabilities	**2,997**	2,966
Fees earned relating to trust and other fiduciary activities where the group holds or invests assets on behalf of its customers	**751**	767
Expense		
Interest on financial instruments, excluding interest on financial liabilities held for trading or designated at fair value	**12,968**	12,310
Fees payable on financial assets or liabilities not held for trading nor designated at fair value, other than fees included in effective interest rate calculations on these types of assets and liabilities	**606**	571
Fees payable on trust and other fiduciary activities where the group holds or invests assets on behalf of its customers	**21**	18
Gains/(losses)		
Gain on disposal of assets held for sale	**53**	111
Impairment of available-for-sale equity shares	**(282)**	(20)
Gain/(loss) on loans and receivables	**–**	–
Gain/(loss) on financial liabilities measured at amortised cost	**15**	–
Gains on disposal of property, plant and equipment, intangible assets and non-financial investments:		
– Gain on disposal of French regional banks (see note 23)	**644**	–
– Gain on disposal of HSBC Merchant Services LLP	**215**	–
– Other	**60**	–
Gain on financing 8 Canada Square (see note 22)	**265**	–
Loan impairment charge and other credit risk provisions		
Net impairment charge on loans and advances	**(1,716)**	(1,043)
Impairment of available for sale debt securities	**(147)**	(3)
Net reversal in respect of other credit risk provisions	**2**	3
	(1,861)	(1,043)

7 Employee compensation and benefits

Total employee compensation

	The group		The bank	
	2008 £m	2007 (restated) £m	2008 £m	2007 (restated) £m
Wages and salaries	**3,758**	3,483	**1,985**	1,950
Social security costs	**495**	478	**197**	195
Post-employment benefits	**245**	344	**178**	287
	4,498	4,305	**2,360**	2,432

The average number of persons employed by the group during the year was as follows:

	2008	2007
UK PFS, UK Commercial Banking, UK Global Banking and Markets and UK Other	**51,788**	51,050
International Banking	**15,395**	12,671
HSBC France	**13,215**	14,905
Private Banking	**4,842**	4,486
HSBC Trinkaus & Burkhardt	**2,252**	1,817
Total	**87,492**	84,929

Post-employment benefit plans

Income statement charge

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Defined benefit pension plans				
– HSBC Bank (UK) Pension Scheme	**140**	245	**140**	245
– Other plans	**3**	(5)	**–**	1
Defined contribution plans	**110**	95	**30**	33
Defined benefit healthcare plans	**(8)**	9	**8**	8
	245	344	**178**	287

Defined benefit post-retirement benefit plans

Net liabilities recognised on balance sheet in respect of defined benefit plans

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Defined benefit pension plans				
– HSBC Bank (UK) Pension Scheme	**269**	403	**269**	403
– Other plans	**265**	107	**15**	12
Defined benefit healthcare plans	**130**	164	**130**	136
	664	674	**414**	551

Pension plans

The extant plans are funded defined benefit plans with assets held in trust or similar funds separate from the group. The plans are reviewed at least annually or in accordance with local practice and regulations by qualified actuaries. The actuarial assumptions used to calculate the defined benefit obligations and related current service cost vary according to the economic conditions of the countries in which they are situated.

Defined benefit pension arrangements for bank employees are provided by the HSBC Bank (UK) Pension Scheme (the 'Scheme'), the assets of which are held in a separate trust fund. The Pension Scheme is administered by a corporate trustee, HSBC Bank Pension Trust (UK) Limited (the 'Trustee'), whose Board is comprised of 13 Directors, four of whom are elected by employees and two by pensioners. The Trustee Directors of the Pension Scheme are required to act in the best interest of the Scheme's beneficiaries.

Healthcare benefits plans

The group provides post-employment healthcare benefits which are unfunded under plans in the United Kingdom and France. Post-employment healthcare benefits plans are accounted for in the same manner as defined benefit pension plans. The plans are reviewed at least annually or in accordance with local practice and regulations by qualified actuaries. The actuarial assumptions used to calculate the defined benefit obligation and related current service cost vary according to the economic conditions of the countries in which they are situated. The group's total healthcare cost for the year was a credit of £8 million (2007: cost of £9 million).

Post-employment defined benefit plans' principal actuarial assumptions

The principal actuarial financial assumptions used to calculate the group's obligations under its defined benefit pension and post-employment healthcare plans at 31 December 2008 were as follows. These assumptions will also form the basis for measuring periodic costs under the plans in 2009:

	Discount rate %	Inflation rate %	Rate of increase for pensions in payment – pensioners %	Rate of increase for pensions in payment – active members and deferred pensioners	Deferred revaluation	Rate of pay increase %	Healthcare cost trend rates %
UK	**6.50**	**2.90**	**3.00**	**2.80**	**2.90**	**3.40**	**6.90**
France	**5.75**	**2.00**	**2.00**	**2.00**	**2.00**	**3.00**	**6.00**
Switzerland	**2.60**	**1.50**	**n/a**	**n/a**	**n/a**	**2.50**	**n/a**
Germany	**5.75**	**2.00**	**2.00**	**2.00**	**2.00**	**3.00**	**n/a**

The principal actuarial financial assumptions used to calculate the group's obligations under its defined benefit pension and post-employment healthcare plans at 31 December 2007, were as follows. These assumptions also formed the basis for measuring periodic costs under the plans in 2008:

	Discount rate %	Inflation rate %	Rate of increase for pensions in payment – pensioners %	Rate of increase for pensions in payment – active members and deferred pensioners	Deferred revaluation	Rate of pay increase %	Healthcare cost trend rates %
UK	5.80	3.30	3.30	3.30	3.30	4.30	7.30
France	4.50	2.00	2.00	2.00	2.00	3.00	6.00
Switzerland	2.25	1.50	n/a	n/a	n/a	2.25	n/a
Germany	4.50	2.00	2.00	2.00	2.00	3.00	n/a

The group determines the discount rates to be applied to its obligations in consultation with the plans' local actuaries, on the basis of current average yield of high quality (AA rated or equivalent) debt instruments, with maturities consistent with those of the defined benefit obligations. The expected rate of return on plan assets represents the best estimate of long-term future assets returns, which takes into account historical market returns plus additional factors such as the current rate of inflation and interest rates.

The mortality tables and average life expectancy at 65 used at 31 December 2008 were as follows:

	Mortality table	Life expectancy at age 65 for a male member currently:		Life expectancy at age 65 for a female member currently:	
		Aged 65	Aged 45	Aged 65	Aged 45
UK	PA92[1]	**20.80**	**22.80**	**24.10**	**26.20**
France	TG 05	**23.10**	**25.90**	**26.60**	**29.40**
Switzerland	BVG 2005 (3% load)	**17.90**	**17.90**	**20.98**	**20.98**
Germany	Heubeck 2005 G	**18.00**	**20.70**	**22.10**	**24.70**

1 *PA92 with standard improvements to 2005 and medium cohort improvements underpinned by a minimum 1 per cent annual improvement, thereafter.*

Notes on the Financial Statements (continued)

The mortality tables and average life expectancy at 65 used at 31 December 2007 were as follows:

	Mortality table	Life expectancy at age 65 for a male member currently:		Life expectancy at age 65 for a female member currently:	
		Aged 65	Aged 45	Aged 65	Aged 45
UK	PA92[1]	20.40	21.70	23.40	24.60
France	TG 05	22.93	25.73	26.41	29.29
Switzerland	BVG 2005 (3% load)	17.90	17.90	20.98	20.98
Germany	Heubeck 2005 G	18.06	20.84	22.20	24.85

1 *PA92 with standard improvements to 2005 and medium cohort improvements thereafter.*

Actuarial assumption sensitivities

The discount rate is sensitive to changes in market conditions arising during the reporting period. The mortality rates used are sensitive to experience from the plan member profile. The following table shows the effect of changes in these and the other key assumptions on the principal plan:

	HSBC Bank (UK) Pension Scheme	
	2008	2007
	£m	£m
Discount rate		
Change in pension obligation at year end from a 25bps increase	**(383)**	(493)
Change in pension obligation at year end from a 25bps decrease	**408**	530
Change in following year pension cost from a 25bps increase	**(6)**	(10)
Change in following year pension cost from a 25bps decrease	**7**	10
Rate of inflation		
Change in pension obligation at year end from a 25bps increase	**360**	530
Change in pension obligation at year end from a 25bps decrease	**(338)**	(493)
Change in following year pension cost from a 25bps increase	**31**	40
Change in following year pension cost from a 25bps decrease	**(28)**	(37)
Rate of increase for pensions in payment and deferred revaluation		
Change in pension obligation at year end from a 25bps increase	**239**	410
Change in pension obligation at year end from a 25bps decrease	**(225)**	(378)
Change in following year pension cost from a 25bps increase	**20**	30
Change in following year pension cost from a 25bps decrease	**(16)**	(28)
Rate of pay increase		
Change in pension obligation at year end from a 25bps increase	**118**	120
Change in pension obligation at year end from a 25bps decrease	**(115)**	(115)
Change in following year pension cost from a 25bps increase	**11**	11
Change in following year pension cost from a 25bps decrease	**(10)**	(10)
Investment return		
Change in following year pension cost from a 25bps increase	**25**	28
Change in following year pension cost from a 25bps decrease	**(25)**	(28)
Mortality		
Change in pension obligation from each additional year of longevity assumed	**250**	340

The following table shows the effect of changes in the discount rate and in mortality rates on defined benefit plans other than the principal plan:

	Other plans	
	2008	2007
	£m	£m
Increase in pension obligation from each additional year of longevity assumed	**13**	9

Defined benefit pension plans

Value recognised on the balance sheet

	HSBC Bank (UK) Pension Scheme			
	2008		2007	
	Expected rates of return %	Value £m	Expected rates of return %	Value £m
Fair value of plan assets		10,191		11,316
Equities	8.1	1,536	8.3	2,283
Bonds	5.7	7,541	6.1	7,646
Property	6.9	812	7.3	936
Other	4.2	302	5.1	451
Defined benefit obligation		(10,460)		(11,719)
Present value of funded obligations		(10,460)		(11,719)
Present value of unfunded obligations		–		–
Adjustment for minimum funding requirements		–		–
Net liability[1]		(269)		(403)

	Other plans			
	2008		2007	
	Expected rates of return[2] %	Value £m	Expected rates of return[2] %	Value £m
Fair value of plan assets		617		557
Equities	7.4	128	7.2	196
Bonds	4.2	368	3.6	260
Property	5.3	13	5.2	11
Other	5.0	108	4.9	90
Defined benefit obligation		(889)		(643)
Present value of funded obligations		(750)		(610)
Present value of unfunded obligations		(139)		(33)
Effect of limit on plan surpluses		–		(21)
Unrecognised past service cost		7		–
Adjustment for minimum funding requirements		–		–
Net liability[1]		(265)		(107)

1 *£284 million of the net liability for defined benefit pension plans relates to the bank (2007: £415 million).*
2 *The expected rates of return are weighted on the basis of the fair value of the plan assets.*

The principal plan has entered into derivative transactions with the bank to manage the risks arising from its portfolio. These derivatives comprise interest rate (London Interbank Offered Rate – 'LIBOR'), swaps and inflation (Retail Prices Index – 'RPI') swaps. Under the terms of these swaps, the plan is committed to making LIBOR-related interest payments in exchange for cash flows paid into the Scheme based on a projection of the future benefit payments to the Scheme members. Further information on these swaps is detailed in Note 42 'Related party transactions'.

Notes on the Financial Statements (continued)

Changes in the present value of defined benefit obligations

	2008		2007	
	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
At 1 January	11,719	643	12,392	627
Current service cost	211	23	227	23
Interest cost	670	27	623	23
Contributions by employees	–	20	–	16
Actuarial (gains)/losses	(1,664)	53	(1,208)	(49)
Benefits paid	(476)	(43)	(315)	(37)
Past service cost				
– vested immediately	–	5	–	3
– unvested benefits	–	6	–	–
Acquisitions	–	2	–	–
Reduction in liabilities resulting from curtailments	–	–	–	(29)
Liabilities extinguished on settlements	–	(40)	–	–
Exchange differences	–	193	–	66
At 31 December	10,460	889	11,719	643

Changes in the fair value of plan assets

	2008		2007	
	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
At 1 January	11,316	557	10,485	460
Expected return on plan assets	741	31	605	25
Contributions by the group				
– normal	252	21	235	13
– special	–	–	300	–
Contributions by employees	–	20	–	16
Experience gains/(losses)	(1,643)	(130)	6	3
Benefits paid	(475)	(33)	(315)	(24)
Assets distributed on curtailments	–	–	–	–
Assets distributed on settlements	–	(19)	–	(3)
Exchange differences	–	170	–	67
At 31 December	10,191	617	11,316	557

The actual return on plan assets for the year ended 31 December 2008 was a negative return £1,001 million (2007: positive return of £639 million). The group expects to make £274 million of contributions to defined benefit pension plans during 2009.

Total expense recognised in the income statement in 'Employee compensation and benefits'

	2008		2007	
	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
Current service cost	211	23	227	23
Interest cost	670	27	623	23
Expected return on plan assets	(741)	(31)	(605)	(25)
Past service cost	–	5	–	3
Gains on curtailments	–	–	–	(29)
Gains on settlements	–	(21)	–	–
Total expense	140	3	245	(5)

Total net actuarial gains/(losses)

	2008		2007	
	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
Experience losses on plan liabilities	(7)	(6)	(30)	(4)
Experience gains/(losses) on plan assets	(1,643)	(130)	6	3
Gains/(losses) from changes in actuarial assumptions	1,671	(47)	1,238	53
Total net actuarial gains/(losses)	21	(183)	1,214	52

Total net actuarial gains recognised in equity since transition to IFRSs are £573 million. The total effect of the limit on plan surpluses recognised within actuarial losses in equity during 2008 was a gain of £25 million (2007: £17 million loss).

The most recently completed triennial actuarial valuation of the principal plan performed by the Scheme Actuary on behalf of the Trustee was carried out as at 31 December 2005. The valuation identified a deficit of £1,200 million. The method adopted for this valuation was the projected unit method. The expected cash flows from the plan were projected by reference to the Retail Price Index ('RPI') swap break-even curve at 31 December 2005. Salary increases were assumed to be 1 per cent per annum above RPI and inflationary pension increases, subject to a minimum of 0 per cent per annum and a maximum of 5 per cent per annum, were assumed to be in line with RPI. The projected cash flows were discounted at the LIBOR swap curve at 31 December 2005 plus a margin for the expected return on the investment strategy of 110 basis points per annum. The mortality experience of the Scheme's pensioners over the three year period since the previous valuation was analysed and the mortality assumption set on the basis of this with allowances for medium cohort future improvements on the PA92 series of tables from the valuation date.

As part of the 31 December 2005 valuation, calculations were also carried out as to the amount of assets that might be needed to meet the liabilities if the Scheme was discontinued and the members' benefits bought out with an insurance company (although in practice this may not be possible for a plan of this size) or the Trustee continued to run the plan without the support of the bank. The amount required under this approach is estimated to be £15,500 million as at 31 December 2005. In estimating the solvency position for this purpose, a more prudent assumption about future mortality was made than for the assessment of the ongoing position and it was assumed that the Trustee would alter the investment strategy to be an appropriately matched portfolio of cash and interest and inflation swaps. An explicit allowance for expenses was also included.

In anticipation of the results of the 2005 valuation, on 22 December 2005 HSBC Bank plc made an additional contribution of £1 billion in order to reduce the deficit of the plan. Following receipt of the valuation results, the bank agreed with the Trustee to reduce the deficit of the plan by meeting a schedule of additional future funding payments, as set out below:

	£m
2012	465
2013	465
2014	465

The bank also decided to make ongoing contributions to the Scheme in respect of the accrual of benefits of defined benefit section members at the rate of 36 per cent of pensionable salaries from 1 January 2007 until the completion of the next actuarial valuation, to be calculated as at 31 December 2008. During 2006 the bank paid contributions at the rate of 20 per cent of pensionable salaries. A further 2 per cent of pensionable salaries is being paid over the period 1 January 2007 to 31 December 2014 to make good the difference in contributions during 2006.

The Trustee and the bank will monitor progress towards closing the deficit in the light of the next triennial valuation that is currently being performed as at 31 December 2008. This valuation process is currently underway and is due to be completed later in 2009. Future funding commitments will be determined on conclusion of the actuarial valuation.

Notes on the Financial Statements (continued)

Summary

	HSBC Bank (UK) Pension Scheme				
	2008	2007	2006	2005	2004
	£m	£m	£m	£m	£m
Defined benefit obligation	**(10,460)**	(11,719)	(12,392)	(11,961)	(10,335)
Fair value of plan assets	**10,191**	11,316	10,485	10,107	7,810
Effect of limit on plan surpluses	**–**	–	–	–	–
Net deficit	**(269)**	(403)	(1,907)	(1,854)	(2,525)
Experience gains on plan liabilities	**(7)**	(30)	300	40	219
Experience gains/(losses) on plan assets	**(1,643)**	6	–	905	276
Gains/(losses) from changes in actuarial assumptions	**1,671**	1,238	(298)	(1,166)	(741)
Total net actuarial gains/(losses)	**21**	1,214	2	(221)	(246)

	Other Plans				
	2008	2007	2006	2005	2004
	£m	£m	£m	£m	£m
Defined benefit obligation	**(889)**	(643)	(627)	(601)	(505)
Fair value of plan assets	**617**	557	460	404	240
Effect of limit on plan surpluses	**–**	(21)	2	–	–
Net deficit	**(272)**	(107)	(165)	(197)	(265)
Experience gains on plan liabilities	**(6)**	(4)	1	3	–
Experience gains/(losses) on plan assets	**(130)**	3	7	9	(20)
Gains/(losses) from changes in actuarial assumptions	**(47)**	53	14	(71)	(9)
Total net actuarial gains/(losses)	**(183)**	52	22	(59)	(29)

Defined benefit healthcare plans

Liability recognised on the balance sheet

	2008	2007
	£m	£m
Present value of unfunded obligations	**130**	164
Unrecognised past service cost	**–**	–
Net liability[1]	**130**	164

1 *£130 million of the net liability for defined benefit healthcare plans relates to the bank (2007: £136 million).*

Changes in the present value of defined benefit obligations

	2008	2007
	£m	£m
At 1 January	**164**	180
Current service cost	**–**	1
Interest cost	**9**	8
Actuarial gains	**(8)**	(22)
Benefits paid	**(21)**	(6)
Reduction in liabilities resulting from curtailments	**–**	–
Liabilities extinguished on settlements	**(17)**	–
Exchange differences	**3**	3
At 31 December	**130**	164

Total expense recognised in the income statement in 'Employee compensation and benefits'

	2008 £m	2007 £m
Current service cost	–	1
Interest cost	(8)	8
Past service cost	–	–
Total expense	(8)	9

Total net actuarial gains/(losses)

	Year ended 31 December	
	2008 £m	2007 £m
Experience (losses)/gains on plan liabilities	(5)	8
Gains from changes in actuarial assumptions	13	14
Total net actuarial gains	8	22

The actuarial assumptions of the healthcare cost trend rates have a significant effect on the amounts recognised. A one percentage point change in assumed healthcare cost trend rates would have the following effects on amounts recognised in 2008:

	1% increase £m	1% decrease £m
Increase/(decrease) of the aggregate of the current service cost and interest cost	1	1
Increase/(decrease) of defined benefit obligation	16	16

Post-employment benefit plans (the bank)

Employees of the bank who are members of defined benefit pension plans are principally members of the HSBC Bank (UK) Pension Scheme, as disclosed above.

Notes on the Financial Statements (continued)

Directors' emoluments

The aggregate emoluments of the Directors of the bank, computed in accordance with Part 1 of Schedule 6 of the Companies Act were:

	2008 £000	2007 £000
Fees	452	466
Salaries and other emoluments	2,706	2,026
Bonuses [1]	3,430	8,448
	6,588	10,940
Gain on the exercise of share options	13	37
Vesting of Restricted Share Plan awards	1,621	4,243

1 *2008 includes the sum of £2,357,019 (2007: £4,274,098) deferred into shares which are not subject to performance conditions, but are subject to a restricted period.*

No awards were made to Directors under long-term incentive plans in respect of qualifying services rendered in 2008 (2007: one Director, £157,576).

Retirement benefits accrue to one Director under a defined benefit scheme and to one Director under a money purchase scheme. A further Director is entitled to benefits under an employer funded retirement benefit scheme. The unfunded liability under this scheme as at 31 December 2008 was £259,000. Aggregate contributions during the year to money purchase arrangements in respect of Directors services were £65,000 (2007: £395,023).

In addition, there were payments under retirement benefit agreements with former Directors of £742,874 (2007: £700,887), including payments in respect of unfunded pension obligations to former Directors of £410,251 (2007: £386,873). The provision as at 31 December 2008 in respect of unfunded pension obligations to former Directors amounted to £4,238,032 (2007: £4,653,000). During the year, aggregate contributions to pension schemes in respect of Directors were £65,000 (2007: £395,023).

Discretionary bonuses for Directors are based on a combination of individual and corporate performance and are determined by the Remuneration Committee of the bank's parent company, HSBC Holdings plc. The cost of the conditional awards under the HSBC Holdings Restricted Share Plan 2000 and The HSBC Share Plan are recognised through an annual charge based on the fair value of the awards and the likely level of vesting of shares, apportioned over the period of service to which the award relates.

Of these aggregate figures, the following amounts are attributable to the highest paid Director:

	2008 £000	2007 £000
Fees	–	–
Salaries and other emoluments	608	208
Bonuses [1]	1,493	3,064

1 *2008 includes the sum of £1.1 million (2007: £1.2 million) deferred into shares which are not subject to performance conditions, but are subject to a restricted period.*

The highest paid Director received 28,537 shares as the result of awards under long-term incentive plans that vested during the year. The highest paid Director exercised share options over 567 HSBC Holdings plc ordinary shares during the year.

No pension contributions were made by the bank in respect of services by the highest paid Director during the year.

The Remuneration Committee of the bank's parent company, HSBC Holdings plc, has decided that the highest paid Director will not receive a conditional award of HSBC Holdings plc ordinary shares under The HSBC Share Plan in respect of services rendered as a Director during the year. Details of The HSBC Share Plan and performance conditions are contained within the Directors' Remuneration Report of HSBC Holdings plc.

8 General and administrative expenses

Auditors' remuneration

Auditors' remuneration in relation to the statutory audit amounted to £9.8 million (2007: £9.0 million).

The following fees were payable by the group to the group's principal auditor, KPMG Audit Plc and its associates (together 'KPMG'):

	2008 £m	2007 £m
Audit fees for HSBC Bank plc statutory audit:		
– fees relating to current year	**2.3**	2.2
– fees relating to prior year	**0.2**	0.1
	2.5	2.3
Fees payable to KPMG for other services provided to the group		
Audit-related services:		
– audit of the group's subsidiaries, pursuant to legislation	**7.1**	6.1
– other services pursuant to legislation	**5.7**	2.2
Tax services	**0.4**	0.2
Other services:		
– services relating to information technology	**0.2**	0.2
– services relating to corporate finance transactions	**0.2**	–
– all other services	**1.4**	2.0
	15.0	10.7
Total fees payable	**17.5**	13.0

'Audit fees for HSBC Bank plc statutory audit' is fees payable to KPMG Audit plc for the statutory audit of the consolidated financial statements of the group and the separate financial statements of HSBC Bank plc. It excludes amounts payable for the statutory audit of HSBC Bank plc's subsidiaries, which have been included in 'Fees payable to KPMG for other services provided to the group'.

Fees payable to KPMG for non-audit services for HSBC Bank plc are not disclosed separately because such fees are disclosed on a consolidated basis for the group.

9 Share-based payments

During 2008, £225 million was charged to the income statement in respect of equity-settled share-based payment transactions (2007: £182 million, as restated for the impact of IFRIC 11 (see note 1a)). This expense, which was computed from the fair values of the share-based payment transactions when contracted, arose under employee share awards made in accordance with the HSBC Group's reward structures.

Calculation of fair values

Fair values of share options/awards, measured at the date of grant of the option/award are calculated using a binomial lattice model methodology that is based on the underlying assumptions of the Black-Scholes model. When modelling options/share awards with vesting dependent on HSBC's Total Shareholder Return ('TSR') over a period, the TSR performance targets are incorporated into the model using Monte-Carlo simulation. The expected life of options depends on the behaviour of option holders, which is incorporated into the option model on the basis of historic observable data. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used.

Notes on the Financial Statements (continued)

The significant weighted average assumptions used to estimate the fair value of the options granted were as follows:

	1-year Savings-Related Share Option Plans	3-year Savings-Related Share Option Plans	5-year Savings-Related Share Option Plans
2008			
Risk-free interest rate[1] (%)	**4.5**	**4.5**	**4.5**
Expected life[2] (years)	**1**	**3**	**5**
Expected volatility[3] (%)	**25**	**25**	**25**
Share price at grant date (£)	**8.80**	**8.80**	**8.80**
2007			
Risk-free interest rate[1] (%)	5.6	5.5	5.4
Expected life[2] (years)	1	3	5
Expected volatility[3] (%)	17	17	17
Share price at grant date (£)	9.24	9.24	9.24

1 *The risk-free rate was determined from the UK gilts yield curve for the UK Savings-Related Share Option Plans. A similar yield curve was used for the Overseas Savings-Related Share Option Schemes.*
2 *Expected life is not a single input parameter but a function of various behavioural assumptions.*
3 *Expected volatility is estimated by considering both historic average share price volatility and implied volatility derived from traded options over HSBC shares of similar maturity to those of the employee options.*

Expected dividends are incorporated into the valuation model for share options/awards, where applicable. The expected US dollar denominated dividend growth was determined to be 7 per cent for the first year (2007: 10 per cent for first 3 years) and 8 per cent thereafter (2007: 8 per cent), in line with consensus analyst forecasts.

The HSBC Share Plan

The HSBC Share Plan was adopted by the Group in 2005. Under this plan, performance share awards, restricted share awards and share option awards may be made. The aim of the HSBC Share Plan is to align the interests of executives with the creation of shareholder value and recognise individual performance and potential. Awards are also made under this plan for recruitment and retention purposes.

Performance share awards

Performance share awards are awarded to executive Directors and other senior executives after taking into account individual performance in the previous year. Each award is divided into two equal parts for testing attainment against pre-determined benchmarks. One half of the reward is subject to a TSR measure, based on HSBC's ranking against a comparator group of 28 major banks; the other half of the award is subject to an earnings per share target. For each element of the award, shares are released to the employee on a sliding scale from 30 to 100 per cent of the award, depending on the scale of achievement against the benchmarks, providing that the minimum criteria for each performance measure have been met. These shares vest after three years to the extent that the vesting conditions are satisfied.

	2008 Number (000's)	2007 Number (000's)
Outstanding at 1 January	**2,184**	1,966
Additions during the year	**167**	421
Released in the year	**(809)**	(203)
Forfeited in the year	**(314)**	–
Outstanding at 31 December[1]	**1,228**	2,184

1 *The above table includes the bank employee awards of 509,522 (2007: 1,735,782).*

The weighted average fair value of shares awarded by the group for Performance Share Awards in 2008 was £8.56 (2007: £8.96).

Restricted share awards

Restricted shares are awarded to other employees on the basis of their performance, potential and retention requirements, to aid recruitment or as a part-deferral of annual bonuses. Shares are awarded without corporate

performance conditions and generally vest between one and three years from the date of award, providing the employees have remained continuously employed by the group for this period.

	2008 Number (000's)	2007 Number (000's)
Outstanding at 1 January	29,590	13,333
Additions during the year	25,202	21,035
Released during the year	(9,328)	(2,454)
Forfeited in the year	(2,583)	(2,324)
Outstanding at 31 December	42,881	29,590

The weighted average fair value of shares awarded by the group for Restricted Share Awards in 2008 was £8.56 (2007: £8.96).

Share options

Share options were granted in 2005 under The HSBC Share Plan to employees in France on the basis of their performance in the previous year. The share options are subject to the corporate Performance Conditions, which consists of an absolute Earnings Per Share measure and a TSR measure based on the Group's ranking against a comparator group of 28 major banks. The options may vest after three years. Options granted in June 2005 are exercisable up to the fourth anniversary of the date of grant, after which they will lapse. Options granted in September 2005 are exercisable up to the tenth anniversary of the grant, after which they will lapse.

	2008		2007	
	Number (000's)	Weighted average exercise price £	Number (000's)	Weighted average exercise price £
Outstanding at 1 January	525	8.85	628	8.84
Forfeited in the year	(225)	8.79	(103)	8.79
Outstanding at 31 December	300	8.89	525	8.85

No options were granted in 2008 (2007: nil). The weighted average remaining contractual life of options outstanding at the balance sheet date was 2.1 years. (2007: 2.4 years). The exercise price range of options outstanding at the balance sheet date was £8.79-£9.17 . None of these options was exercisable at the balance sheet date.

Savings-related share option plans

Savings-related share option plans invite eligible employees to enter into savings contracts to save up to £250 per month, with the option to use the savings to acquire shares. The aim of the plans is to align the interests of all employees with the creation of shareholder value. The options are exercisable within three months following the first anniversary of the commencement of a one-year savings contract or within six months following either the third or the fifth anniversary of the commencement of three-year or five-year contracts, respectively. The exercise price is set at 20 per cent (2007: 20 per cent) discount to the market value immediately preceding the date of invitation.

	2008		2007	
	Number (000's)	Weighted average exercise price £	Number (000's)	Weighted average exercise price £
Outstanding at 1 January	41,029	6.59	37,053	6.46
Granted in the year	13,718	6.82	10,845	7.08
Exercised in the year	(13,273)	5.73	(3,623)	6.45
Transferred in the year	(1,404)	7.20	(1,242)	6.89
Expired in the year	(2,955)	7.02	(2,004)	6.76
Outstanding at 31 December[1,2]	37,115	6.94	41,029	6.59

1 *The above table includes the bank employee options of 34,569,476 outstanding at 1 January 2008 (2007: 33,571,481) 12,085,353 options granted in the year (2007: 8,269,034) and 33,404,227 options outstanding at 31 December 2008 (2007: 34,569,476).*

2 *The weighted average exercise price for bank employees at 1 January 2008 was £6.57 (2007: £6.44) and at 31 December 2008 was £6.94 (2007: £6.57).*

The weighted average fair value of options granted during the year was £2.17 (2007: £2.12). The weighted average share price at the dates the share options were exercised was £8.56 (2007: £8.96). The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2008	2007
Exercise price range (£)	**£5.35-£8.02**	£5.35-£8.02
Weighted average remaining contractual life (years)	**2.19**	1.77
Of which exercisable:		
– number (000's)	**605**	154
– weighted average exercise price (£)	**5.91**	6.49

The bank

	2008	2007
Exercise price range (£)	**£5.35-£8.02**	£5.35-£8.02
Weighted average remaining contractual life (years)	**2.26**	1.76
Of which exercisable:		
– number (000's)	**485**	85
– weighted average exercise price (£)	**5.83**	6.49

HSBC Holdings Restricted Share Plan 2000

Performance share awards made under the HSBC Holdings Restricted Share Plan 2000 (the 'Restricted Share Plan')

Performance share awards under the Restricted Share Plan were granted to senior executives from 1996 to 2004. The aim of the plan was to align the interests of executives with the creation of shareholder value. This was achieved by setting certain TSR targets against a peer group of major banks which would normally have to be attained in order for the awards to vest. In addition to these performance conditions, none of the outstanding awards will vest unless the Group's Remuneration Committee is satisfied that, during the performance period, HSBC has achieved sustained growth. Following adoption of The HSBC Share Plan in 2005, no further awards will be made under this Plan other than from reinvested scrip dividends.

	2008 Number (000's)	2007 Number (000's)
Outstanding at 1 January	**1,052**	1,977
Additions during the year[1]	**23**	849
Released in the year	**(985)**	(1,750)
Transferred in the year	**(90)**	(24)
Outstanding at 31 December	**–**	1,052

1 *Additions during the year comprised reinvested scrip dividends.*

The weighted average remaining vesting period as at 31 December 2007 was 10 months.

Restricted share awards made under the HSBC Holdings Restricted Share Plan 2000

Restricted share awards under the Restricted Share Plan were granted to eligible employees from 2000 to 2005, after taking into account the employees' performance in the previous year, their potential and retention requirements. Restricted shares were also awarded as part-deferral of annual bonuses or for recruitment purposes. Shares are awarded without corporate performance conditions and generally vest between one and three years from the date of award, providing the employees have remained continuously employed by the group for the period.

	2008 Number (000's)	2007 Number (000's)
Outstanding at 1 January	**6,111**	12,867
Additions during the year[1]	**223**	452
Released in the year	**(5,896)**	(7,299)
Forfeited in the year	**(304)**	(792)
Transferred in the year	**19**	883
Outstanding at 31 December[2]	**153**	6,111

1 *Additions during the year comprised reinvested scrip dividends.*
2 *The above table includes bank employee shares of 3,569,950 outstanding at 1 January 2008 (2007: 7,525,817), nil shares granted in the year (2007: nil) and 85,051 outstanding at 31 December 2008 (2007: 3,569,950).*

No shares were awarded by the group for the HSBC Holdings Restricted Share Plan 2000 in 2008 or 2007.

The weighted average remaining vesting period as at 31 December 2008 was 5 months (2007: 2 months).

The HSBC Holdings Group Share Option Plan

The HSBC Holdings Group Share Option Plan was a long-term incentive plan under which certain group employees between 2000 and 2005 were awarded share options. The aim of the plan was to align the interests of those higher-performing employees with the creation of shareholder value. This was achieved by setting certain TSR targets which would normally have to be attained in order for the awards to vest. Options were granted at market value and are normally exercisable between the third and tenth anniversaries of the date of grant, subject to vesting conditions. Options granted after May 2005 are made under The HSBC Share Plan.

	2008		2007	
	Number (000's)	Weighted average exercise price £	Number (000's)	Weighted average exercise price £
Outstanding at 1 January	**42,222**	**7.86**	45,352	7.82
Exercised in the year	**(1,596)**	**7.16**	(2,098)	6.96
Transferred in the year	**2,059**	**7.78**	1,141	7.72
Forfeited in the year	**(108)**	**8.15**	–	–
Expired in the year	**(2,354)**	**8.09**	(2,173)	7.97
Outstanding at 31 December	**40,223**	**7.87**	42,222	7.86

The weighted average share price at the date the share options were exercised was £7.87 (2007: £7.86). No share options were awarded by the group for the Group Share Option Plan in 2008 (2007: nil). The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2008		2007	
Exercise price range (£)	**£6.00-£8.00**	**£8.01-£10.00**	£6.00-£8.00	£8.01-£10.00
Number (000's)	**12,611**	**27,612**	13,573	28,649
Weighted average exercise price (£)	**6.91**	**8.30**	6.91	8.30
Weighted average remaining contractual life (years)	–	–	–	0.06
Of which exercisable:				
– number (000's)	**12,611**	**27,612**	13,573	23,383
– weighted average exercise price (£)	**6.91**	**8.30**	6.91	7.78

The bank

	2008		2007	
Exercise price range (£)	£6.00-£8.00	£8.01-£10.00	£6.00-£8.00	£8.01-£10.00
Number (000's)	6,169	13,165	7,029	14,241
Weighted average exercise price (£)	6.91	8.29	6.91	8.29
Weighted average remaining contractual life (years)	–	–	–	0.002
Of which exercisable:				
– number (000's)	6,169	13,165	7,029	14,143
– weighted average exercise price (£)	6.91	8.29	6.91	8.28

HSBC France and subsidiary company plans

Before its acquisition by the group in 2000, HSBC France and certain of its subsidiaries operated employee share plans under which share options were granted over their respective shares.

Options over HSBC France shares granted between 1994 and 1999 vested upon announcement of the group's agreement to acquire HSBC France and were therefore included in the valuation of HSBC France.

HSBC France granted 909,000 options in 2000 after the public announcement of the acquisition and these options did not vest as a result of the change in control. The options were subject to continued employment and vested on 1 January 2002. The HSBC France shares obtained on exercise of the options are exchangeable for HSBC's ordinary shares of US$0.50 each in the same ratio as the Exchange Offer for HSBC France shares (13 ordinary shares of US$0.50 for each HSBC France share). Options are granted at market value and are exercisable within 10 years of the date of grant.

	2008		2007	
	Number (000's)	Exercise price €	Number (000's)	Exercise price €
Outstanding at 1 January	604	142.50	646	142.50
Exercised in the year	–	142.50	(42)	142.50
Outstanding and exercisable at 31 December	604	142.50	604	142.50

The weighted average remaining contractual life for options outstanding at 31 December 2008 was 1.3 years (2007: 2.3 years).

In 2007, the weighted average share price at the date the share options were exercised was £9.03.

At the date of its acquisition in 2000, certain of HSBC France's subsidiary companies also operated employee share option plans under which options could be granted over their respective shares. On exercise of certain of these options, the subsidiary shares are exchanged for HSBC ordinary shares. The total number of HSBC Holdings ordinary shares exchanged under such arrangements in 2008 was 12,810 (2007: 113,240).

Pre-IFRS 2 awards

Detailed below are the share-based payment awards made before the date of application of IFRS 2 on 7 November 2002 and therefore not accounted for within the balance sheet or income statement.

The HSBC Holdings Group Share Option Plan

	2008		2007	
	Number (000's)	Weighted average exercise price £	Number (000's)	Weighted average exercise price £
Outstanding at 1 January	34,411	8.20	35,798	8.17
Exercised in the year	(2,281)	6.92	(3,695)	7.87
Transferred in the year	368	8.51	2,552	8.22
Expired in the year	(1,556)	8.20	(244)	7.81
Outstanding at 31 December[1,2]	30,942	8.30	34,411	8.20

1 *The above includes the bank employee awards of 20,236,879 options outstanding at 1 January 2008 (2007: 21,402,021), and 17,857,524 options outstanding at 31 December 2008 (2007: 20,236,879).*

2 *The weighted average exercise price for bank employees was £8.02 at 1 January 2008 (2007: £7.97) and £8.17 at 31 December 2008 (2007: £8.02).*

The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2008		2007	
Exercise price range (£)	**£6.38-£7.46**	**£7.47-£9.54**	£6.38-£7.46	£7.47-£9.54
Number (000's)	**4,801**	**26,142**	7,121	27,290
Weighted average exercise price (£)	**6.92**	**8.56**	6.85	8.56
Weighted average remaining contractual life (years)	–	–	–	–
Of which exercisable:				
– number (000's)	**4,801**	**26,142**	7,121	27,290
– weighted average exercise price (£)	**6.92**	**8.56**	6.85	8.56

The bank

	2008		2007	
Exercise price range (£)	**£6.38-£7.46**	**£7.47-£9.54**	£6.38-£7.46	£7.47-£9.54
Number (000's)	**4,240**	**13,618**	6,281	13,956
Weighted average exercise price (£)	**6.92**	**8.56**	6.82	8.56
Weighted average remaining contractual life (years)	–	–	–	–
Of which exercisable:				
– number (000's)	**4,240**	**13,618**	6,281	13,956
– weighted average exercise price (£)	**6.92**	**8.56**	6.82	8.56

Savings-Related Share Option Plan

	2008		2007	
	Number (000's)	**Weighted average exercise price £**	Number (000's)	Weighted average exercise price £
Outstanding at 1 January	**103**	**6.32**	3,650	6.33
Exercised in the year	**(85)**	**6.32**	(3,465)	6.33
Transferred in the year	**2**	**6.59**	(24)	6.29
Expired in the year	**(20)**	**6.32**	(58)	6.46
Outstanding at 31 December[1,2]	–	–	103	6.32

1 *The above table includes the bank employee options of 98,706 outstanding at 1 January 2008 (2007: 3,500,932) and nil options outstanding at 31 December 2008 (2007: 98,706).*
2 *The weighted average exercise price for bank employees was £6.32 at 1 January 2008 (2007: £6.33) and nil at 31 December 2008 (2007: £6.32).*

The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2008	2007
Exercise price range (£)	–	£6.04-£6.75
Number (000's)	–	103
Weighted average exercise price (£)	–	6.32
Weighted average remaining contractual life (years)	–	–
Of which exercisable:		
– number (000's)	–	103
– weighted average exercise price (£)	–	6.32

The bank

	2008	2007
Exercise price range (£)	–	£6.04-£6.75
Number (000's)	–	99
Weighted average exercise price (£)	–	6.32
Weighted average remaining contractual life (years)	–	–
Of which exercisable:		
– number (000's)	–	99
– weighted average exercise price (£)	–	6.32

10 Tax expense

	2008 £m	2007 £m
Current taxation		
UK corporation tax charge – on current year profit	**592**	661
UK corporation tax charge – adjustments in respect of prior years	**(22)**	7
Overseas tax – on current year profit	**298**	331
Overseas tax – adjustment in respect of prior years	**1**	26
	869	1,025
Deferred taxation		
Origination and reversal of temporary differences	**(16)**	(220)
Effect of changes in the tax rates	–	(20)
Adjustment in respect of prior years	**(10)**	(18)
	(26)	(258)
Tax expense	**843**	767

The UK corporation tax rate applying to HSBC Bank plc and its subsidiaries changed from 30 per cent to 28 per cent with effect from 1 April 2008 (2007: 30 per cent). Other overseas subsidiaries and overseas branches provided for taxation at the appropriate rates in the countries in which they operate. The 2007 Finance Act reduction in the UK corporation tax rate from 30 per cent to 28 per cent, and the reduction of the German Federal tax rate, both enacted in 2007 but commencing in 2008, resulted in a one off re-measurement of deferred tax assets and liabilities. It gave rise to a credit to the group's tax charge of £20 million for 2007.

The following table reconciles the tax expense which would apply if all profits had been taxed at the UK corporation tax rate:

	2008		2007	
	£m	Percentage of overall tax charge %	£m	Percentage of overall tax charge %
Analysis of overall tax charge				
Taxation at UK corporate tax rate of 28.5% (2007: 30 %)[1]	**1,244**	**28.5**	1,219	30.0
Effect of taxing overseas profit in principal locations at different rates	**(51)**	**(1.2)**	(61)	(1.5)
Tax-free gains	**(333)**	**(7.6)**	(253)	(6.2)
Effect of profits in associates and joint ventures	**(2)**	**0.0**	(12)	(0.3)
Effect of previously unrecognised temporary differences	**(27)**	**(0.6)**	(53)	(1.3)
Release of deferred tax consequent on restructuring of group interest	–	–	(180)	(4.4)
Adjustments in respect of prior period liabilities	**(31)**	**(0.7)**	15	0.4
Other items	**43**	**0.9**	92	2.2
Overall tax expense	**843**	**19.3**	767	18.9

1 *The change in the UK corporation tax rate from 30 per cent to 28 per cent with effect from 1 April 2008 gave rise to a blended tax rate for 2008 of 28.5 per cent.*

In addition to the amount charged to the income statement, the aggregate amount of current and deferred taxation relating to items that are taken directly to equity was a £438 million increase in equity (2007: £311 million reduction in equity).

Movement in deferred taxation during the year

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
At 1 January	**(252)**	(113)	**513**	840
Income statement credit/(charge)	**26**	258	**(223)**	52
Equity:				
– available-for-sale investments	**121**	49	**2**	3
– cash flow hedges	**(151)**	10	**(153)**	(8)
– share-based payments	**5**	(19)	**5**	(18)
– actuarial gains and losses	**26**	(364)	**(9)**	(357)
Disposal of subsidiary	**(44)**	–	–	–
Loss of future deduction on restructuring of a partnership interest	**(52)**	–	–	–
Foreign exchange and other adjustments	**(9)**	(73)	**1**	1
At 31 December	**(330)**	(252)	**136**	513

The amount of deferred taxation accounted for in the balance sheet, before netting off balances within countries, comprised the following deferred tax assets and liabilities:

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Deferred tax assets				
Retirement benefits	**21**	35	**135**	262
Loan impairment allowances	**3**	8	**56**	63
Unused tax losses	–	1	–	43
Accelerated capital allowances	–	–	**(37)**	(50)
Available-for-sale investments	**85**	(22)	**(2)**	(31)
Cash flow hedges	**1**	37	**(160)**	(7)
Share-based payments	–	8	**24**	43
Other temporary differences	**3**	(17)	**122**	192
	113	50	**138**	515
Deferred tax liabilities				
Assets leased to customers	**(499)**	(577)	–	–
Revaluation of property	**(71)**	(36)	–	–
Accelerated capital allowances	**(35)**	(49)	–	–
Other temporary differences	**246**	397	**(2)**	(2)
Provision for tax on profit remitted from overseas	–	–	–	–
Available-for-sale investments	**15**	(35)	–	–
Cash flow hedges	**(99)**	(2)	–	–
	(443)	(302)	**(2)**	(2)
Net deferred tax asset/(liability)	**(330)**	(252)	**136**	513

For the group, the amount of temporary differences for which no deferred tax asset is recognised in the balance sheet is £61 million (2007: £53 million). This amount is in respect of unrealised capital losses where the recoverability of potential benefits is not considered likely.

For the bank, the amount of temporary differences for which no deferred tax asset is recognised in the balance sheet is £55 million (2007: £46 million). This amount is in respect of unrealised capital losses where the recoverability of potential benefits is not considered likely.

Notes on the Financial Statements (continued)

After netting off balances within countries, the balances as disclosed in the accounts are as follows:

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Deferred tax assets	**113**	50	**138**	515
Deferred tax liabilities	**(443)**	(302)	**(2)**	(2)
	(330)	(252)	**136**	513

Deferred tax is not recognised in respect of the group's investments in subsidiaries, branches, associates and interests in joint ventures where remittance is not contemplated or where no additional tax is expected to arise. The aggregate amount of temporary differences associated with such investments is £7,477 million (2007: £3,486 million).

11 Dividends

Dividends to the shareholders of the parent company were as follows:

	2008		2007	
Dividends declared on ordinary shares	**£ per share**	**Total £m**	£ per share	Total £m
Second interim dividend in respect of previous year	**1.25**	**1,000**	1.05	840
First interim dividend in respect of current year	**1.04**	**825**	1.03	825
Second interim dividend in respect of current year	**1.30**	**1,037**	–	–
	3.59	**2,862**	2.08	1,665

	2008		2007	
Dividends on preference shares classified as equity	**£ per share**	**Total £m**	£ per share	Total £m
Dividend on HSBC Bank plc non-cumulative third dollar preference shares	**1.17**	**41**	0.91	32
	1.17	**41**	0.91	32

	2008	2007
Interest on capital securities classified as equity	**£m**	£m
Interest in respect of the first quarter of the year	**18**	-
Interest in respect of the second quarter of the year	**18**	-
Interest in respect of the third quarter of the year	**17**	-
Interest in respect of the fourth quarter of the year	**18**	9
	71	9

12 Segment analysis

The primary segment reporting format is determined to be by geographical regions.

By geographical region

Geographical information has been classified by the location of the principal operations of the subsidiary undertaking or, in the case of the bank, by the location of the branch responsible for reporting the results or for advancing the funds.

2008	United Kingdom £m	Continental Europe £m	Rest of the world £m	Intra-group £m	Total £m
Net interest income	3,725	1,482	190	300	5,697
Net fee income	2,499	1,365	93	–	3,957
Net trading income	1,877	1,274	105	(289)	2,967
Net income from financial instruments designated at fair value	(238)	(848)	–	(11)	(1,097)
Gains less losses from financial investments	85	(3)	–	–	82
Dividend income	61	24	–	–	85
Net earned insurance premiums	1,223	1,668	–	–	2,891
Other operating income	1,026	573	2	(8)	1,593
Total operating income	10,258	5,535	390	(8)	16,175
Share of profits/losses in associates and joint ventures	9	–	–	–	9
Profit before tax	2,552	1,631	183	–	4,366
Profit attributable to shareholders	1,899	1,386	156	–	3,441
Depreciation and impairment of property, plant and equipment	(351)	(113)	(2)	–	(466)
Amortisation and impairment of intangible assets and impairment of goodwill	(87)	(22)	–	–	(109)
Loan impairment charges and other credit risk provisions	(1,542)	(310)	(9)	–	(1,861)
Cost to acquire property, plant and equipment	(584)	(195)	(3)	–	(782)
Cost to acquire intangible assets	(137)	(39)	–	–	(176)
Total assets	613,600	348,150	24,255	(61,774)	924,231
Total liabilities	608,273	333,205	23,866	(61,774)	903,570

Notes on the Financial Statements (continued)

2007	United Kingdom £m	Continental Europe £m	Rest of the world £m	Intra-group £m	Total £m
Net interest income	2,275	1,188	88	303	3,854
Net fee income	2,723	1,355	106	–	4,184
Net trading income	2,525	1,080	185	(303)	3,487
Net income from financial instruments designated at fair value	93	33	–	–	126
Gains less losses from financial investments	364	188	–	–	552
Dividend income	19	23	1	–	43
Net earned insurance premiums	693	1,228	–	–	1,921
Other operating income	191	106	15	(5)	307
Total operating income	8,883	5,201	395	(5)	14,474
Share of profits/losses in associates and joint ventures	(1)	49	(1)	–	47
Profit before tax	2,513	1,313	237	–	4,063
Profit attributable to shareholders	2,054	963	192	–	3,209
Depreciation and impairment of property, plant and equipment	(338)	(84)	–	–	(422)
Amortisation and impairment of intangible assets and impairment of goodwill	(122)	(19)	(1)	–	(142)
Loan impairment charges	(953)	(91)	1	–	(1,043)
Cost to acquire property, plant and equipment	(371)	(203)	(4)	–	(578)
Cost to acquire intangible assets	(97)	(25)	–	–	(122)
Total assets	440,411	218,927	14,333	(51,391)	622,280
Total liabilities	430,604	203,830	14,238	(51,391)	597,281

By class of business

The group's operations include a number of support services and head office functions. The costs of these functions are allocated to business lines, where it is appropriate, on a systematic and consistent basis.

	2008 £m	2007 £m
Net operating income before loan impairment charges		
UK Personal Financial Services	**3,859**	3,745
UK Commercial Banking	**2,581**	2,207
UK Global Banking and Markets	**1,561**	2,065
UK Other	**196**	106
International Banking	**1,424**	1,104
France	**2,847**	1,910
Private Banking	**1,448**	1,299
HSBC Trinkaus & Burkhardt	**424**	364
	14,340	12,800

	2008	2007 (restated)
	£m	£m
Profit/(loss) on ordinary activities before tax		
UK Personal Financial Services	**918**	740
UK Commercial Banking	**1,221**	1,004
UK Global Banking and Markets	**(188)**	468
UK Other	**227**	137
International Banking	**165**	397
France	**1,297**	526
Private Banking	**627**	643
HSBC Trinkaus & Burkhardt	**99**	148
	4,366	4,063
Total assets		
UK Personal Financial Services	**77,940**	69,837
UK Commercial Banking	**48,152**	44,905
UK Global Banking and Markets	**422,278**	273,791
UK Other	**–**	–
International Banking	**32,948**	22,190
France	**271,464**	156,533
Private Banking	**53,905**	40,900
HSBC Trinkaus & Burkhardt	**17,544**	14,124
	924,231	622,280
Cost to acquire property, plant and equipment		
UK Personal Financial Services	**205**	165
UK Commercial Banking	**95**	77
UK Global Banking and Markets	**284**	130
UK Other	**–**	–
International Banking	**98**	62
France	**72**	42
Private Banking	**19**	13
HSBC Trinkaus & Burkhardt	**9**	89
	782	578
Cost to acquire intangible assets		
UK Personal Financial Services	**84**	51
UK Commercial Banking	**34**	26
UK Global Banking and Markets	**31**	25
UK Other	**–**	–
International Banking	**4**	4
France	**14**	12
Private Banking	**–**	–
HSBC Trinkaus & Burkhardt	**9**	4
	176	122

13 Analysis of financial assets and liabilities by measurement basis

The following table analyses the carrying amount of financial assets and liabilities by category as defined in IAS 39 and by balance sheet heading:

Notes on the Financial Statements (continued)

The group

At 31 December 2008	Held for trading	Designated at fair value	Held-to-maturity securities	Loans and receivables	Available-for-sale securities	Financial assets and liabilities at amortised cost	Derivatives designated as fair value hedging instruments	Derivatives designated as cash flow hedging instruments	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	9,470	–	–	9,470
Items in the course of collection from other banks	–	–	–	–	–	1,917	–	–	1,917
Trading assets	172,026	–	–	–	–	–	–	–	172,026
Financial assets designated at fair value	–	13,895	–	–	–	–	–	–	13,895
Derivatives	241,132	–	–	–	–	–	87	1,865	243,084
Loans and advances to banks	–	–	–	50,719	–	–	–	–	50,719
Loans and advances to customers	–	–	–	298,304	–	–	–	–	298,304
Financial investments	–	–	25	–	103,486	–	–	–	103,511
Other assets	–	–	–	7	–	7,328	–	–	7,335
Accrued income	–	–	–	–	–	5,279	–	–	5,279
Total financial assets	413,158	13,895	25	349,030	103,486	23,994	87	1,865	905,540
Total non-financial assets									18,691
Total assets									924,231
Financial liabilities									
Deposits by banks	–	–	–	–	–	61,431	–	–	61,431
Customer accounts	–	–	–	–	–	369,880	–	–	369,880
Items in the course of transmission to other banks	–	–	–	–	–	1,802	–	–	1,802
Trading liabilities	124,450	–	–	–	–	–	–	–	124,450
Financial liabilities designated at fair value	–	15,184	–	–	–	–	–	–	15,184
Derivatives	239,394	–	–	–	–	–	432	1,205	241,031
Debt securities in issue	–	–	–	–	–	52,308	–	–	52,308
Other liabilities	–	–	–	–	–	6,565	–	–	6,565
Accruals	–	–	–	–	–	4,930	–	–	4,930
Subordinated liabilities	–	–	–	–	–	7,259	–	–	7,259
Total financial liabilities	363,844	15,184	–	–	–	504,175	432	1,205	884,840
Total non-financial liabilities									18,730
Total liabilities									903,570

The group

	At 31 December 2007								
	Held for trading £m	Designated at fair value £m	Held-to-maturity securities £m	Loans and receivables £m	Available-for-sale securities £m	Financial assets and liabilities at amortised cost £m	Derivatives designated as fair value hedging instruments £m	Derivatives designated as cash flow hedging instruments £m	Total £m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	7,146	–	–	7,146
Items in the course of collection from other banks	–	–	–	–	–	2,434	–	–	2,434
Trading assets	153,206	–	–	–	–	–	–	–	153,206
Financial assets designated at fair value	–	14,969	–	–	–	–	–	–	14,969
Derivatives	60,103	–	–	–	–	–	–	367	60,470
Loans and advances to banks	–	–	–	60,764	–	–	–	–	60,764
Loans and advances to customers	–	–	–	227,687	–	–	–	–	227,687
Financial investments	–	–	38	–	69,490	–	–	–	69,528
Other assets	–	–	–	–	–	4,385	–	–	4,385
Accrued income	–	–	–	–	–	5,647	–	–	5,647
Total financial assets	213,309	14,969	38	288,451	69,490	19,612	–	367	606,236
Total non-financial assets									16,044
Total assets									622,280
Financial liabilities									
Deposits by banks	–	–	–	–	–	48,786	–	–	48,786
Customer accounts	–	–	–	–	–	268,269	–	–	268,269
Items in the course of transmission to other banks	–	–	–	–	–	1,975	–	–	1,975
Trading liabilities	117,454	–	–	–	–	–	–	–	117,454
Financial liabilities designated at fair value	–	15,659	–	–	–	–	–	–	15,659
Derivatives	60,908	–	–	–	–	–	138	493	61,539
Debt securities in issue	–	–	–	–	–	50,921	–	–	50,921
Other liabilities	–	–	–	–	–	6,332	–	–	6,332
Accruals	–	–	–	–	–	5,726	–	–	5,726
Subordinated liabilities	–	–	–	–	–	5,205	–	–	5,205
Total financial liabilities	178,362	15,659	–	–	–	387,214	138	493	581,866
Total non-financial liabilities									15,415
Total liabilities									597,281

Notes on the Financial Statements (continued)

The bank

At 31 December 2008	Held for trading	Designated at fair value	Held-to-maturity securities	Loans and receivables	Available-for-sale securities	Financial assets and liabilities at amortised cost	Derivatives designated as fair value hedging instruments	Derivatives designated as cash flow hedging instruments	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	6,779	–	–	6,779
Items in the course of collection from other banks	–	–	–	–	–	692	–	–	692
Trading assets	130,205	–	–	–	–	–	–	–	130,205
Financial assets designated at fair value	–	4,592	–	–	–	–	–	–	4,592
Derivatives	195,758	–	–	–	–	–	–	1,370	197,128
Loans and advances to banks	–	–	–	18,295	–	–	–	–	18,295
Loans and advances to customers	–	–	–	217,309	–	–	–	–	217,309
Financial investments	–	–	–	–	46,608	–	–	–	46,608
Accrued income	–	–	–	–	–	3,159	–	–	3,159
Other assets	–	–	–	–	–	2,541	–	–	2,541
Total financial assets	325,963	4,592	–	235,604	46,608	13,171	–	1,370	627,308
Total non-financial assets									18,473
Total assets									645,781
Financial liabilities									
Deposits by banks	–	–	–	–	–	54,986	–	–	54,986
Customer accounts	–	–	–	–	–	240,397	–	–	240,397
Items in the course of transmission to other banks	–	–	–	–	–	772	–	–	772
Trading liabilities	98,389	–	–	–	–	–	–	–	98,389
Financial liabilities designated at fair value	–	9,429	–	–	–	–	–	–	9,429
Derivatives	196,549	–	–	–	–	–	93	605	197,247
Debt securities in issue	–	–	–	–	–	8,670	–	–	8,670
Other liabilities	–	–	–	–	–	3,163	–	–	3,163
Accruals	–	–	–	–	–	2,434	–	–	2,434
Subordinated liabilities	–	–	–	–	–	7,310	–	–	7,310
Total financial liabilities	294,938	9,429	–	–	–	317,732	93	605	622,797
Total non-financial liabilities									729
Total liabilities									623,526

The bank

At 31 December 2007	Held for trading £m	Designated at fair value £m	Held-to-maturity securities £m	Loans and receivables £m	Available-for-sale securities £m	Financial assets and liabilities at amortised cost £m	Derivatives designated as fair value hedging instruments £m	Derivatives designated as cash flow hedging instruments £m	Total £m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	3,677	–	–	3,677
Items in the course of collection from other banks	–	–	–	–	–	1,377	–	–	1,377
Trading assets	149,102	–	–	–	–	–	–	–	149,102
Financial assets designated at fair value	–	3,439	–	–	–	–	–	–	3,439
Derivatives	46,093	–	–	–	–	–	–	232	46,325
Loans and advances to banks	–	–	–	32,028	–	–	–	–	32,028
Loans and advances to customers	–	–	–	150,649	–	–	–	–	150,649
Financial investments	–	–	–	–	13,821	–	–	–	13,821
Other assets	–	–	–	–	–	3,477	–	–	3,477
Accrued income	–	–	–	–	–	1,372	–	–	1,372
Total financial assets	195,195	3,439	–	182,677	13,821	9,903	–	232	405,267
Total non-financial assets									18,762
Total assets									424,029
Financial liabilities									
Deposits by banks	–	–	–	–	–	41,061	–	–	41,061
Customer accounts	–	–	–	–	–	184,899	–	–	184,899
Items in the course of transmission to other banks	–	–	–	–	–	1,056	–	–	1,056
Trading liabilities	99,755	–	–	–	–	–	–	–	99,755
Financial liabilities designated at fair value	–	8,082	–	–	–	–	–	–	8,082
Derivatives	47,339	–	–	–	–	–	–	197	47,536
Debt securities in issue	–	–	–	–	–	8,117	–	–	8,117
Other liabilities	–	–	–	–	–	2,767	–	–	2,767
Accruals	–	–	–	–	–	3,745	–	–	3,745
Subordinated liabilities	–	–	–	–	–	4,744	–	–	4,744
Total financial liabilities	147,094	8,082	–	–	–	246,389	–	197	401,762
Total non-financial liabilities									1,490
Total liabilities									403,252

14 Reclassification of financial assets

In October 2008, the IASB issued amendments to IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' which permits an entity to reclassify non-derivative financial assets out of the held-for-trading category, as described in Note 2(e) on the financial statements.

During the second half of 2008, the group and the bank reclassified the following financial assets from the held-for-trading category:

	On reclassification			At 31 December 2008	
	Amount reclassified[1] £m	Estimate of future cash flows[2] £m	Effective interest rate %	Carrying amount £m	Fair value £m
Reclassification to loans and receivables					
Asset-backed securities	3,521	6,121	8	4,292	3,207
Trading loans – commercial mortgage loans	344	508	5	403	383
Leveraged finance loans	2,086	3,685	7	2,432	1,877
	5,951	10,314		7,127	5,467
Reclassification to available-for-sale					
Corporate debt and other securities	1,596	2,394	6	1,592	1,592
	7,547	12,708		8,719	7,059

1 *Amounts reclassified have been translated using the rate of exchange at the date of the reclassification; all other amounts denominated in foreign currencies have been translated into the functional currency at the rate of exchange ruling at the balance sheet date.*
2 *The estimate of future cash flows represents the cash flows expected to be recovered at the date of reclassification.*

The amount reclassified is based on the fair value of the financial assets at the date of reclassification. In October 2008, the group and the bank reclassified £5.0 billion and £0.2 billion of financial assets classified as held-for-trading assets into the loans and receivables and available-for-sale categories respectively, with effect from 1 July 2008. During November and December 2008, the group and the bank reclassified £0.9 billion and £1.4 billion of financial assets classified as held-for-trading into loans and receivables and available-for-sale respectively. These latter reclassifications took effect prospectively.

The reclassifications were made as a result of significant reductions in market liquidity for these assets, and a change in the group's intention to hold the assets for the foreseeable future or to maturity. These circumstances form part of the wider context of market turmoil and are considered a rare event and, as such, the reclassification is permitted under the amendments to IAS 39.

On the date of reclassification, the fair value of the asset is deemed to be the asset's new amortised cost, and the assets are thereafter tested for impairment. If these reclassifications had not been made, the group's pre-tax profit would have reduced by £1,793 million from £4,366 million to £2,573 million. The reduction in group profit would have been entirely in the UK Global Banking & Markets segment.

The following table shows the fair value gains and losses, income and expense recognised in the income statement both before and after the date of reclassification.

	Impact on income statement			
	Prior to reclassification		After reclassification	Assuming no reclassification
	2008	2007	**2008**	**2008**
	£m	£m	**£m**	**£m**
Reclassification to loans and receivables				
Asset-backed securities	**(451)**	(134)	**167**	**(918)**
Trading loans – commercial mortgage loans	**(8)**	-	**11**	**(9)**
Leveraged finance	**(106)**	(52)	77	**(478)**
	(565)	(186)	**255**	**(1,405)**
Reclassification to available-for-sale				
Corporate debt and other securities	**(53)**	(1)	**13**	**(120)**
	(618)	(187)	**268**	**(1,525)**

1 *Income and expense recorded in the income statement after reclassification represents the accrual of the effective interest rate and also includes £18 million in respect of impairment of leveraged finance loans. The group recorded no impairment charges on other financial assets reclassified during the second half of 2008.*

15 Trading assets

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Trading assets:				
– which may be repledged or resold by counterparties	**50,364**	57,912	**16,903**	37,040
– not subject to repledge or resale by counterparties	**121,662**	95,294	**113,302**	112,062
	172,026	153,206	**130,205**	149,102
Treasury and other eligible bills	**21**	445	7	437
Debt securities	**77,241**	58,741	**32,132**	37,902
Equity securities	**13,126**	22,419	**11,050**	13,095
Loans and advances to banks	**37,898**	37,020	**45,299**	59,451
Loans and advances to customers	**43,740**	34,581	**41,717**	38,217
	172,026	153,206	**130,205**	149,102

Included within the above figures for the group are debt securities issued by banks and other financial institutions of £24,371 million (2007: £27,947 million), of which £831 million (2007: £399 million) are guaranteed by various governments.

Included within the above figures for the bank are debt securities issued by banks and other financial institutions of £14,140 million (2007: £22,535 million), of which £37 million (2007: £nil) are guaranteed by various governments.

Notes on the Financial Statements (continued)

16 Financial assets designated at fair value through profit or loss

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Financial assets designated at fair value:				
– not subject to repledge or resale by counterparties	**13,895**	14,969	**4,592**	3,439
Treasury and other eligible bills	**43**	25	–	–
Debt securities	**7,380**	7,822	**4,514**	3,439
Equity securities	**5,822**	7,033	–	–
Loans and advances to banks	**153**	89	**78**	–
Loans and advances to customers	**497**	–	–	–
	13,895	14,969	**4,592**	3,439

17 Derivatives

Fair values of derivatives by product contract type held

The group

	At 31 December 2008					
	Assets			Liabilities		
	Trading	**Hedging**	**Total**	**Trading**	**Hedging**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Foreign exchange	**59,121**	**11**	**59,132**	**(59,891)**	**(10)**	**(59,901)**
Interest rate	**140,158**	**1,941**	**142,099**	**(138,094)**	**(1,627)**	**(139,721)**
Equities	**11,260**	**–**	**11,260**	**(12,383)**	**–**	**(12,383)**
Credit derivatives	**29,972**	**–**	**29,972**	**(28,331)**	**–**	**(28,331)**
Commodity and other	**621**	**–**	**621**	**(695)**	**–**	**(695)**
Total fair values	**241,132**	**1,952**	**243,084**	**(239,394)**	**(1,637)**	**(241,031)**

	At 31 December 2007					
	Assets			Liabilities		
	Trading	Hedging	Total	Trading	Hedging	Total
	£m	£m	£m	£m	£m	£m
Foreign exchange	17,279	–	17,279	(17,757)	(30)	(17,787)
Interest rate	31,397	367	31,764	(31,393)	(601)	(31,994)
Equities	7,014	–	7,014	(6,719)	–	(6,719)
Credit derivatives	3,629	–	3,629	(4,294)	–	(4,294)
Commodity and other	784	–	784	(745)	–	(745)
Total fair values	60,103	367	60,470	(60,908)	(631)	(61,539)

The bank

	At 31 December 2008					
	Assets			Liabilities		
	Trading	**Hedging**	**Total**	**Trading**	**Hedging**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Foreign exchange	**58,265**	**–**	**58,265**	**(59,163)**	**–**	**(59,163)**
Interest rate	**105,828**	**1,370**	**107,198**	**(104,887)**	**(698)**	**(105,585)**
Equities	**1,134**	**–**	**1,134**	**(3,575)**	**–**	**(3,575)**
Credit derivatives	**29,667**	**–**	**29,667**	**(27,988)**	**–**	**(27,988)**
Commodity and other	**864**	**–**	**864**	**(936)**	**–**	**(936)**
Total fair values	**195,758**	**1,370**	**197,128**	**(196,549)**	**(698)**	**(197,247)**

	At 31 December 2007					
	Assets			Liabilities		
	Trading £m	Hedging £m	Total £m	Trading £m	Hedging £m	Total £m
Foreign exchange	17,428	–	17,428	(17,493)		(17,493)
Interest rate	22,240	232	22,472	(23,005)	(197)	(23,202)
Equities	2,036	–	2,036	(1,825)	–	(1,825)
Credit derivatives	3,607	–	3,607	(4,276)	–	(4,276)
Commodity and other	782	–	782	(740)	–	(740)
Total fair values	46,093	232	46,325	(47,339)	(197)	(47,536)

Use of derivatives

The group transacts derivatives for three primary purposes: to create risk management solutions for clients, for proprietary trading purposes, and to manage and hedge the group's own risks. Derivatives (except for derivatives which are designated as effective hedging instruments as defined in IAS 39) are held for trading. The held for trading classification includes two types of derivatives: those used in sales and trading activities, and those used for risk management purposes but which for various reasons do not meet the qualifying criteria for hedge accounting. The second category includes derivatives managed in conjunction with financial instruments designated at fair value. These activities are described more fully below.

The group's derivative activities give rise to significant open positions in portfolios of derivatives. These positions are managed constantly to ensure that they remain within acceptable risk levels, with matching deals being used to achieve this where necessary. When entering into derivative transactions, the group employs the same credit risk management procedures to assess and approve potential credit exposures that are used for traditional lending.

Trading derivatives

Most of the group's derivative transactions relate to sales and trading activities. Sales activities include the structuring and marketing of derivative products to customers to enable them to take, transfer, modify or reduce current or expected risks. Trading activities in derivatives are entered into principally for the purpose of generating profits from short-term fluctuations in price or margin. Positions may be traded actively or be held over a period of time to benefit from expected changes in currency rates, interest rates, equity prices or other market parameters. Trading includes market-making, positioning and arbitrage activities. Market-making entails quoting bid and offer prices to other market participants for the purpose of generating revenues based on spread and volume; positioning means managing market risk positions in the expectation of benefiting from favourable movements in prices, rates or indices; arbitrage involves identifying and profiting from price differentials between markets and products.

As mentioned above, other derivatives classified as held-for-trading include non-qualifying hedging derivatives, ineffective hedging derivatives and the components of hedging derivatives that are excluded from assessing hedge effectiveness. Non-qualifying hedging derivatives are entered into for risk management purposes but do not meet the criteria for hedge accounting. These include derivatives managed in conjunction with financial instruments designated at fair value.

Notional contract amounts of derivatives held for trading purposes by product type

	At 31 December			
	The group		The bank	
	2008 £m	2007 £m	**2008 £m**	2007 £m
Foreign exchange	**1,490,980**	1,027,254	**1,366,091**	996,917
Interest rate	**6,971,748**	4,089,512	**4,860,786**	2,815,793
Equity	**133,737**	119,493	**23,059**	31,186
Credit	**655,423**	485,976	**659,262**	482,397
Commodity	**28,937**	13,837	**28,550**	15,283
Total derivatives	**9,280,825**	5,736,072	**6,937,748**	4,341,576

The notional or contractual amounts of these instruments indicate the nominal value of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

Notes on the Financial Statements (continued)

Derivatives valued using models with unobservable inputs

The difference between the fair value at initial recognition (the transaction price) and the value that would have been derived had valuation techniques used for subsequent measurement been applied at initial recognition, less subsequent releases, is as follows.

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Unamortised balance at 1 January	**90**	84	**59**	66
Deferral on new transactions	**123**	102	**37**	46
Recognised in the income statement during the period:				
–amortisation	**(46)**	(26)	**(16)**	(9)
– subsequent to unobservable inputs becoming observable	**(47)**	(33)	**(7)**	(26)
– maturity or termination, or offsetting derivative	**(32)**	(37)	**(19)**	(18)
Exchange differences	**11**	–	**1**	–
Risk hedged	**(1)**	–	**(1)**	–
Unamortised balance at 31 December[1]	**98**	90	**54**	59

1 *This amount is yet to be recognised in the income statement*

Hedging instruments

The group uses derivatives (principally interest rate swaps) for hedging purposes in the management of its own asset and liability portfolios and structural positions. This enables the group to optimise the overall cost to the group of accessing debt capital markets, and to mitigate the market risk which would otherwise arise from structural imbalances in the maturity and other profiles of its assets and liabilities.

Notional contract amounts of derivatives held for hedging purposes by product type

	The group			
	At 31 December 2008		At 31 December 2007	
	Cash flow hedge	**Fair value hedge**	Cash flow hedge	Fair value hedge
	£m	**£m**	£m	£m
Exchange rate contracts	**197**	**585**	93	444
Interest rate contracts	**92,661**	**6,478**	69,323	9,065
Equity contracts	**–**	**–**	–	12

	The bank			
	At 31 December 2008		At 31 December 2007	
	Cash flow hedge	**Fair value hedge**	Cash flow hedge	Fair value hedge
	£m	**£m**	£m	£m
Interest rate contracts	**43,810**	**943**	21,001	3

The notional contract amounts of these instruments indicate the nominal value of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

Fair value hedges

The group's fair value hedges principally consist of interest rate swaps that are used to protect against changes in the fair value of fixed-rate long-term financial instruments due to movements in market interest rates.

The group

	At 31 December 2008		At 31 December 2007	
	Assets	**Liabilities**	Assets	Liabilities
	£m	**£m**	£m	£m
Foreign exchange	**–**	**(9)**	–	–
Interest rate	**87**	**(423)**	–	(138)
	87	**(432)**	–	(138)

The bank

	At 31 December 2008		At 31 December 2007	
	Assets	**Liabilities**	Assets	Liabilities
	£m	**£m**	£m	£m
Foreign exchange	–	–	–	–
Interest rate	–	**(93)**	–	–
	–	**(93)**	–	–

Gains or losses arising from the change in fair value of fair value hedges

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
(Losses)/ gains:				
– on hedging instruments	**(189)**	(58)	**(49)**	–
– on hedged items attributable to the hedged risk	**196**	62	**50**	–

The gains and losses on ineffective portions of fair value hedges are recognised immediately in 'Net trading income'. The amount reported in the income statement in respect of the ineffectiveness of fair value hedges was insignificant in the year ended 31 December 2008.

Cash flow hedges

The group's cash flow hedges consist principally of interest rate and cross-currency swaps that are used to protect against exposures to variability in future interest cash flows on non-trading assets and liabilities which bear interest at variable rates or which are expected to be re-funded or reinvested in the future. The amounts and timing of future cash flows, representing both principal and interest flows, are projected for each portfolio of financial assets and liabilities on the basis of their contractual terms and other relevant factors, including estimates of prepayments and defaults. The aggregate principal balances and interest cash flows across all portfolios over time form the basis for identifying gains and losses on the effective portions of derivatives designated as cash flow hedges of forecast transactions.

Fair value of derivatives designated as cash flow hedges

The group

	At 31 December 2008		At 31 December 2007	
	Assets	**Liabilities**	Assets	Liabilities
	£m	**£m**	£m	£m
Foreign exchange	**11**	**(1)**	–	(30)
Interest rate	**1,854**	**(1,204)**	367	(463)
	1,865	**(1,205)**	367	(493)

The bank

	At 31 December 2008		At 31 December 2007	
	Assets	**Liabilities**	Assets	Liabilities
	£m	**£m**	£m	£m
Interest rate	**1,370**	**(605)**	232	(197)

The schedule of forecast principal balances on which the expected interest cash flows arise as at 31 December 2008 is as follows. This table reflects the interest rate repricing profile of the underlying hedged items.

Notes on the Financial Statements (continued)

The group

	At 31 December 2008			
	3 months or less £m	**More than 3 months but less than 1 year £m**	**5 years or less but more than 1 year £m**	**More than 5 years £m**
Assets	**41,517**	**32,994**	**29,743**	**42**
Liabilities	**(20,624)**	**(20,985)**	**(18,170)**	**(1,836)**
Net cash inflow/(outflow) exposure	**20,893**	**12,009**	**11,573**	**(1,794)**

	At 31 December 2007			
	3 months or less £m	More than 3 months but less than 1 year £m	5 years or less but more than 1 year £m	More than 5 years £m
Assets	22,133	24,583	16,648	13
Liabilities	(11,007)	(10,736)	(11,582)	(571)
Net cash inflow/(outflow) exposure	11,126	13,847	5,066	(558)

The bank

	At 31 December 2008			
	3 months or less £m	**More than 3 months but less than 1 year £m**	**5 years or less but more than 1 year £m**	**More than 5 years £m**
Assets	**28,892**	**26,477**	**22,777**	**41**
Liabilities	**(12,825)**	**(12,707)**	**(11,350)**	**(190)**
Net cash inflow/(outflow) exposure	**16,067**	**13,770**	**11,427**	**(149)**

	At 31 December 2007			
	3 months or less £m	More than 3 months but less than 1 year £m	5 years or less but more than 1 year £m	More than 5 years £m
Assets	12,703	12,305	10,435	13
Liabilities	(7,516)	(7,516)	(8,955)	(181)
Net cash inflow/(outflow) exposure	5,187	4,789	1,480	(168)

The gains and losses on ineffective portions of such derivatives are recognised immediately in 'Net trading income'. During the year to 31 December 2008, a loss of £3 million (2007: loss of £1 million) was recognised due to hedge ineffectiveness.

18 Financial investments

	The group		The bank	
	2008 £m	2007 £m	**2008 £m**	2007 £m
Financial investments:				
– which may be pledged or resold by counterparties	**6,558**	3,710	**5,843**	3,047
– not subject to repledge or resale by counterparties	**96,953**	65,818	**40,765**	10,774
	103,511	69,528	**46,608**	13,821

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Treasury and other eligible bills	**10,562**	1,882	**9,818**	1,397
– available-for-sale	**10,562**	1,882	**9,818**	1,397
– held-to-maturity	**-**	-	**-**	-
Debt securities	**90,281**	64,594	**35,701**	11,497
– available-for-sale	**90,256**	64,556	**35,701**	11,497
– held-to-maturity	**25**	38	**-**	-
Equity securities	**2,668**	3,052	**1,089**	927
– available-for-sale	**2,668**	3,052	**1,089**	927
Total financial investments	**103,511**	69,528	**46,608**	13,821

For the group, £12,364 million (2007: £30 million), and for the bank, £10,607 million (2007: £22 million), of the debt securities issued by banks and other financial institutions are guaranteed by various governments.

19 Repurchase agreements and securities lending agreements

The group enters into transactions in the normal course of business by which it transfers recognised financial assets directly to third parties or to special purpose entities. These transfers may give rise to full or partial derecognition of the financial assets concerned.

Transfers that do not qualify for derecognition

The majority of financial assets that do not qualify for derecognition are (i) debt securities held by counterparties under repurchase agreements or (ii) equity securities lent under securities lending agreements. The following table analyses the carrying amount of financial assets as at 31 December that did not qualify for derecognition during the year and their associated financial liabilities:

The group

	2008		2007	
	Carrying amount of assets	**Carrying amount of associated liabilities**	Carrying amount of assets	Carrying amount of associated liabilities
	£m	**£m**	£m	£m
Nature of transaction				
Repurchase agreements	**53,965**	**52,531**	50,868	51,338
Securities lending agreements	**2,989**	**2,977**	10,818	10,813
Total	**56,954**	**55,508**	61,686	62,151

The bank

	2008		2007	
	Carrying amount of assets	**Carrying amount of associated liabilities**	Carrying amount of assets	Carrying amount of associated liabilities
	£m	**£m**	£m	£m
Nature of transaction				
Repurchase agreements	**19,993**	**18,655**	29,376	29,942
Securities lending agreements	**2,753**	**2,753**	10,713	10,713
Total	**22,746**	**21,408**	40,089	40,655

20 Interests in associates and joint ventures

Principal associates of the group

	At 31 December 2008		
	Country of incorporation	The group's interest in equity capital	Issued equity capital
VocaLink Holdings Ltd	England	13.95%	100,000

Summarised aggregate financial information on associates

HSBC's share of:

	2008 £m	2007 £m
Assets	**44**	46
Liabilities	**36**	41
Net income	**(2)**	56

Interests in significant joint ventures

	At 31 December 2008		
	Principal activity	The group's interest in equity capital	Issued equity capital
HSBC Merchant Services LLP	Merchant acquiring facility	49%	–
Vaultex UK Limited	Cash management	50%	£10m
Holmwoods Termtime Credit Limited	Investment Holdings and management	50%	£1

On 1 July 2008, the bank and Global Payments Inc commenced a card processing joint venture in the UK. The bank has a 49% stake in the new company, HSBC Merchant Services LLP, which is treated as a Joint Venture as all the strategic financial and operating decisions relating to the activities require the unanimous consent of the parties sharing control.

Summarised aggregate financial information on joint ventures

HSBC's share of:

	2008 £m	2007 £m
Assets	**176**	268
Liabilities	**159**	207
Net income	**15**	4

21 Goodwill and intangible assets

	The group		The bank	
	2008 £m	2007 £m	2008 £m	2007 £m
Goodwill	**10,649**	8,974	**296**	291
Present value of in-force long-term assurance business ('PVIF')	**579**	444	**–**	–
Other intangible assets	**552**	459	**302**	249
	11,780	9,877	**598**	540

Goodwill

The group

	2008 £m	2007 £m
Cost		
At 1 January	8,974	8,395
Additions	6	1
Disposals [1]	(747)	–
Amounts written off [2]	–	(33)
Exchange differences	2,419	585
Other changes	(3)	26
At 31 December	10,649	8,974
Accumulated impairment losses		
At 1 January	–	–
Impairment loss recognised [2]	–	(33)
Amounts written off [2]	–	33
At 31 December	–	–
Net book value at 31 December	10,649	8,974

1 *2008 disposals are related to the sale of the French regional banks.*
2 *The impairment charge for 2007 of £33 million is recognised in the income statement under 'Amortisation and impairment of intangible assets and arose on reclassification of certain HFC card portfolios to assets held for sale during the year. These portfolios were also sold during 2007, resulting in the goodwill and related impairment allowance of £33 million being written off.*

The bank

	2008 £m	2007 £m
Cost		
At 1 January	291	331
Impairment loss reversed [1]	–	(33)
Exchange differences	–	1
Other changes	5	(8)
At 31 December	296	291
Accumulated impairment losses		
At 1 January	–	–
Impairment loss recognised [1]	–	(33)
Impairment loss reversed [1]	–	33
At 31 December	–	–
Net book value at 31 December	296	291

1 *The impairment charge for 2007 of £33 million is recognised in the income statement under 'Amortisation and impairment of intangible assets and impairment of goodwill' and arose on reclassification of certain HFC card portfolios to assets held for sale during the year. These portfolios were also sold during 2007, resulting in the goodwill and related impairment allowance of £33 million written off.*

During 2008, no goodwill impairment was recognised (2007: £33million). Impairment testing in respect of goodwill is performed annually by comparing the recoverable amount of cash-generating units ('CGUs') determined at 1 July 2008 based on a value-in-use calculation. That calculation uses cash flow estimates based on management's cash flow projections, extrapolated in perpetuity using a nominal long-term growth rate based on current market assessments of GDP and inflation for the countries within which the CGU operates. Cash flows are extrapolated in perpetuity due to the long-term perspective within the group of the business units making up the CGUs. The discount rate used is based on the cost of capital the group allocates to investments in the countries within which the CGU operates.

The cost of capital assigned to an individual CGU and used to discount its future cash flows can have a significant effect on its valuation. The cost of capital percentage is generally derived from an appropriate capital asset pricing model, which itself depends on inputs reflecting a number of financial and economic variables including the risk-free rate in the country concerned and a premium or discount to reflect the inherent risk of the business being evaluated. These variables are established on the basis of management judgement and current market assessments of economic

variables.

The review of goodwill impairment represents management's best estimates of the factors set out in Note 3. These values are sensitive to the cash flows projected for the periods for which detailed forecasts are available, and to assumptions regarding the long-term sustainable pattern of cash flows thereafter. While the acceptable range within which underlying assumptions can be applied is governed by the requirement for resulting forecasts to be compared with actual performance and verifiable economic data in future years, the cash flow forecasts necessarily and appropriately reflect management's view of future business prospects. The process of identifying and evaluating goodwill impairment is inherently uncertain because it requires significant management judgement in making a series of estimations, the results of which are highly sensitive to the assumptions used.

The following CGUs include in their carrying value goodwill that is a significant proportion of total goodwill reported by the group. These CGUs do not carry on their balance sheet any intangible assets with indefinite useful lives, other than goodwill.

Cash generating unit ('CGU')	Goodwill at 1 July 2008 £m	Discount rate %	Nominal growth rate beyond initial cash flow projections %
Private Banking	2,552	9.0	3.6
France	6,303	9.0	4.0
Total goodwill in the CGUs listed above	8,855		

The recoverable amount of goodwill assigned to the France CGU exceeds its carrying amount by £323 million. However, a reasonably possible change in the long-term growth rate could cause its carrying amount to exceed its recoverable amount, resulting in the goodwill being impaired. Assuming no effects on other variables, the long-term growth rate would need to decrease by 15 basis points in order for the CGU's recoverable amount to be equal to its carrying amount.

As at 1 July 2008, aggregate goodwill of £694 million (2007: £694 million) had been allocated to CGUs that were not considered individually significant. These CGUs do not carry on their balance sheets any intangible assets with indefinite useful lives other than goodwill.

The present value of in-force long-term assurance business

Movement on the PVIF

The group

	2008 £m	2007 £m
At 1 January	444	407
Addition from current year new business	105	67
Movement from in-force business (including investment return variances and changes in investment assumptions)	(94)	(50)
Exchange differences and other movements	124	20
At 31 December	579	444

PVIF-specific assumptions

The key assumptions used in the computation of PVIF for the group's main life insurance operation were:

	2008 UK Life	2007 UK Life
Risk free rate	4.30%	4.30%
Risk discount rate	8.00%	8.00%
Expenses inflation	3.50%	3.40%

The PVIF represents the value of the shareholder's interest in the in-force business of the life insurance operations. The calculation of the PVIF is based upon assumptions that take into account risk and uncertainty. To project these cash flows, a variety of assumptions regarding future experience is made by each insurance operation which reflects local market conditions and management's judgement of local future trends. Some of the group's insurance operations incorporate risk margins separately into the projection assumptions for each product, while others

incorporate risk margins into the overall discount rate. This is reflected in the wide range of risk discount rates applied.

Other intangible assets

The analysis of the movement of intangible assets, excluding the PVIF, was follows:

The group

	Trade names £m	Internally generated software £m	Purchased software £m	Customer/ merchant relation-ships £m	Other £m	Total[2] £m
Cost						
At 1 January 2008	**15**	**788**	**78**	**204**	**12**	**1,097**
Additions[1]	**–**	**148**	**20**	**2**	**6**	**176**
Acquisition of subsidiaries	**–**	**–**	**33**	**–**	**–**	**33**
Disposals	**–**	**(20)**	**(3)**	**(1)**	**(3)**	**(27)**
Exchange differences	**1**	**33**	**35**	**4**	**1**	**74**
Other changes	**–**	**–**	**(3)**	**–**	**(4)**	**(7)**
At 31 December 2008	**16**	**949**	**160**	**209**	**12**	**1,346**
Accumulated amortisation and impairment						
At 1 January 2008	**(7)**	**(526)**	**(51)**	**(52)**	**(2)**	**(638)**
Amortisation charge for the year	**(1)**	**(75)**	**(15)**	**(18)**	**–**	**(109)**
Disposals	**–**	**7**	**3**	**–**	**1**	**11**
Exchange differences	**–**	**(33)**	**(20)**	**(1)**	**–**	**(54)**
Other changes	**–**	**3**	**(7)**	**–**	**–**	**(4)**
At 31 December 2008	**(8)**	**(624)**	**(90)**	**(71)**	**(1)**	**(794)**
Net book value at 31 December 2008	**8**	**325**	**70**	**138**	**11**	**552**
Cost						
At 1 January 2007	13	675	58	244	17	1,007
Additions[1]	–	103	15	–	4	122
Disposals	–	–	(2)	–	–	(2)
Exchange differences	2	9	7	–	1	19
Other changes	–	1	–	(40)	(10)	(49)
At 31 December 2007	15	788	78	204	12	1,097
Accumulated amortisation and impairment						
At 1 January 2007	(5)	(441)	(38)	(73)	(1)	(558)
Amortisation charge for the year	(1)	(75)	(12)	(19)	(1)	(108)
Impairment charge for the year	–	(1)	–	–	–	(1)
Disposals	–	–	3	–	–	3
Exchange differences	(1)	(9)	(4)	–	–	(14)
Other changes	–	–	–	40	–	40
At 31 December 2007	(7)	(526)	(51)	(52)	(2)	(638)
Net book value at 31 December 2007	8	262	27	152	10	459

1 *At 31 December 2008, the group had nil (2007: £2 million) of contractual commitments to acquire intangible assets.*

2 *Included in the above are intangible assets relating to Marks and Spencer Retail Financial Services Holdings Limited with a net book value of £124 million (2007: £141 million), on which the amortisation charge for the year to 31 December 2008 was £16 million (2007: £17 million). The remaining amortisation period is 6 years.*

Notes on the Financial Statements (continued)

The bank

	Internally generated software £m	Customer/ merchant relationships £m	Other £m	Total £m
Cost				
At 1 January 2008	**668**	**–**	**3**	**671**
Additions	**132**	**–**	**–**	**132**
Disposals	**(20)**	**–**	**(3)**	**(23)**
At 31 December 2008	**780**	**–**	**–**	**780**
Accumulated amortisation and impairment				
At 1 January 2008	**(420)**	**–**	**(2)**	**(422)**
Amortisation charge for the year	**(68)**	**–**	**–**	**(68)**
Disposals	**7**	**–**	**2**	**9**
Other changes	**3**	**–**	**–**	**3**
At 31 December 2008	**(478)**	**–**	**–**	**(478)**
Net book value at 31 December 2008	**302**	**–**	**–**	**302**
Cost				
At 1 January 2007	572	41	3	616
Additions	96	–	–	96
Other changes	–	(41)	–	(41)
At 31 December 2007	668	–	3	671
Accumulated amortisation and impairment				
At 1 January 2007	(348)	(41)	(1)	(390)
Amortisation charge for the year	(72)	–	(1)	(73)
Impairment charge for the year	(1)	–	–	(1)
Other changes	1	41	–	42
At 31 December 2007	(420)	–	(2)	(422)
Net book value at 31 December 2007	248	–	1	249

22 Property, plant and equipment

The group

	Freehold land and buildings[4] £m	Long leasehold land and buildings £m	Short leasehold land and buildings £m	Equipment, fixtures and fittings[1] £m	Equipment on operating leases £m	Total[2] £m
Cost or fair value						
At 1 January 2008	924	45	357	2,903	3,005	7,234
Additions at cost	87	2	79	421	193	782
Reclassified from held for sale	31	300	–	63	–	394
Acquisition of subsidiaries	–	–	–	1	–	1
Fair value adjustments	(5)	–	–	–	–	(5)
Disposals	(102)	(3)	(8)	(220)	(81)	(414)
Transfers	22	(22)	–	–	–	–
Exchange differences	87	1	25	155	–	268
At 31 December 2008	1,044	323	453	3,323	3,117	8,260
Accumulated depreciation and impairment						
At 1 January 2008	(75)	(15)	(169)	(1,888)	(968)	(3,115)
Depreciation charge for the year	(19)	(13)	(29)	(297)	(101)	(459)
Reclassified from held for sale	(13)	(12)	–	(20)	–	(45)
Disposals	6	–	4	130	19	159
Transfers	(7)	7	–	–	–	–
Impairment losses recognised	(7)	–	–	–	–	(7)
Exchange differences	(4)	–	(10)	(82)	–	(96)
At 31 December 2008	(119)	(33)	(204)	(2,157)	(1,050)	(3,563)
Net carrying amount at 31 December 2008	925	290	249	1,166	2,067	4,697

1 *Including assets held on finance leases with a carrying amount of £139 million (2007: £171 million).*
2 *Including assets with a carrying amount of £143 million (2007: £173 million) pledged as security for liabilities.*
3 *At 31 December 2008, the group had £367 million (2007: £281 million) of contractual commitments to acquire property, plant and equipment.*
4 *Including the investment properties on page 99.*

Notes on the Financial Statements (continued)

	Freehold land and buildings[1] £m	Long leasehold land and buildings £m	Short leasehold land and buildings £m	Equipment, fixtures and fittings £m	Equipment on operating leases £m	Total £m
Cost or fair value						
At 1 January 2007	966	362	275	2,657	3,004	7,264
Additions at cost	104	3	84	321	66	578
Acquisition of subsidiaries	49	–	–	1	–	50
Fair value adjustments	13	–	–	–	–	13
Disposals	(257)	(320)	(12)	(135)	(65)	(789)
Transfers	–	–	4	(1)	–	3
Exchange differences	55	–	4	69	–	128
Other changes	(6)	–	2	(9)	–	(13)
At 31 December 2007	924	45	357	2,903	3,005	7,234
Accumulated depreciation and impairment						
At 1 January 2007	(97)	(27)	(150)	(1,656)	(926)	(2,856)
Depreciation charge for the year	(22)	(3)	(22)	(281)	(100)	(428)
Disposals	48	15	8	76	58	205
Transfers	–	–	(2)	–	–	(2)
Impairment losses recognised	–	–	–	–	–	–
Impairment losses reversed	6	–	–	–	–	6
Exchange differences	(4)	–	(2)	(39)	–	(45)
Other changes	(6)	–	(1)	12	–	5
At 31 December 2007	(75)	(15)	(169)	(1,888)	(968)	(3,115)
Net carrying amount at 31 December 2007	849	30	188	1,015	2,037	4,119

1 *Including the investment properties on page 99.*

The bank

	Freehold land and buildings £m	**Long leasehold land and buildings £m**	**Short leasehold land and buildings £m**	**Equipment, fixtures and fittings £m**	**Total £m**
Cost or fair value					
At 1 January 2008	**221**	**50**	**311**	**2,206**	**2,788**
Additions at cost[1]	**60**	**–**	**65**	**268**	**393**
Reclassified from held for sale	**31**	**300**	**–**	**63**	**394**
Disposals	**(13)**	**–**	**(6)**	**(137)**	**(156)**
Transfers	**22**	**(22)**	**–**	**–**	**–**
Exchange differences	**1**	**–**	**3**	**8**	**12**
At 31 December 2008	**322**	**328**	**373**	**2,408**	**3,431**
Accumulated depreciation and impairment					
At 1 January 2008	**(35)**	**(15)**	**(147)**	**(1,513)**	**(1,710)**
Depreciation charge for the year	**(10)**	**(13)**	**(24)**	**(197)**	**(244)**
Disposals	**2**	**–**	**4**	**84**	**90**
Reclassified as held for sale	**(13)**	**(12)**	**–**	**(20)**	**(45)**
Transfers	**(7)**	7	**–**	**–**	**–**
Exchange differences	**–**	**–**	**(2)**	**(5)**	**(7)**
At 31 December 2008	**(63)**	**(33)**	**(169)**	**(1,651)**	**(1,916)**
Net carrying amount at 31 December 2008	**259**	**295**	**204**	**757**	**1,515**

	Freehold land and buildings £m	Long leasehold land and buildings £m	Short leasehold land and buildings £m	Equipment, fixtures and fittings £m	Total £m
Cost or fair value					
At 1 January 2007	397	368	240	2,105	3,110
Additions at cost[1]	18	2	78	209	307
Disposals	(191)	(320)	(9)	(109)	(629)
Transfers	–	–	–	(1)	(1)
Exchange differences	–	–	1	2	3
Other changes	(3)	–	1	–	(2)
At 31 December 2007	221	50	311	2,206	2,788
Accumulated depreciation and impairment					
At 1 January 2007	(59)	(27)	(136)	(1,367)	(1,589)
Depreciation charge for the year	(11)	(3)	(18)	(201)	(233)
Disposals	35	15	7	56	113
Transfers	–	–	–	–	–
Exchange differences	–	–	–	(1)	(1)
At 31 December 2007	(35)	(15)	(147)	(1,513)	(1,710)
Net carrying amount at 31 December 2007	186	35	164	693	1,078

1 *At 31 December 2008, the bank had £84 million (2007: £103 million) of contractual commitments to acquire property, plant and equipment.*

On 31 May 2007, the group entered into a contract for the sale and leaseback of the property and long leasehold land comprising 8 Canada Square, London to Metrovacesa, S.A. ('Metrovacesa') for £1,090 million. The group retained a significant interest by virtue of a bridging loan of £810 million provided to Metrovacesa preventing immediate recognition of the sale. As a result at 31 December 2007 this property was reclassified as 'Assets held for sale' and the net proceeds received were recognised as deferred income on the balance sheet. On 4 December 2008 the bank purchased Project Maple II, B.V., the subsidiary of Metrovacesa which legally owned 8 Canada Square, for £838 million. The deferred income recognised by the group was released to the income statement and the property and long leasehold land have been reclassified to 'Property plant and equipment' respectively 'Prepayments and accrued income'. The impact on the group's operating profit for the year ended 31 December 2008 is a net gain of £244 million, comprising a gain of £265 million included within 'Other operating income' and a charge of £21 million included within 'Depreciation and impairment of property, plant and equipment'.

Investment properties

The composition of the investment properties at fair value in the year was as follows:

The group

	Freehold land and buildings[1] £m
Fair value	
At 1 January 2008	**152**
Additions at cost	**21**
Fair value adjustments	**(5)**
Exchange and other changes	**(63)**
At 31 December 2008	**105**
Fair value	
At 1 January 2007	31
Additions at cost	82
Acquisitions of subsidiaries	49
Fair value adjustments	13
Reclassified as held for sale	(30)
Exchange and other changes	7
At 31 December 2007	152

1 *Included in 'Property, plant and equipment' on page 97.*

Notes on the Financial Statements (continued)

Investment properties are valued on an open market value basis as at 31 December each year by independent professional valuers who have recent experience in the location and type of properties.

Included within 'Other operating income' was rental income of £2 million (2007: £2 million) earned by the group on its investment properties. Direct operating expenses of £ nil million (2007: nil) incurred in respect of the investment properties during the year were recognised in 'General and administrative expenses'. No such costs (2007: none) were included in investment property. Direct operating expenses arising in respect of investment properties that did not generate rental income during the year amounted to £ nil million (2007: nil). Net exchange differences on translation of investment properties were £67 million (2007: £19 million).

The bank

The bank had no investment properties at 31 December 2008 or 2007.

Group properties leased to customers

The group properties leased to customers included £4 million at 31 December 2008 (2007: £4 million) let under operating leases, net of accumulated depreciation of £6 million (2007: £5 million). None was held by the bank.

23 Investments

Principal subsidiary undertakings of HSBC Bank plc

	Country of incorporation or registration	HSBC Bank plc's interest in equity capital %
HSBC France	France	99.99
HSBC Asset Finance (UK) Limited	England	100.00
HSBC Bank A.S.	Turkey	100.00
HSBC Bank International Limited	Jersey	99.84
HSBC Bank Malta p.l.c.	Malta	68.25
HSBC Guyerzeller Bank AG	Switzerland	99.84
HSBC Invoice Finance (UK) Limited	England	100.00
HSBC Life (UK) Limited	England	100.00
HSBC Rail (UK) Limited	England	100.00
HSBC Private Bank (C.I.) Limited	Guernsey	99.84
HSBC Private Bank (Suisse) S.A.	Switzerland	94.41
HSBC Private Bank (UK) Limited	England	99.84
HSBC Trinkaus & Burkhardt AG	Germany	78.60
HSBC Trust Company (UK) Limited	England	100.00
Marks and Spencer Retail Financial Services Holdings Limited	England	100.00

Special purpose entities ('SPEs') consolidated where HSBC Bank plc owns less than 50 per cent of the voting rights:

	Carrying value of total consolidated assets £bn	Nature of SPE
Barion Funding Limited	3.1	Securities investment conduit
Bryant Park Funding LLC	3.7	Conduit
Malachite Funding Limited	2.9	Securities investment conduit
Mazarin Funding Limited	7.9	Securities investment conduit
Metrix Funding plc	2.5	Securitisation vehicle
Regency Assets Limited	5.6	Conduit
Solitaire Funding Limited	8.3	Securities investment conduit
Turquoise Receivable Trust Limited	1.5	Securitisation vehicle

All the above make their financial statements up to 31 December.

Acquisitions

HSBC Bank plc made acquisitions of subsidiary undertakings, and increased its investment in existing subsidiary undertakings, during 2008. These transactions were accounted for by applying the purchase method and goodwill of £6 million arose.

Disposals

On 2 July 2008, the group completed the sale of seven French regional banks to Banque Fédérale des Banques Populaires for €2.1 billion (£1.7 billion). On 2 July 2008, the aggregate total assets attributable to these French regional banking subsidiaries were £5.8 billion, and they generated net profits after tax of £48 million for the period to 2 July 2008. The group's pre-tax profit on sale was £644 million.

24 Other assets

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Bullion	**570**	147	**423**	70
Assets held for sale	**70**	626	**56**	555
Assets of disposal groups held for sale [1]	**–**	78	**–**	78
Reinsurers' share of liabilities under insurance contracts	**618**	528	**–**	–
Endorsements and acceptances	**370**	375	**224**	251
Other accounts	**7,174**	4,115	**2,934**	1,122
	8,802	5,869	**3,637**	2,076

1 *At 31 December 2007, assets of HFC card portfolios with a carrying amount of £78 million were classified as disposal groups held for sale.*

Assets held for sale

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Non-current assets held for sale				
Property, plant and equipment	**62**	586	**56**	555
Investment properties	**–**	31	**–**	–
Financial assets	**7**	7	**–**	–
Other	**1**	2	**–**	–
Total assets classified as held for sale	**70**	626	**56**	555

Included within property plant and equipment classified as held for sale is repossessed property that had been pledged as collateral by customers. These repossessed assets are expected to be disposed of within 12 months of acquisition.

8 Canada Square has been reclassified from 'Assets held for sale', as described in Note 22.

25 Trading liabilities

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Deposits by banks	**43,882**	39,382	**46,928**	48,390
Customer accounts	**29,347**	21,999	**25,039**	17,636
Other debt securities in issue	**15,677**	14,353	**12,152**	10,597
Other liabilities – net short positions	**35,544**	41,720	**14,270**	23,132
	124,450	117,454	**98,389**	99,755

Notes on the Financial Statements (continued)

26 Financial liabilities designated at fair value

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Deposits by banks	**4,357**	3,635	**4,162**	3,513
Liabilities to customers under investment contracts	**3,641**	5,842	**–**	–
Debt securities in issue	**3,584**	2,820	**1,658**	1,204
Subordinated liabilities	**3,374**	3,084	**3,609**	3,365
Preference shares	**228**	278	**–**	–
	15,184	15,659	**9,429**	8,082

The carrying amount at 31 December 2008 of financial liabilities designated at fair value was £491 million higher for the group (2007: £37 million lower) (the bank: 2008: £439 million higher; 2007: £19 million lower) than the contractual amount at maturity. At 31 December 2008, the accumulated amount of change in fair value attributable to changes in credit risk was a gain of £672 million for the group (2007: £165 million gain) (the bank: 2008: £623 million gain; 2007: £163 million gain).

27 Other liabilities

	The group		The bank	
	2008	2007 (restated)	**2008**	2007 (restated)
	£m	£m	**£m**	£m
Amounts due to investors in funds consolidated by the group	**782**	1,225	**–**	–
Obligations under finance leases	**332**	327	**–**	–
Endorsements and acceptances	**367**	375	**224**	251
Other liabilities	**5,416**	4,916	**2,939**	2,623
	6,897	6,843	**3,163**	2,874

28 Liabilities under insurance contracts issued

	At 31 December 2008		
	Gross	Reinsurers' share	Net
	£m	£m	£m
Non-life insurance liabilities			
Unearned premium provision	**445**	**(71)**	**374**
Notified claims	**345**	**(109)**	**236**
Claims incurred but not reported	**77**	**(19)**	**58**
Other	**16**	**(1)**	**15**
	883	**(200)**	**683**
Life insurance liabilities to policyholders			
Life (non-linked)	**2,031**	**(411)**	**1,620**
Investment contracts with discretionary participation features[1]	**12,157**	**–**	**12,157**
Life (linked)	**1,061**	**(7)**	**1,054**
	15,249	**(418)**	**14,831**
Total liabilities under insurance contracts	**16,132**	**(618)**	**15,514**

	At 31 December 2007		
	Gross	Reinsurers' share	Net
	£m	£m	£m
Non-life insurance liabilities			
Unearned premium provision	387	(48)	339
Notified claims	301	(129)	172
Claims incurred but not reported	112	(15)	97
Other	18	(18)	–
	818	(210)	608
Life insurance liabilities to policyholders			
Life (non-linked)	1,128	(290)	838
Investment contracts with discretionary participation features [1]	9,447	–	9,447
Life (linked)	858	(28)	830
	11,433	(318)	11,115
Total liabilities under insurance contracts	12,251	(528)	11,723

1 *Though investment contracts with discretionary participation features are financial instruments, the group continued to treat them as insurance contracts as permitted by IFRS 4.*

Notes on the Financial Statements (continued)

The movement of liabilities under insurance contracts during the year was as follows:

Non-life insurance liabilities

	2008		
	Gross £m	Reinsurers' share £m	Net £m
Unearned premium reserve ('UPR')			
At 1 January	**387**	**(48)**	**339**
Changes in UPR recognised as (income)/expense	**(42)**	**2**	**(40)**
– Gross written premiums	**418**	**(63)**	**355**
– Gross earned premiums	**(460)**	**65**	**(395)**
Exchange differences and other movements	**100**	**(25)**	**75**
At 31 December	**445**	**(71)**	**374**
Notified and incurred but not reported claims			
At 1 January	**413**	**(144)**	**269**
– Notified claims	**301**	**(129)**	**172**
– Claims incurred but not reported	**112**	**(15)**	**97**
Claims paid in current year	**(318)**	**46**	**(272)**
Claims incurred in respect of current year	**152**	**(43)**	**109**
Claims incurred in respect of prior years	**66**	**(1)**	**65**
Exchange differences and other movements	**109**	**14**	**123**
At 31 December	**422**	**(128)**	**294**
– Notified claims	**345**	**(109)**	**236**
– Claims incurred but not reported	**77**	**(19)**	**58**
Other	**16**	**(1)**	**15**
Total non-life insurance liabilities	**883**	**(200)**	**683**

	2007		
	Gross £m	Reinsurers' share £m	Net £m
Unearned premium reserve ('UPR')			
At 1 January	286	(27)	259
Changes in UPR recognised as (income)/ expense	(6)	8	2
– Gross written premiums	372	(73)	299
– Gross earned premiums	(378)	81	(297)
Exchange differences and other movements	107	(29)	78
At 31 December	387	(48)	339
Notified and incurred but not reported claims			
At 1 January	116	(52)	64
– Notified claims	75	(32)	43
– Claims incurred but not reported	41	(20)	21
Claims paid in current year	(250)	65	(185)
Claims incurred in respect of current year	244	36	280
Claims incurred in respect of prior years	58	(7)	51
Exchange differences and other movements	245	(186)	59
At 31 December	413	(144)	269
– Notified claims	301	(129)	172
– Claims incurred but not reported	112	(15)	97
Other	18	(18)	–
Total non-life insurance liabilities	818	(210)	608

Life insurance liabilities to policyholders

	2008		
	Gross	Reinsurers' share	Net
	£m	£m	£m
Life (non-linked)			
At 1 January	**1,128**	**(290)**	**838**
Benefits paid	**(374)**	**83**	**(291)**
Increase in liabilities to policyholders	**1,056**	**(396)**	**660**
Exchange differences and other movements	**221**	**192**	**413**
At 31 December	**2,031**	**(411)**	**1,620**
Investment contracts with discretionary participation features			
At 1 January	**9,447**	**–**	**9,447**
Benefits paid	**(1,047)**	**–**	**(1,047)**
Increase in liabilities to policyholders	**909**	**–**	**909**
Exchange differences and other movements	**2,848**	**–**	**2,848**
At 31 December	**12,157**	**–**	**12,157**
Life (linked)			
At 1 January	**858**	**(28)**	**830**
Benefits paid	**(135)**	**7**	**(128)**
Increase in liabilities to policyholders	**(54)**	**14**	**(40)**
Exchange differences and other movements [1]	**392**	**–**	**392**
At 31 December	**1,061**	**(7)**	**1,054**
Total liabilities to policyholders	**15,249**	**(418)**	**14,831**

	2007		
	Gross	Reinsurers' share	Net
	£m	£m	£m
Life (non-linked)			
At 1 January	837	(525)	312
Benefits paid	(132)	73	(59)
Increase in liabilities to policyholders	9	190	199
Exchange differences and other movements	414	(28)	386
At 31 December	1,128	(290)	838
Investment contracts with discretionary participation features			
At 1 January	–	–	–
Benefits paid	(537)	–	(537)
Increase in liabilities to policyholders	1,073	–	1,073
Exchange differences and other movements[2]	8,911	–	8,911
At 31 December	9,447	–	9,447
Life (linked)			
At 1 January	647	(29)	618
Benefits paid	(139)	8	(131)
Increase in liabilities to policyholders	158	(6)	152
Exchange differences and other movements [1]	192	(1)	191
At 31 December	858	(28)	830
Total liabilities to policyholders	11,433	(318)	11,115

1 *Includes amounts arising under reinsurance agreements.*
2 *As a result of obtaining control of HSBC Assurances VIE (France) and HSBC Assurances IARD (France) during 2007, £8,929 million of liabilities under insurance contracts issued were recognised by the group.*

The increase in liabilities to policyholders represents the aggregate of all events giving rise to additional liabilities to policyholders in the year. These include death claims, surrenders, lapses, the setting up of liability to policyholders at the initial inception of the policy, the declaration of bonuses and other amounts attributable to policyholders.

Notes on the Financial Statements (continued)

29 Provisions

The group

	Provisions	
	2008	2007
	£m	£m
At 1 January	**427**	402
Additional provisions/increase in provisions[1]	**140**	406
Acquisition of subsidiaries	**4**	-
Provisions utilised	**(143)**	(317)
Amounts reversed	**(39)**	(86)
Exchange differences and other movements	**39**	22
At 31 December	**428**	427

1 *Includes unwinding of discounts of £1 million (2007: £1 million) in relation to vacant space provisions.*

Included above are:

(i) A provision of £35 million (2007: £60million) for the possible cost of redress relating to the sale of certain personal pension plans and mortgage endowment policies and a provision for indemnity clawbacks. The provision is based on an actuarial calculation extrapolated from a sample of cases. The timing of the expenditure depends on settlement of individual claims.

(ii) Provisions of £84 million (2007: £85million) for the estimated cost of redress in relation to provision of services to a number of trusts by a subsidiary of the bank. The bank has undertaken to reimburse the subsidiary in respect of the initial estimated cost of redress. The total provision is based on a calculation extrapolated from a sample of cases. Uncertainties arise from factors affecting the timing of notifying and reimbursing those affected.

The bank

	Provisions	
	2008	2007
	£m	£m
At 1 January	**163**	105
Additional provisions/increase in provisions[1]	**30**	251
Provisions utilised	**(22)**	(172)
Amounts reversed	**(14)**	(29)
Exchange differences and other movements	**1**	8
At 31 December	**158**	163

1 *Includes unwinding of discounts of £1 million (2007: £1 million) in relation to vacant space provisions.*

Included in the above are provisions for onerous property contracts of £27 million (2007: £28 million), of which £5 million (2007: £7 million) relates to discounted future costs associated with leasehold properties that became vacant as a consequence of the bank's move to Canary Wharf in 2002. The provisions cover rent voids while finding new tenants, shortfalls in expected rent receivable compared with rent payable, and the cost of refurbishing the buildings to attract tenants. Uncertainties arise from movements in market rents, delays in finding new tenants and the timing of rental reviews.

30 Subordinated liabilities

	The group		The bank	
	2008 £m	2007 £m	2008 £m	2007 £m
Subordinated liabilities:				
– At amortised cost	7,259	5,205	7,310	4,744
Subordinated liabilities	4,741	3,111	7,310	4,744
Preference shares	2,518	2,094	–	–
– Designated at fair value	3,602	3362	3,609	3,365
Subordinated liabilities	3,374	3,084	3,609	3,365
Preference shares	228	278	–	–
	10,861	8,567	10,919	8,109

Subordinated borrowings of the group

		Carrying amount	
		2008 £m	2007 £m
US$300m	6.95% Subordinated Notes 2011	222	162
€250m	Floating Rate Subordinated Loan 2015	239	183
€600m	4.25% Callable Subordinated Notes 2016[1]	570	439
€800m	Callable Subordinated Floating Rate Notes 2016	765	586
£350m	Callable Subordinated Variable Coupon Notes 2017[2]	355	355
€1,000m	Floating Rate Subordinated Loan 2017	957	734
£500m	4.75% Callable Subordinated Notes 2020[3]	463	464
€500m	Callable Subordinated Floating Rate Notes 2020	389	337
£350m	5% Callable Subordinated Notes 2023[4]	330	335
£300m	6.5% Subordinated Notes 2023	299	298
US$300m	7.65% Subordinated Notes 2025	263	179
£350m	5.375% Callable Subordinated Step-up Notes 2030[5]	316	325
£500m	5.375% Subordinated Notes 2033	452	474
£390m	6.9% Subordinated Loan 2033	390	–
€900m	7.75% Non-cumulative Subordinated Notes 2040	861	660
£225m	6.25% Subordinated Notes 2041	223	223
£600m	4.75% Subordinated Notes 2046	592	591
£700m	5.844% Non-cumulative Step-up Perpetual Preferred Securities[6]	700	700
£300m	5.862% Non-cumulative Step-up Perpetual Preferred Securities[7]	228	278
US$750m	Undated Floating Rate Primary Capital Notes	514	374
US$500m	Undated Floating Rate Primary Capital Notes	343	249
US$300m	Undated Floating Rate Primary Capital Notes (Series 3)	206	150
£350m	7.9% Perpetual Subordinated Debt	350	–
£250m	7.991% Perpetual Subordinated Debt	250	–
	Other subordinated liabilities less than £200m	584	471
		10,861	8,567

1 *The interest rate on the 4.25% Callable Subordinated Notes 2016 changes in March 2011 to three month EURIBOR plus 1.05%.*
2 *The interest rate on the Callable Subordinated Variable Coupon Notes 2017 is fixed at 5.75% until June 2012. Thereafter, the rate per annum is the sum of the gross redemption yield of the then prevailing five year UK gilt plus 1.70%.*
3 *The interest rate on the 4.75% Callable Subordinated Notes 2020 changes in September 2015 to three month sterling LIBOR plus 0.82%.*
4 *The interest rate on the 5% Callable Subordinated Notes 2023 changes in March 2018 to become the rate per annum which is the sum of the gross redemption yield of the then prevailing five year UK gilt plus 1.80%.*
5 *The interest rate on the 5.375% Callable Subordinated Step-up Notes 2030 changes in November 2025 to three month sterling LIBOR plus 1.50%.*
6 *The distribution rate on the 5.844% Non-cumulative Step-up Perpetual Preferred Securities changes in November 2031 to six month sterling LIBOR plus 1.76%.*
7 *The distribution rate on the 5.862% Non-cumulative Step-up Perpetual Preferred Securities changes in April 2020 to six month sterling LIBOR plus 1.85%.*

Footnotes 1 to 7 all relate to notes that are repayable at the option of the borrower on the date of the change of the interest rate, and at subsequent interest rate reset dates and interest payment dates in some cases, subject to the prior non-objection of the Financial Services Authority.

Notes on the Financial Statements (continued)

31 Fair value of financial instruments

Control framework

Fair values are subject to a control framework designed to ensure that they are either determined, or validated, by a function independent of the risk-taker. To this end, ultimate responsibility for the determination of fair values lies with Finance, which reports functionally through the group's Chief Financial Officer to the HSBC Group Finance Director. Finance establishes the accounting policies and procedures governing valuation, and is responsible for ensuring that these comply with all relevant accounting standards.

For fair values determined by reference to external quotation or evidenced pricing parameters, independent price determination or validation is used. In less liquid markets, direct observation of a traded price may not be possible. In these circumstances, the group will source alternative market information to validate the financial instrument's fair value. Greater weight will be given to information that is considered to be more relevant and reliable. The factors that are considered in this regard are, *inter alia*:

- the extent to which prices may be expected to represent genuine traded or tradeable prices;
- the degree of similarity between financial instruments;
- the degree of consistency between different sources;
- the process followed by the pricing provider to derive the data;
- the elapsed time between the date to which the market data relates and the balance sheet date; and
- the manner in which the data was sourced.

The results of the independent price validation process are reported to senior management, and adjustments to fair values resulting from considerations of the above information are recorded where appropriate.

For fair values determined using a valuation model, the model being a logical framework for the capture and processing of necessary valuation inputs, the control framework may include, as applicable, independent development or validation of the logic within valuation models, the inputs to those models, any adjustments required outside the valuation models, and, where possible, model outputs.

The results of the independent validation process are reported to, and considered by, Valuation Committees. Valuation Committees are composed of individuals from several independent support functions (Product Control, Market Risk Management, Derivative Model Review Group and Finance) in addition to senior trading management. Any adjustments made to the assessed fair values as a result of the validation process are reported to senior management.

Determination of fair value

Fair values are determined according to the following hierarchy:

(a) *Quoted market price*: financial instruments with quoted prices for identical instruments in active markets.

(b) *Valuation technique using observable inputs*: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

(c) *Valuation technique with significant non-observable inputs*: financial instruments valued using models where one or more significant inputs are not observable.

The best evidence of fair value is a quoted price in an actively traded market. In the event that the market for a financial instrument is not active, a valuation technique is used. The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial instruments are valued on the basis of valuation techniques that feature one or more significant market inputs that are not observable. For these instruments, the fair value derived is more judgemental. 'Not observable' in this context means that there is little or no current market data available from which to determine the level at which an arm's length transaction would be likely to occur, but it generally does not mean that there is no market data available at all upon which to base a determination of fair value (consensus pricing data may, for example, be used). Furthermore, the majority of the fair value derived from a valuation technique with significant non-observable inputs may in some cases still be attributable to the observable inputs. Consequently, the impact of uncertainty in the determination of the unobservable inputs will generally only give rise to a degree of uncertainty about the overall fair value of the

financial instrument being measured. To assist in understanding the extent and the range of this uncertainty, additional information is provided in respect of instruments valued using non-observable inputs in the section headed 'Effect of changes in significant unobservable assumption to reasonably possible alternatives' below.

In certain circumstances, primarily where debt is hedged with interest rate derivatives or structured notes issued, the group uses fair value to measure the carrying value of its own debt in issue. Where available, fair value is based upon quoted prices in an active market for the specific instrument concerned. Where unavailable, these instruments are valued using valuation techniques, the inputs of which are based either upon quoted prices in an inactive market for the specific instrument concerned, or estimated by comparison with quoted prices in an active market for similar instruments. The fair value of these instruments therefore includes the effect of applying the credit spread which is appropriate to the group's liabilities. For all issued debt securities, discounted cash flow modelling is utilised to isolate that element of the change in fair value that may be attributed to the group's credit spread movements rather than movements in other market factors such as benchmark interest rates or foreign exchange rates.

Structured notes issued and certain other hybrid instrument liabilities are included within trading liabilities and are measured at fair value. The credit spread applied to these instruments is derived from the spreads at which the group issues structured notes. These market spreads are significantly smaller than credit spreads observed for plain vanilla debt or in the credit default swap markets.

Gains and losses arising from changes in the credit spread of liabilities issued by the group reverse over the contractual life of the debt, provided that the debt is not repaid early. All net positions in non-derivative financial instruments, and all derivative portfolios, are valued at bid or offer prices as appropriate. Long positions are marked at bid prices; short positions are marked at offer prices.

The fair values of large holdings of non-derivative financial instruments are based on a multiple of the value of a single instrument, and do not include block adjustments for the size of the holding.

Transaction costs are not included in the fair value calculation. Trade origination costs such as brokerage fees and post-trade costs are included in operating expenses. The future costs of administering the over the counter ('OTC') derivative portfolio are also not included in fair value, but are expensed as incurred.

- *Private equity*

  The group's private equity positions are generally classified as available for sale and are not traded in active markets. In the absence of an active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile, prospects and other factors, as well as by reference to market valuations for similar entities quoted in an active market, or the price at which similar companies have changed ownership. The exercise of judgment is required because of uncertainties inherent in estimating fair value for private equity investments.

- *Debt securities, treasury and other eligible bills, and equities*

  The fair value of these instruments is based on quoted market prices from an exchange, dealer, broker, industry group or pricing service, when available. When unavailable, the fair value is determined by reference to quoted market prices for similar instruments.

  Illiquidity and a lack of transparency in the market for debt securities backed by mortgages has resulted in less observable data being available. While quoted market prices are generally used to determine the fair value of these securities, valuation models are used to substantiate the reliability of the limited market data available and to identify whether any adjustments to quoted market prices are required.

  In the absence of quoted market prices, fair value is determined using valuation techniques. The inputs to these valuation techniques are derived from observable market data and, where relevant, assumptions in respect of unobservable inputs. In respect of asset-backed securities ('ABSs') and mortgages, the assumptions may include prepayment speeds, default rates and loss severity based on collateral type, and performance as appropriate.

- *Derivatives*

  OTC (i.e. non-exchange traded) derivatives are valued using valuation models. Valuation models calculate the present value of expected future cash flows, based upon 'no-arbitrage' principles. For many vanilla derivative products, such as interest rate swaps and European options, the modelling approaches used are standard across the industry. For more complex derivative products, there may be some differences in market practice. Inputs to valuation models are determined from observable market data wherever possible, including prices available from

exchanges, dealers, brokers or providers of consensus pricing. Certain inputs may not be observable in the market directly, but can be determined from observable prices via model calibration procedures. Finally, some inputs are not observable, but can generally be estimated from historical data or other sources. Examples of inputs that are generally observable include foreign exchange spot and forward rates, benchmark interest rate curves and volatility surfaces for commonly traded option products. Examples of inputs that may be unobservable include volatility surfaces, in whole or in part, for less commonly traded option products, and correlations between market factors.

- *Loans including leveraged loans and loans held for securitisation*

  Loans held at fair value are valued from broker quotes and/or market data consensus providers when available. In the absence of an observable market, the fair value is determined using valuation techniques including discounted cash flow models, which incorporate assumptions regarding an appropriate credit spread for the loan derived from other market instruments issued by the same or comparable entities.

- *Structured notes*

  For structured notes whose fair value is derived from a valuation technique, the fair value will be derived from the fair value of the underlying debt security as described above, and the fair value of the embedded derivative determined as described in the section above on derivatives.

Bases of valuing financial assets and liabilities measured at fair value

The group

	Quoted market price £m	Valuation techniques: using observable inputs £m	Valuation techniques: with significant non-observable inputs £m	Total £m
At 31 December 2008				
Assets				
Trading assets	**100,829**	**69,001**	**2,196**	**172,026**
Financial assets designated at fair value	**7,530**	**6,365**	**–**	**13,895**
Derivatives	**4,866**	**236,090**	**2,128**	**243,084**
Financial investments: available-for-sale	**38,201**	**60,942**	**4,368**	**103,511**
Liabilities				
Trading liabilities	**58,226**	**63,815**	**2,409**	**124,450**
Financial liabilities at fair value	**4,174**	**11,010**	**–**	**15,184**
Derivatives	**6,093**	**233,961**	**977**	**241,031**
At 31 December 2007				
Assets				
Trading assets	83,008	66,595	3,603	153,206
Financial assets designated at fair value	10,630	4,339	–	14,969
Derivatives	2,890	56,758	822	60,470
Financial investments: available-for-sale	17,816	48,360	3,352	69,528
Liabilities				
Trading liabilities	61,386	53,702	2,366	117,454
Financial liabilities at fair value	9,481	6,178	–	15,659
Derivatives	2,892	57,787	860	61,539

The bank

	Quoted market price £m	Valuation techniques: using observable inputs £m	Valuation techniques: with significant non-observable inputs £m	Total £m
At 31 December 2008				
Assets				
Trading assets	**50,175**	**77,834**	**2,196**	**130,205**
Financial assets designated at fair value	**424**	**4,168**	**–**	**4,592**
Derivatives	**270**	**194,901**	**1,957**	**197,128**
Financial investments: available-for-sale	**21,416**	**23,040**	**2,152**	**46,608**

Liabilities				
Trading liabilities	**38,274**	**57,706**	**2,409**	**98,389**
Financial liabilities at fair value	**1,658**	**7,771**	**–**	**9,429**
Derivatives	**564**	**195,836**	**847**	**197,247**
At 31 December 2007				
Assets				
Trading assets	50,643	94,856	3,603	149,102
Financial assets designated at fair value	–	3,439	–	3,439
Derivatives	33	45,966	326	46,325
Financial investments: available-for-sale	6,749	6,046	1,026	13,821
Liabilities				
Trading liabilities	39,140	58,296	2,319	99,755
Financial liabilities at fair value	4,278	3,804	–	8,082
Derivatives	176	47,030	330	47,536

Effects of changes in significant unobservable assumption to reasonably possible alternatives

As discussed above, the fair value of financial instruments are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by prices from observable current market transactions in the same instrument and cannot be based on observable market data. The following table shows the sensitivity of fair values to reasonably possible alternative assumptions:

The group

	Reflected in profit/(loss)		Reflected in equity	
	Favourable changes £m	**Unfavourable changes £m**	**Favourable changes £m**	**Unfavourable changes £m**
At 31 December 2008				
Derivatives/trading assets/trading liabilities[1]	**182**	**(250)**	**–**	**–**
Financial investments: available-for-sale	**–**	**–**	**519**	**(519)**
At 31 December 2007				
Derivatives/trading assets/trading liabilities[1]	150	(93)	–	–
Financial investments: available-for-sale	–	–	171	(202)

The bank

	Reflected in profit/(loss)		Reflected in equity	
	Favourable changes £m	**Unfavourable changes £m**	**Favourable changes £m**	**Unfavourable changes £m**
At 31 December 2008				
Derivatives/trading assets/trading liabilities[1]	**155**	**(239)**	**–**	**–**
Financial investments: available-for-sale	**–**	**–**	**344**	**(344)**
At 31 December 2007				
Derivatives/trading assets/trading liabilities[1]	135	(107)	–	–
Financial investments: available-for-sale	–	–	87	(87)

1 *Derivatives, trading assets and trading liabilities are presented as one category to reflect the manner in which these financial instruments are risk-managed.*

The increase in the effect of changes in significant unobservable inputs in relation to derivatives, trading assets and trading liabilities in the period primarily reflects increased uncertainty in determining the fair value of credit derivative transactions executed against certain monoline insurers. In addition, there has been a general increase in structured derivative business exposures and the valuation measurement uncertainty of certain ABSs.

Notes on the Financial Statements (continued)

Changes in fair value recorded in the income statement

The following table quantifies the changes in fair values recognised in profit or loss during the period in respect of exposures where the fair value of these exposures is estimated using valuation techniques that incorporate significant assumptions that are not evidenced by prices from observable current market transactions in the same instrument, and are not based on observable market data:

- the table details the total change in fair value of these instruments; it does not isolate the component of the change that is attributable to the unobservable component;
- instruments valued with significant unobservable inputs are frequently dynamically managed with instruments valued using observable inputs; the table does not include any changes in fair value of these latter instruments; and
- for assets and liabilities valued using significant unobservable inputs at 31 December 2008 where these inputs were observable at 31 December 2007, the table reflects the full change in fair value of those instruments during the period.

	The group		The bank	
	Year ended 31 December		Year ended 31 December	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Recorded profit/(loss) on:				
Derivatives/trading assets/trading liabilities	**(164)**	92	**(214)**	(27)

Fair values of financial instruments not carried at fair value

Fair values at the balance sheets date of the assets and liabilities set out below are estimated for the purpose of disclosure at follows:

(i) *Loans and advances to banks and customers*

The fair value of loans and advances is based on observable market transactions (broker quotes and/or market data consensus), where available. In the absence of observable market transactions, fair value is estimated using discounted cash flow models. Performing loans are grouped, as far as possible, into homogeneous pools segregated by maturity and coupon rates. In general, contractual cash flows are discounted using the group's estimate of the discount rate that a market participant would use in valuing instruments with similar maturity, repricing and credit risk characteristics.

The fair value of a loan portfolio reflects both loan impairments at the balance sheet date and estimates of market participants' expectations of credit losses over the life of the loans. For impaired loans, fair value is estimated by discounting the future cash flows over the time period in which they are expected to be recovered.

(ii) *Financial investments*

The fair values of listed financial investments are determined using bid market prices. The fair values of unlisted financial investments are determined using valuation techniques that take into consideration the prices and future earnings streams of equivalent quoted securities.

(iii) *Deposits by banks and customer accounts*

For the purposes of estimating fair value, deposits by banks and customer accounts are grouped by residual maturity. Fair values are estimated using discounted cash flows, applying current rates offered for deposits of similar remaining maturities. The fair value of a deposit repayable on demand is assumed to be the amount payable on demand at the balance sheet date.

(iv) *Debt securities in issue and subordinated liabilities*

Fair values are determined using quoted market prices at the balance sheet date where available, or by reference to quoted market prices for similar instruments.

The fair values in this note are stated at a specific date and may be significantly different from the amounts which will actually be paid on the maturity or settlement dates of the instruments. In many cases, it would not be possible to realise immediately the estimated fair values given the size of the portfolios measured. Accordingly, these fair values do not represent the value of these financial instruments to the group as a going concern.

For all classes of financial instruments, fair value represents the product of the value of a single instrument, multiplied by the number of instruments held. No block discount or premium adjustments are made.

The fair values of intangible assets related to the businesses which originate and hold the financial instruments subject to fair value measurement, such as values placed on portfolios of core deposits, credit card and customer relationships, are not included above because they are not classified as financial instruments. Accordingly, an aggregation of fair value measurements does not approximate the value of the organisation as a whole as a going concern.

The following table lists financial instruments whose carrying amount is a reasonable approximation of fair value because, for example, they are short-term in nature or reprice to current market rates frequently:

Assets	**Liabilities**
Cash and balances at central banks	Items in the course of transmission to other banks
Items in the course of collection from other banks	Endorsements and acceptances within 'Other liabilities'
Endorsements and acceptances within 'Other assets'	Short-term payables within 'Other liabilities'
Short-term receivables within 'Other assets'	Accruals within 'Accruals and deferred income'
Accrued income within 'Prepayments and accrued income'	

Fair values of financial instruments which are not carried at fair value on the balance sheet

The group

	At 31 December 2008		At 31 December 2007	
	Carrying amount £m	**Fair value £m**	Carrying amount £m	Fair value £m
Assets				
Loans and advances to banks	**50,719**	**50,703**	60,764	60,764
Loans and advances to customers	**298,304**	**292,059**	227,687	226,572
Financial investments: debt securities	**25**	**25**	254	254
Liabilities				
Deposits by banks	**61,431**	**61,454**	48,786	48,783
Customer accounts	**369,880**	**369,857**	268,269	268,059
Debt securities in issue	**52,308**	**51,461**	50,921	50,620
Subordinated liabilities	**7,259**	**6,589**	5,205	4,921

The bank

	At 31 December 2008		At 31 December 2007	
	Carrying amount £m	**Fair value £m**	Carrying amount £m	Fair Value £m
Assets				
Loans and advances to banks	**18,295**	**18,297**	32,028	32,028
Loans and advances to customers	**217,309**	**211,958**	150,649	149,876
Liabilities				
Deposits by banks	**54,986**	**54,981**	41,061	41,061
Customer accounts	**240,397**	**240,393**	184,899	184,899
Debt securities in issue	**8,670**	**8,624**	8,117	8,194
Subordinated liabilities	**7,310**	**6,623**	4,744	4,469

32 Maturity analysis of assets and liabilities

The following is an analysis, by remaining contractual maturities at the balance sheet date, of undiscounted cash flows payable under financial liabilities.

Notes on the Financial Statements (continued)

The group

	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
At 31 December 2008	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Deposits by banks	**14,375**	**49,561**	**3,521**	**2,510**	**3,129**	**73,096**
Customer accounts	**231,596**	**129,687**	**17,117**	**1,934**	**1,393**	**381,727**
Trading liabilities	**124,450**	**–**	**–**	**–**	**–**	**124,450**
Financial liabilities designated at fair value	**3,627**	**59**	**208**	**4,904**	**9,478**	**18,276**
Derivatives	**239,394**	**130**	**1,098**	**1,661**	**243**	**242,526**
Debt securities in issue	**235**	**25,880**	**18,371**	**9,217**	**2,858**	**56,561**
Subordinated liabilities	**63**	**69**	**182**	**1,229**	**9,162**	**10,705**
Other financial liabilities	**1,957**	**6,205**	**1,124**	**646**	**511**	**10,443**
	615,697	**211,591**	**41,621**	**22,101**	**26,774**	**917,784**
Loan commitments	**37,897**	**41,746**	**10,249**	**22,231**	**10,901**	**123,024**
	653,594	**253,337**	**51,870**	**44,332**	**37,675**	**1,040,808**
At 31 December 2007						
Deposits by banks	11,564	34,031	4,375	1,561	3,043	54,574
Customer accounts	173,902	90,818	7,720	2,232	1,255	275,927
Trading liabilities	117,454	–	–	–	–	117,454
Financial liabilities designated at fair value	5,828	408	1,345	2,716	8,134	18,431
Derivatives	60,908	4	246	483	104	61,745
Debt securities in issue	316	32,903	8,741	11,527	2,962	56,449
Subordinated liabilities	–	36	190	782	7,121	8,129
Other financial liabilities	2,567	6,152	861	253	585	10,418
	372,539	164,352	23,478	19,554	23,204	603,127
Loan commitments	36,914	58,332	8,610	23,791	11,497	139,144
	409,453	222,684	32,088	43,345	34,701	742,271

The bank

At 31 December 2008						
Deposits by banks	**12,589**	**40,673**	**1,555**	**152**	**152**	**55,121**
Customer accounts	**192,570**	**35,643**	**8,218**	**625**	**786**	**237,842**
Trading liabilities	**98,389**	**–**	**–**	**–**	**–**	**98,389**
Financial liabilities designated at fair value	**–**	**44**	**187**	**2,469**	**8,824**	**11,524**
Derivatives	**196,549**	**55**	**275**	**339**	**105**	**197,323**
Debt securities in issue	**47**	**6,264**	**2,243**	**394**	**–**	**8,948**
Subordinated liabilities	**–**	**60**	**71**	**2,688**	**6,245**	**9,064**
Other financial liabilities	**28**	**4,608**	**20**	**15**	**1**	**4,672**
	500,172	**87,347**	**12,569**	**6,682**	**16,113**	**622,883**
Loan commitments	**13,521**	**38,250**	**2,186**	**11,623**	**8,471**	**74,051**
	513,693	**125,597**	**14,755**	**18,305**	**24,584**	**696,934**
At 31 December 2007						
Deposits by banks	9,626	29,888	1,496	137	112	41,259
Customer accounts	141,788	35,584	2,648	5,094	1,334	186,448
Trading liabilities	99,755	–	–	–	–	99,755
Financial liabilities designated at fair value	–	54	161	2,401	7,769	10,385
Derivatives	47,339	(41)	66	229	5	47,598
Debt securities in issue	3	5,408	2,029	506	1,121	9,067
Subordinated liabilities	–	34	102	1,894	4,542	6,572
Other financial liabilities	–	4,639	64	15	1	4,719
	298,511	75,566	6,566	10,276	14,884	405,803
Loan commitments	16,538	55,765	1,787	14,418	8,340	96,848
	315,049	131,331	8,353	24,694	23,224	502,651

Trading liabilities and trading derivatives have been included in the 'On demand' time bucket, and not by contractual maturity, because trading liabilities are typically held for short periods of time. The undiscounted cash flows on

hedging derivative liabilities are classified according to their contractual maturity.

The following is an analysis by remaining contractual maturity at the balance sheet date, of assets and liability line items that combine amounts expected to be recovered or settled within one year and after more than one year.

Trading assets and liabilities are excluded because they are not held for collection or settlement over the period of contractual maturity.

The group

	At 31 December 2008		
	Due within one year £m	**Due after more than one year £m**	**Total £m**
Assets			
Financial assets designated at fair value	**1,634**	**12,261**	**13,895**
Loans and advances to banks	**48,242**	**2,477**	**50,719**
Loans and advances to customers	**160,300**	**138,004**	**298,304**
Financial investments	**37,199**	**66,312**	**103,511**
Other financial assets	**7,954**	**1,757**	**9,711**
	255,329	**220,811**	**476,140**
Liabilities			
Deposits by banks	**59,517**	**1,914**	**61,431**
Customer accounts	**366,547**	**3,333**	**369,880**
Financial liabilities designated at fair value	**376**	**14,808**	**15,184**
Debt securities in issue	**41,115**	**11,193**	**52,308**
Other financial liabilities	**6,705**	**1,545**	**8,250**
Subordinated liabilities	**71**	**7,188**	**7,259**
	474,331	**39,981**	**514,312**

	At 31 December 2007		
	Due within one year £m	Due after more than one year £m	Total £m
Assets			
Financial assets designated at fair value	2,267	12,702	14,969
Loans and advances to banks	55,163	5,601	60,764
Loans and advances to customers	119,052	108,635	227,687
Financial investments	16,467	53,061	69,528
Other financial assets	4,330	413	4,743
	197,279	180,412	377,691
Liabilities			
Deposits by banks	44,422	4,364	48,786
Customer accounts	264,976	3,293	268,269
Financial liabilities designated at fair value	4,750	10,909	15,659
Debt securities in issue	39,675	11,246	50,921
Other financial liabilities	6,332	358	6,690
Subordinated liabilities	–	5,205	5,205
	360,155	35,375	395,530

Notes on the Financial Statements (continued)

The bank

	At 31 December 2008		
	Due within one year £m	Due after more than one year £m	Total £m
Assets			
Financial assets designated at fair value	**78**	**4,514**	**4,592**
Loans and advances to banks	**15,810**	**2,485**	**18,295**
Loans and advances to customers	**111,970**	**105,339**	**217,309**
Financial investments	**27,894**	**18,714**	**46,608**
Other financial assets	**3,254**	**1,531**	**4,785**
	159,006	**132,583**	**291,589**
Liabilities			
Deposits by banks	**54,215**	**771**	**54,986**
Customer accounts	**234,572**	**5,825**	**240,397**
Financial liabilities designated at fair value	**241**	**9,188**	**9,429**
Debt securities in issue	**8,345**	**325**	**8,670**
Other financial liabilities	**3,292**	**524**	**3,816**
Subordinated liabilities	**–**	**7,310**	**7,310**
	300,665	**23,943**	**324,608**

	At 31 December 2007		
	Due within one year £m	Due after more than one year £m	Total £m
Assets			
Financial assets designated at fair value	–	3,439	3,439
Loans and advances to banks	28,479	3,549	32,028
Loans and advances to customers	71,543	79,106	150,649
Financial investments	8,467	5,354	13,821
Other financial assets	1,485	154	1,639
	109,974	91,602	201,576
Liabilities			
Deposits by banks	38,854	2,207	41,061
Customer accounts	181,340	3,559	184,899
Financial liabilities designated at fair value	3,366	4,716	8,082
Debt securities in issue	7,282	835	8,117
Other financial liabilities	2,793	–	2,793
Subordinated liabilities	–	4,744	4,744
	233,635	16,061	249,696

Further discussion of the group's liquidity and funding management can be found in Note 38 'Risk management'.

33 Foreign exchange exposures

Structural foreign exchange exposures

The group's structural foreign currency exposure is represented by the net asset value of its foreign currency equity and subordinated debt investments in subsidiary undertakings, branches, joint ventures and associates.

The group's management of structural foreign currency exposures is discussed in Note 38.

Net structural currency exposures

Currency of structural exposure	**2008**	2007
	£m	£m
Euro	**11,040**	10,584
US dollars	**(1,384)**	558
Swiss francs	**1,499**	1,324
Turkish lira	**1,032**	895
Russian rouble	**184**	–
Others, each less than £100 million	**154**	189
Total	**12,525**	13,550

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

Financial assets pledged to secure liabilities are as follows:

	Group assets pledged at 31 December		Bank assets pledged at 31 December	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Treasury bills and other eligible securities	**–**	1,410	**–**	1,404
Loans and advances to banks	**2,521**	5,402	**2,359**	1,113
Loans and advances to customers	**18,623**	24,664	**5,826**	3,408
Debt securities	**106,633**	100,750	**51,003**	38,696
Equity shares	**2,801**	9,366	**2,747**	9,300
	130,578	141,592	**61,935**	53,921

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

Collateral accepted as security for assets

The fair value of financial assets accepted as collateral that the group is permitted to sell or repledge in the absence of default is £95,191 million (2007: £104,506 million). The fair value of financial assets accepted as collateral that have been sold or repledged is £72,569 million (2007: £59,668 million). The group is obliged to return these assets.

These transactions are conducted under terms that are usual and customary to standard stock borrowing and lending activities.

35 Called up share capital

Authorised

At 31 December 2008 the authorised ordinary share capital of HSBC Bank plc was £1,000 million (2007: £1,000 million) divided into 999,999,999 (2007: 999,999,999) ordinary shares of £1 each and 1 (2007: 1) preferred ordinary share of £1.

At 31 December 2008, the authorised preference share capital of HSBC Bank plc was £150 million (2007: £150 million) and US$ 2.44 million (2007: US$ 2.44 million), divided into 150,000,000 (2007: 150,000,000) sterling preference shares of £1 each, 40,000 (2007: 40,000) non-cumulative US dollar preference shares of US$0.01 each, 2,000,000 (2007: 2,000,000) non-cumulative second US dollar preference shares of US$0.01 each and 400,000 (2007: 400,000) non-cumulative third US dollar preference shares of US$0.01 each.

Notes on the Financial Statements (continued)

Issued

HSBC Bank plc Ordinary shares

	Number	£m
At 1 January 2008	796,969,102	797
Shares issued	2	–
At 31 December 2008	**796,969,104**	**797**
At 1 January 2007	796,969,101	797
Shares issued	1	–
At 31 December 2007	796,969,102	797

HSBC Bank plc Non-cumulative third dollar preference shares

	Number	£'000
At 1 January and 31 December 2008	**35,000,000**	**172**
At 1 January 2007	–	–
Recognised during the year	35,000,000	172
At 31 December 2007	35,000,000	172

The bank has no obligation to redeem the preference shares but may redeem them in part or in whole at any time, with the prior non-objection of the FSA. Dividends on the preference shares are paid annually at the sole and absolute discretion of the Board of Directors. The Board of Directors will not declare a dividend on the preference shares if payment of the dividend would cause the bank not to meet the capital adequacy requirements of the FSA or the profit of the bank available for distribution as dividends are not sufficient to enable the bank to pay in full both dividends on the preference shares and dividends on any other shares that are scheduled to be paid on the same date and have an equal right to dividends or if payment of the dividend is prohibited by the rights attached to any class of shares in the capital of the bank, excluding ordinary shares. The preference shares carry no rights to conversion into ordinary shares of the bank. Holders of the preference shares will be able to attend any general meetings of shareholders of the bank and to vote on any resolution proposed to vary or abrogate any of the rights attaching to the preference shares or any resolution proposed to reduce the paid up capital of the preference shares. If the dividend payable on the preference shares has not been paid in full for the most recent dividend period or any resolution is proposed for the winding-up of the bank or the sale of its entire business then, in such circumstances, holders of preference shares will be entitled to vote on all matters put to general meetings. In the case of unpaid dividends the holders of preference shares will be entitled to attend and vote at any general meetings until such time as dividends on the preference shares have been paid in full, or a sum set aside for such payment in full, in respect of one dividend period.

HSBC Bank plc Perpetual subordinated debt

At 1 January 2008	**1,000**
Issued during the year	**750**
At 31 December 2008	**1,750**
At 1 January 2007	–
Issued during the year	1,000
At 31 December 2007	1,000

Interest on HSBC Bank plc perpetual subordinated debt is paid quarterly at the sole and absolute discretion of the Board of Directors. The perpetual subordinated debt may only be redeemed at the option of the bank and carries no rights to conversion into ordinary shares of the bank.

36 Equity

The group

	2008										
					Other reserves						
	Called up share capital £m	Share premium account £m	Other equity instruments £m	Retained earnings £m	Available-for-sale fair value reserve £m	Cash flow hedging reserve £m	Foreign exchange reserve £m	Associates and joint ventures £m	Total share-holders' equity £m	Minority interests £m	Total equity £m
At 1 January as reported	797	15,499	1,000	7,587	(757)	(60)	357	–	24,423	576	24,999
Share capital issued, net of costs[1]	–	1,750	–	–	–	–	–	–	1,750	–	1,750
Capital securities issued in the year	–	–	750	–	–	–	–	–	750	–	750
Profit for the year attributable to shareholders	–	–	–	3,441	–	–	–	–	3,441	–	3,441
Dividends to shareholders of the parent company	–	–	–	(2,974)	–	–	–	–	(2,974)	–	(2,974)
Actuarial gains on defined benefit plans	–	–	–	(126)	–	–	–	–	(126)	(3)	(129)
Fair value gains/(losses) taken to equity	–	–	–	–	(11,551)	545	–	–	(11,006)	–	(11,006)
Amounts transferred to the income statement	–	–	–	–	99	(8)	(136)	–	(45)	(1)	(46)
Net impact of equity-settled share-based payments	–	–	–	49	–	–	–	–	49	–	49
Tax on items taken directly to or transferred from equity	–	–	–	31	558	(151)	–	–	438	–	438
Transfer to minority interest	–	–	–	–	27	1	–	–	28	(28)	–
Profit attributable to minority interests	–	–	–	–	–	–	–	–	–	82	82
Dividends to minority interests	–	–	–	(25)	–	–	–	–	(25)	(38)	(63)
Transfers from associates	–	–	–	–	(3)	–	–	–	(3)	–	(3)
Exchange differences	–	–	–	(2)	–	–	3,237	–	3,235	122	3,357
Other	–	–	–	(12)	–	–	–	–	(12)	28	16
At 31 December	797	17,249	1,750	7,969	(11,627)	327	3,458	–	19,923	738	20,661

1 *All shares issued in the year were issued to HSBC Holdings plc. Further information is provided in Note 35.*

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2007 (restated)

	Called up share capital £m	Share premium account £m	Other equity instruments £m	Retained Earnings £m	Other reserves: Available-for-sale fair value reserve £m	Other reserves: Cash flow hedging reserve £m	Other reserves: Foreign exchange reserve £m	Other reserves: Associates and joint ventures £m	Total shareholders' equity £m	Minority interests £m	Total equity £m
At 1 January	797	14,558	–	5,165	523	(32)	(737)	125	20,399	539	20,938
Share capital issued, net of costs	–	510	–	–	–	–	–	–	510	2	512
Capital securities issued in the year	–	–	1,000	–	–	–	–	1,000	–	1,000	
Preference shares recognised in the year[1]	–	431	–	–	–	–	–	–	431	–	431
Profit for the year attributable to shareholders (restated)	–	–	–	3,209	–	–	–	–	3,209	–	3,209
Dividends to shareholders of the parent company	–	–	–	(1,706)	–	–	–	–	(1,706)	–	(1706)
Actuarial gains on defined benefit plans	–	–	–	1,267	–	–	–	–	1,267	3	1,270
Fair value gains/(losses) taken to equity	–	–	–	–	(964)	(71)	–	101	(934)	–	(934)
Amounts transferred to the income statement	–	–	–	–	(501)	33	–	(122)	(590)	–	(590)
Net impact of equity-settled share-based payments	–	–	–	58	–	–	–	–	58	–	58
Tax on items taken directly to or transferred from equity	–	–	–	(382)	61	10	–	–	(311)	–	(311)
Transfer to minority interest	–	–	–	–	3	–	–	–	3	(3)	–
Profit attributable to minority interests	–	–	–	–	–	–	–	–	–	87	87
Dividends to minority interests	–	–	–	(7)	–	–	–	–	(7)	(67)	(74)
Transfers from associates	–	–	–	(16)	120	–	–	(104)	–	–	–
Exchange differences	–	–	–	–	–	–	1,094	–	1,094	15	1,109
Other	–	–	–	(1)	1	–	–	–	–	–	–
At 31 December	797	15,499	1,000	7,587	(757)	(60)	357	–	24,423	576	24,999

1 *Share premium arising on the bank's Non-cumulative third dollar preference shares recognised as equity instruments during the year. Further information is provided in Note 35.*

The bank

	2008								
					Other reserves				
	Called up share capital £m	Share premium account £m	Other equity instruments £m	Retained earnings £m	Available-for-sale fair value reserve £m	Cash flow hedging reserve £m	Foreign exchange reserve £m	Associates and joint ventures £m	Total equity £m
At 1 January as reported	797	15,499	1,000	3,301	179	13	(12)	–	20,777
Share capital issued, net of costs [1]	–	1,750	–	–	–	–	–	–	1,750
Capital securities issued in the year	–	–	750	–	–	–	–	–	750
Profit for the year attributable to shareholders	–	–	–	2,681	–	–	–	–	2,681
Dividends to shareholders of the parent company	–	–	–	(2,974)	–	–	–	–	(2,974)
Actuarial gain on defined benefit plans	–	–	–	33	–	–	–	–	33
Fair value gains/(losses) taken to equity	–	–	–	–	(1,533)	563	–	–	(970)
Amounts transferred to the income statement	–	–	–	–	(61)	(16)	(6)	–	(83)
Net impact of equity-settled share-based payments	–	–	–	28	–	–	–	–	28
Tax on items taken directly to or transferred from equity	–	–	–	(4)	438	(153)	–	–	281
Exchange differences	–	–	–	–	–	–	(34)	–	(34)
Other	–	–	–	16	–	–	–	–	16
At 31 December	797	17,249	1,750	3,081	(977)	407	(52)	–	22,255

1 *All shares issued in the year were issued to HSBC Holdings plc. Further information is provided in Note 35.*

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2007 (restated)

	Called up share capital £m	Share premium account £m	Other equity instruments £m	Retained earnings £m	Other reserves: Available-for-sale fair value reserve £m	Other reserves: Cash flow hedging reserve £m	Other reserves: Foreign exchange reserve £m	Other reserves: Associates and joint ventures £m	Total equity £m
At 1 January	797	14,558	–	1,771	91	(8)	(2)	–	17,207
Share capital issued, net of costs	–	510	–	–	–	–	–	–	510
Capital securities issued in the year	–	–	1,000	–	–	–	–	–	1,000
Preference shares recognised in the year	–	431	–	–	–	–	–	–	431
Profit for the year attributable to shareholders (restated)	–	–	–	2,336	–	–	–	–	2,336
Dividends to shareholders of the parent company	–	–	–	(1,706)	–	–	–	–	(1,706)
Actuarial gains on defined benefit plans	–	–	–	1,231	–	–	–	–	1,231
Fair value gains/(losses) taken to equity	–	–	–	–	238	10	–	–	248
Amounts transferred to the income statement	–	–	–	–	(167)	19	–	–	(148)
Net impact of equity-settled share-based payments	–	–	–	41	–	–	–	–	41
Tax on items taken directly to or transferred from equity	–	–	–	(372)	16	(8)	–	–	(364)
Exchange differences	–	–	–	–	–	–	(10)	–	(10)
Other	–	–	–	–	1	–	–	–	1
At 31 December	797	15,499	1,000	3,301	179	13	(12)	–	20,777

1 *Share premium arising on the bank's Non-cumulative third dollar preference shares recognised as equity instruments during the year. Further information is provided in Note 35.*

37 Notes on the cash flow statement

Non-cash items included in profit before tax

	The group		The bank	
	2008	2007 (restated)	**2008**	2007 (restated)
	£m	£m	**£m**	£m
Depreciation, amortisation and impairment	**575**	564	**312**	340
Share-based payment expense	**225**	182	**129**	112
Profit on repayment of capital in subsidiary	**–**	–	**(280)**	–
Gain on financing 8 Canada Square	**(244)**	–	**(244)**	–
Loan impairment losses gross of recoveries	**1,861**	1,043	**1,328**	825
Provisions raised	**103**	342	**16**	230
Impairment of financial investments	**282**	–	**50**	–
Charge for defined benefit plans	**135**	240	**148**	245
Accretion of discounts and amortisation of premiums	**(204)**	(166)	**(11)**	(33)
	2,733	2,205	**1,448**	1,719

Change in operating assets

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Change in prepayments and accrued income	**455**	(2,129)	**896**	(1,454)
Change in net trading securities and net derivatives	**(15,976)**	(6,299)	**15,375**	(25,811)
Change in loans and advances to banks	**9,704**	(10,421)	**8,510**	(7,371)
Change in loans and advances to customers	**(64,643)**	(27,302)	**(60,016)**	(6,616)
Change in financial assets designated at fair value	**1,575**	(8,984)	**(2,004)**	(3,439)
Change in other assets	**(3,357)**	(1,482)	**(1,773)**	(63)
	(72,242)	(56,617)	**(39,012)**	(44,754)

Change in operating liabilities

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Change in accruals and deferred income	**(771)**	2,313	**(1,354)**	1,642
Change in deposits by banks	**12,645**	10,273	**13,925**	11,879
Change in customer accounts	**101,611**	40,919	**55,498**	20,845
Change in debt securities in issue	**1,695**	12,831	**553**	2,709
Change in financial liabilities designated at fair value	**(474)**	6,199	**1,347**	3,346
Change in other liabilities	**3,488**	10,852	**395**	(1,155)
	118,194	83,387	**70,364**	39,266

Cash and cash equivalents

	The group		The bank	
	2008 £m	2007 £m	2008 £m	2007 £m
Cash and balances at central banks	9,470	7,146	6,779	3,677
Items in the course of collection from other banks	1,917	2,434	692	1,377
Loans and advances to banks of one month or less	37,448	37,751	8,021	13,205
Treasury bills, other bills and certificates of deposit less than three months	13,822	5,879	13,071	5,389
Less: items in the course of transmission to other banks	(1,802)	(1,975)	(772)	(1,056)
Total cash and cash equivalents[1]	60,855	51,235	27,791	22,592

1 *Total cash and cash equivalents include the following amounts that are not available for use by the group: Nil held by foreign subsidiaries and subject to foreign exchange control restrictions (2007: £18 million); and £2,175 million subject to other restrictions (2007: £3,098 million).*

Total interest paid by the group during the year was £17,126 million (2007: £13,318 million). Total interest received by the group during the year was £17,815 million (2007: £14,632 million). Total dividends received by the group during the year was £837 million (2007: £715 million).

38 Risk management

All the group's activities involve the measurement, evaluation, acceptance and management of some degree of risk, or combination of risks.

The most important risk categories that the group is exposed to are credit risk (including cross-border country risk), insurance risk, liquidity risk, market risk (including foreign exchange, interest rate, equity price and credit spread risks). In addition, risk also arises from transactions with special purpose entities, both consolidated and unconsolidated, and other types of off-balance sheet arrangement, including financial guarantees, letters of credit and commitments to lend. Along with insurance risk, the insurance business manages its own credit, liquidity and market risk separately from the rest of the group due to the different nature of its activities.

The management of all risks that are significant to the group are discussed below.

Credit risk

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. It arises principally from direct lending, trade finance and leasing business, but also from guarantees and derivatives, and from the group's holdings of assets in the form of debt securities. The group has standards, policies and procedures dedicated to monitoring and managing risk from such activities.

Credit risk management

HSBC Holdings plc is responsible for the formulation of high-level credit risk policies and provides high-level centralised oversight and management of credit risk for HSBC worldwide. In addition its responsibilities include:

- Controlling exposures to sovereign entities, banks and other financial institutions. HSBC's credit and settlement risk limits to counterparties in these sectors are approved and managed by Group Credit Risk, to optimise the use of credit availability and avoid excessive risk concentration.
- Monitor intra-Group exposures to ensure they are maintained within regulatory limits. Plans are in place to adopt the FSA's new 'Integrated Groups' regime in accordance with the agreed transition timetable.
- Controlling cross-border exposures, through the imposition of country limits with sub-limits by maturity and type of business. Country limits are determined by taking into account economic and political factors, and applying local business knowledge. Transactions with countries deemed to be higher risk are considered case by case.

Within the group, the Credit Risk function is headed by the European Chief Risk Officer and reports to the Chief Executive Officer, with a functional reporting line to the HSBC Group Chief Risk Officer. Its responsibilities include:

- Formulating and recording in instruction manuals detailed credit policies and procedures, consistent with HSBC policy.
- Issuing policy guidelines to subsidiaries and offices on appetite for credit risk exposure to specified market sectors, activities and banking products.
- Undertaking independent review and objective assessment of risk. Credit Risk approves all commercial non-bank credit facilities and exposures – including those embedded in derivatives – that are originated or renewed by subsidiaries and offices over designated limits.
- Monitoring the performance and management of retail portfolios.
- Maintaining policy on large credit exposures, ensuring that concentrations of exposure by counterparty, sector or geography do not become excessive in relation to the group's capital base and remain within internal and regulatory limits.
- Maintaining and developing the governance and operation of HSBC's risk rating framework and systems, to classify exposures.
- Assisting the Risk Strategy unit in the development of stress testing scenarios, economic capital measurement and the refinement of key risk indicators and their reporting.
- Reporting to senior executives on aspects of the group's credit risk portfolio. These executives, as well as the European Risk Management Committee, Audit Committee and the Board of Directors of the bank receive a variety of regular and ad hoc reports covering:
  - risk concentrations;
  - retail portfolio performance;
  - specific higher-risk portfolio segments, for example, real estate, banks, and automotive sector;
  - individual large impaired accounts, and impairment allowances/charges for all customer segments;
  - country limits, cross-border exposures and related impairment allowances;
  - portfolio and analytical model performance data, employing Basel 2 metrics, and
  - stress testing results and recommendations.
- Where appropriate, establishing specialist units to provide intensive management and control to maximise recoveries of doubtful debts.
- Managing and directing credit risk management systems initiatives.
- Providing advice and guidance to offices and subsidiaries, to promote best practice on credit-related matters such as:
  - regulatory developments;
  - risk modelling;
  - collective impairment allowances; and
  - new products and credit risk reporting.
- Acting on behalf of the group as the primary interface, for credit-related issues, with external parties including the Bank of England, the FSA, rating agencies, corporate analysts, trade associations and counterparts.

Credit quality

The group's credit risk rating systems and processes differentiate exposures in order to highlight those with greater risk factors and higher potential severity of loss. For individually significant accounts, risk ratings are reviewed regularly and amendments, where necessary, are implemented promptly. Within the group's retail portfolios, risk is assessed and managed using a wide range of risk and pricing models.

Previously, the group has deployed a seven-grade rating system based on a 'composite' assessment of the likelihood and extent of delinquency and risk mitigation. This legacy risk rating scale has been superseded by a more granular methodology, based on probability of default and loss estimates, compliant with an internal ratings-based ('IRB') approach required to support the Basel II framework for calculating the group's minimum capital requirement. The integration of this framework into the group's reporting structure will enable reporting on the new basis to internal management in accordance with the group's IRB obligations. The new framework is used by the group's principal operating entities.

Impairment assessment

When impairment losses occur, the group reduces the carrying amount of loans and advances and held-to-maturity financial investments through the use of an allowance account. When impairment of available-for-sale financial assets occurs, the carrying amount of the asset is reduced directly. Two types of impairment allowance are in place: individually assessed and collectively assessed. Impairment allowances may be assessed and created either for individually significant accounts or, on a collective basis, for groups of individually significant accounts for which no evidence of impairment has been individually identified or for high-volume groups of homogeneous loans that are not considered individually significant. It is the group's policy that each operating company creates allowances for impaired loans promptly and on a consistent basis.

Management regularly evaluates the adequacy of the established allowances for impaired loans by conducting a detailed review of the loan portfolio, comparing performance and delinquency statistics with historical trends and assessing the impact of current economic conditions.

Maximum exposure to credit risk

The following table presents the maximum exposure to credit risk in respect of financial instruments, before taking account of any collateral held or other credit enhancements unless such credit enhancements meet offsetting requirements as set out in Note 2(n) on the Financial Statements. For financial assets recognised on the balance sheet, the exposure to credit risk equals their carrying amount. For financial guarantees granted, the maximum exposure to credit risk is the maximum amount that the group would have to pay if the guarantees were called upon. For loan commitments and other credit-related commitments that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities.

In respect of certain financial assets, the group typically has legally enforceable rights to offset certain credit exposures against amounts owing to the same counterparty. In normal circumstances there would be no intention of settling net, or of realising the financial assets and settling the financial liabilities simultaneously. Consequently, for reporting purposes the financial assets are not offset against the respective financial liabilities. However, the exposure to credit risk relating to the respective financial assets is reduced as tabulated below.

The group

	Maximum exposure at 31 December 2008 £m	Offset £m	Net Exposure to Credit Risk £m
Items in the course of collection from other banks	1,917	–	1,917
Trading assets	158,900	(6,945)	151,955
– treasury and other eligible bills	21	–	21
– debt securities	77,241	–	77,241
– loans and advances to banks	37,898	–	37,898
– loans and advances to customers	43,740	(6,945)	36,795
Financial assets designated at fair value	8,073	–	8,073
– treasury and other eligible bills	43	–	43
– debt securities	7,380	–	7,380
– loans and advances to banks	153	–	153
– loans and advances to customers	497	–	497
Derivatives	243,084	(173,522)	69,562
Loans and advances held at amortised cost	349,023	(54,890)	294,133
– loans and advances to banks	50,719	(82)	50,637
– loans and advances to customers	298,304	(54,808)	243,496
Financial investments	100,843	–	100,843
– treasury and other similar bills	10,562	–	10,562
– debt securities	90,281	–	90,281
Other assets	7,759	–	7,759
– endorsements and acceptances	370	–	370
– other	7,389	–	7,389
Financial guarantees	20,293	–	20,293
Loan commitments and other credit-related commitments	154,391	–	154,391
	1,044,283	(235,357)	808,926

	Maximum exposure at 31 December 2007 £m	Offset £m	Net Exposure to Credit Risk £m
Items in the course of collection from other banks	2,434	–	2,434
Trading assets	130,787	(3,307)	127,480
– treasury and other eligible bills	445	–	445
– debt securities	58,741	–	58,741
– loans and advances to banks	37,020	–	37,020
– loans and advances to customers	34,581	(3,307)	31,274
Financial assets designated at fair value	7,936	–	7,936
– treasury and other eligible bills	25	–	25
– debt securities	7,822	–	7,822
– loans and advances to banks	89	–	89
– loans and advances to customers	–	–	–
Derivatives	60,470	(30,452)	30,018
Loans and advances held at amortised cost	288,451	(31,951)	256,500
– loans and advances to banks	60,764	(135)	60,629
– loans and advances to customers	227,687	(31,816)	195,871
Financial investments	66,476	–	66,476
– treasury and other similar bills	1,882	–	1,882
– debt securities	64,594	–	64,594
Other assets	3,668	(111)	3,557
– endorsements and acceptances	375	(111)	264
– other	3,293	–	3,293
Financial guarantees	17,603	–	17,603
Loan commitments and other credit-related commitments	146,019	–	146,019
	723,844	(65,821)	658,023

Notes on the Financial Statements (continued)

The bank

	Maximum exposure at 31 December 2008 £m	Offset £m	Net Exposure to Credit Risk £m
Items in the course of collection from other banks	692	–	692
Trading assets	119,155	(6,945)	112,210
– treasury and other eligible bills	7	–	7
– debt securities	32,132	–	32,132
– loans and advances to banks	45,299	–	45,299
– loans and advances to customers	41,717	(6,945)	34,772
Financial assets designated at fair value	4,592	–	4,592
– treasury and other eligible bills	–	–	–
– debt securities	4,514	–	4,514
– loans and advances to banks	–	–	–
– loans and advances to customers	78	–	78
Derivatives	197,128	(120,488)	76,640
Loans and advances held at amortised cost	235,604	(47,501)	188,103
– loans and advances to banks	18,295	–	18,295
– loans and advances to customers	217,309	(47,501)	169,808
Financial investments	45,519	–	45,519
– treasury and other similar bills	9,818	–	9,818
– debt securities	35,701	–	35,701
Other assets	2,928	–	2,928
– endorsements and acceptances	224	–	224
– other	2,704	–	2,704
Financial guarantees	11,032	–	11,032
Loan commitments and other credit-related commitments	103,487	–	103,487
	720,137	(174,934)	545,203

	Maximum exposure at 31 December 2007 £m	Offset £m	Net Exposure to Credit Risk £m
Items in the course of collection from other banks	1,377	–	1,377
Trading assets	136,007	(3,307)	132,700
– treasury and other eligible bills	437	–	437
– debt securities	37,902	–	37,902
– loans and advances to banks	59,451	–	59,451
– loans and advances to customers	38,217	(3,307)	34,910
Financial assets designated at fair value	3439		3439
– treasury and other eligible bills	–	–	–
– debt securities	3,439	–	3,439
– loans and advances to banks	–	–	–
– loans and advances to customers	–	–	–
Derivatives	46,325	(17,813)	28,512
Loans and advances held at amortised cost	182,677	(29,974)	152,703
– loans and advances to banks	32,028	–	32,028
– loans and advances to customers	150,649	(29,974)	120,675
Financial investments	12,894	–	12,894
– treasury and other similar bills	1,397	–	1,397
– debt securities	11,497	–	11,497
Other assets	1,337	–	1,337
– endorsements and acceptances	251	–	251
– other	1,086	–	1,086
Financial guarantees	9,706	–	9,706
Loan commitments and other credit-related commitments	102,326	–	102,326
	496,088	(51,094)	444,994

Collateral and other credit enhancements

Collateral held against financial instruments presented above in the maximum exposure to credit risk tables is described in more detail below.

Items in the course of collection from other banks

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the group's transactions with them, on any single day. Settlement risk on many transactions, particularly those involving securities and equities, is substantially mitigated through being effected via assured payment systems, or on a delivery-versus-payment basis.

Treasury, other eligible bills and debt securities

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by pools of financial assets.

Derivatives

The ISDA Master Agreement is the group's preferred agreement for documenting derivatives activity. It provides the contractual framework within which dealing activity across a full range of over-the-counter products is conducted, and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement if either party defaults or other pre-agreed termination events occur. It is common, and the group's preferred, practice for the parties to execute a Credit Support Annex ('CSA') in conjunction with the ISDA Master Agreement. Under a CSA, collateral is passed between the parties to mitigate the market-contingent counterparty risk inherent in the outstanding positions.

Loans and advances

It is the group's policy, when lending, to do so within the customer's capacity to repay, rather than rely excessively on security. Depending on the customer's standing and the type of product, facilities may be unsecured. Nevertheless, collateral can be an important mitigant of credit risk.

Operating companies are required to implement appropriate guidelines on the acceptability of specific classes of collateral or credit risk mitigation, and determine suitable valuation parameters. Such parameters, structures and legal covenants are supported by empirical evidence and continue to fulfil their intended purpose. The principal collateral types are as follows:

- in the personal sector, mortgages over residential properties;
- in the commercial and industrial sector, charges over business assets such as premises, stock and debtors;
- in the commercial real estate sector, charges over the properties being financed; and
- in the financial sector, charges over financial instruments such as debt securities and equities in support of trading facilities.

In addition, credit derivatives, including credit default swaps and structured credit notes, as well as securitisation structures, are used to manage credit risk in the group's loan portfolio.

The group does not disclose the fair value of collateral held as security or other credit enhancements on loans and advances past due but not impaired, or on individually assessed impaired loans and advances, as it is not practicable to do so.

Notes on the Financial Statements (continued)

Concentrations of credit risk exposure

Concentrations of credit risk exist when a number of counterparties are engaged in similar activities, or operate in the same geographical areas or industry sectors and have comparable economic characteristics, so that their ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions.

The group

	2008	2007
	%	%
United Kingdom	**42**	42
France	**16**	18
Germany	**6**	5
Rest of Continental Europe	**20**	20
Continental Europe	**42**	43
United States	**8**	6
Rest of the world	**8**	9
	100	100

The bank

	2008	2007
	%	%
United Kingdom	**58**	56
France	**3**	5
Germany	**2**	3
Rest of Continental Europe	**20**	21
Continental Europe	**25**	29
United States	**7**	5
Rest of the world	**10**	10
	100	100

The group provides a diverse range of financial services both in the United Kingdom and internationally. As a result, its portfolio of financial instruments with credit risk is diversified with no exposures to individual industries or economic groupings totalling more than 10 per cent of consolidated total assets, except as follows:

- the bank's position as one of the principal UK clearing banks means that the majority of the group's exposure to credit risk is concentrated in the United Kingdom. Within the United Kingdom, the group's credit risk is diversified over a wide range of industrial and economic groupings; and
- the group's position as part of a major international banking group means, that it has a significant concentration of exposure to banking counterparties. The majority of credit risk to the banking industry at 31 December 2008 and 31 December 2007 was concentrated in Europe (including the United Kingdom).

Loans and advances to customers by industry sector

The group

	At 31 December 2008		At 31 December 2007	
	Gross loans and advances to customers £m	Gross loans by industry sector as a% of total gross loans %	Gross loans and advances to customers £m	Gross loans by industry sector as a% of total gross loans %
Personal				
Residential mortgages	**60,240**	**20.03%**	47,997	20.92%
Other personal	**38,412**	**12.77%**	36,496	15.90%
	98,652	**32.80%**	84,493	36.82%
Corporate and commercial				
Commercial, industrial and international trade	**83,163**	**27.65%**	60,036	26.16%
Commercial real estate	**22,563**	**7.50%**	18,372	8.01%
Other property-related	**5,301**	**1.76%**	5,656	2.46%
Government	**1,275**	**0.41%**	1,137	0.50%
Other commercial	**38,915**	**12.94%**	27,310	11.90%
	151,217	**50.26%**	112,511	49.03%
Financial				
Non-bank financial institutions	**45,891**	**15.26%**	31,663	13.80%
Settlement accounts	**754**	**0.25%**	813	0.35%
	46,645	**15.51%**	32,476	14.15%
Asset-backed securities reclassified	**4,292**	**1.43%**	–	–
Total gross loans and advances to customers	**300,806**	**100.00%**	229,480	100.00%

The bank

	At 31 December 2008		At 31 December 2007	
	Gross loans and advances to customers £m	Gross loans by industry sector as a% of total gross loans %	Gross loans and advances to customers £m	Gross loans by industry sector as a% of total gross loans %
Personal				
Residential mortgages	**52,230**	**23.88%**	40,939	27.03%
Other personal	**12,396**	**5.67%**	13,594	8.97%
	64,626	**29.55%**	54,533	36.00%
Corporate and commercial				
Commercial, industrial and international trade	**60,957**	**27.87%**	41,290	27.27%
Commercial real estate	**13,660**	**6.25%**	10,580	6.98%
Other property-related	**4,057**	**1.86%**	4,612	3.04%
Government	**757**	**0.35%**	777	0.51%
Other commercial	**28,428**	**13.00%**	18,706	12.35%
	107,859	**49.33%**	75,965	50.15%
Financial				
Non-bank financial institutions	**41,489**	**18.97%**	20,715	13.67%
Settlement accounts	**411**	**0.19%**	270	0.18%
	41,900	**19.16%**	20,985	13.85%
Asset-backed securities reclassified	**4,292**	**1.96%**	–	–
Total gross loans and advances to customers	**218,677**	**100.00%**	151,483	100.00%

Notes on the Financial Statements (continued)

There are no special collateral requirements relating to industrial concentrations, with the exception of exposures to the property sector. The majority of exposures to the property and construction industry and the residential mortgage market are secured on the underlying property.

Credit quality of financial instruments

The four classifications below describe the credit quality of the group's lending, debt securities portfolios and derivatives. These categories each encompass a range of more granular, internal credit rating grades assigned to wholesale and retail lending business, as well as the external ratings attributed by external agencies to debt securities. There is no direct correlation between the internal and external ratings at granular level, except insofar as both fall within one of the four classifications.

Quality Classification

	Wholesale lending and Derivatives	Retail lending	Debt securities / other
Strong	CRR 1 to CRR 2	EL 1 to EL 2	A- and above
Medium	CRR 3 to CRR 5	EL 3 to EL 5	B+ to BBB+, and unrated
Sub-Standard	CRR 6 to CRR 8	EL 6 to EL 8	B and below
Impaired	CRR 9 to CRR 10	EL 9 to EL 10	Impaired

Quality classification definitions

'Strong': Exposures demonstrate a strong capacity to meet financial commitments, with negligible or low probability of default and/or low levels of expected loss. Retail accounts operate within applicable product parameters and only exceptionally show any period of delinquency.

'Medium': Exposures require closer monitoring, with low to moderate default risk. Retail accounts typically show only short periods of delinquency, with losses expected to be minimal following the adoption of recovery processes.

'Sub-standard': Exposures require varying degrees of special attention and default risk is of greater concern. Retail portfolio segments show longer delinquency periods of generally up to 90 days past due and/or expected losses are higher due to a reduced ability to mitigate these through security realisation or other recovery processes.

'Impaired': Exposures have been assessed, individually or collectively, as impaired. The group observes the disclosure convention, reflected in the quality classification definitions above, that all retail accounts delinquent by 90 days or more are considered impaired. Such accounts may occur in any EL grade, whereby in the higher quality grades the grading assignment will reflect the offsetting of the impact of delinquency status by credit risk mitigation in one form or another.

Granular risk rating scales

The CRR (Customer Risk Rating) 10-grade scale maps to a more granular underlying 22-grade scale of obligor probability of default. The scales are used group-wide for all distinct customers, depending on the Basel 2 approach adopted for the exposure in question. The EL (Expected Loss) 10-grade scale for retail business summarises a more granular, group-wide 29-grade scale combining obligor and facility/product risk factors in a composite measure. For consistency of disclosure and based on market practice for transactions in debt securities and certain other financial instruments, external ratings have been aligned as above, and in the table of 'Distribution of financial instruments by credit quality' below, to the four quality classifications defined for internally-rated exposures, although it should be noted that there is no fixed correlation between internal and external ratings. The ratings of Standard and Poor's are cited, with those of other agencies being treated equivalently. Debt securities with short-term ratings are reported below against the long-term rating of the issuer of the short-term debt securities. If major rating agencies have different ratings for the same debt securities, the securities are reported against the lower rating.

The basis of reporting has been changed from previous years, replacing the former uniform seven-grade portfolio quality scale, in order both to extend the range of financial instruments covered in the presentation of portfolio quality and to reflect the more risk-sensitive rating systems introduced under the group's Basel II programme.

Impairment is not measured for assets held in trading portfolios or designated at fair value, as assets in such portfolios are managed according to movements in fair value, and the fair value movement is taken directly through the profit and loss statement. Consequently, all such balances are reported under 'neither past due nor impaired'.

For details of impairment incurred on available-for-sale debt and equity securities, see 'Accounting policies' in Note 2(j).

Distribution of financial instruments by credit quality

The group

	31 December 2008						
	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due not impaired £m	Impaired £m	Impairment allowances £m	Total £m
Items in the course of collection from other banks	1,917	–	–	–	–	–	1,917
Trading assets	117,335	40,822	743	–	–	–	158,900
– treasury and other eligible bills	–	21	–	–	–	–	21
– debt securities	66,272	10,969	–	–	–	–	77,241
– loans and advances to banks	32,006	5,892	–	–	–	–	37,898
– loans and advances to customers	19,057	23,940	743	–	–	–	43,740
Financial assets designated at fair value	1,649	6,424	–	–	–	–	8,073
– treasury and other eligible bills	22	21	–	–	–	–	43
– debt securities	977	6,403	–	–	–	–	7,380
– loans and advances to banks	153	–	–	–	–	–	153
– loans and advances to customers	497	–	–	–	–	–	497
Derivatives	201,340	41,336	408	–	–	–	243,084
Loans and advances held at amortised cost	195,187	138,836	11,462	2,339	3,744	(2,545)	349,023
– loans and advances to banks	41,824	8,656	240	–	42	(43)	50,719
– loans and advances to customers	153,363	130,180	11,222	2,339	3,702	(2,502)	298,304
Financial investments	94,540	5,518	521	–	264	–	100,843
– treasury and other similar bills	10,551	–	11	–	–	–	10,562
– debt securities	83,989	5,518	510	–	264	–	90,281
Other assets	4,229	3,290	239	–	1	–	7,759
– endorsements and acceptances	165	191	13	–	1	–	370
– other	4,064	3,099	226	–	–	–	7,389

Notes on the Financial Statements (continued)

The group

	31 December 2007						
	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due not impaired £m	Impaired £m	Impairment allowances £m	Total £m
Items in the course of collection from other banks	2,434	–	–	–	–	–	2,434
Trading assets	93,681	36,932	174	–	–	–	130,787
– treasury and other eligible bills	444	–	1	–	–	–	445
– debt securities	50,890	7,851	–	–	–	–	58,741
– loans and advances to banks	29,836	7,184	–	–	–	–	37,020
– loans and advances to customers	12,511	21,897	173	–	–	–	34,581
Financial assets designated at fair value	1,401	6,535	–	–	–	–	7,936
– treasury and other eligible bills	25	–	–	–	–	–	25
– debt securities	1,287	6,535	–	–	–	–	7,822
– loans and advances to banks	89	–	–	–	–	–	89
– loans and advances to customers	–	–	–	–	–	–	–
Derivatives	48,308	11,858	304	–	–	–	60,470
Loans and advances held at amortised cost	161,574	118,670	5,669	1,375	2,959	(1,796)	288,451
– loans and advances to banks	47,089	13,237	435	–	6	(3)	60,764
– loans and advances to customers	114,485	105,433	5,234	1,375	2,953	(1,793)	227,687
Financial investments	63,859	2,541	76	–	–	–	66,476
– treasury and other similar bills	1,842	26	14	–	–	–	1,882
– debt securities	62,017	2,515	62	–	–	–	64,594
Other assets	2,341	1,278	49	–	–	–	3,668
– endorsements and acceptances	286	89	–	–	–	–	375
– other	2,055	1,189	49	–	–	–	3,293

The bank

	31 December 2008						
	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due not impaired £m	Impaired £m	Impairment allowances £m	Total £m
Items in the course of collection from other banks	692	–	–	–	–	–	692
Trading assets	86,776	31,636	743	–	–	–	119,155
– treasury and other eligible bills	7	–	–	–	–	–	7
– debt securities	26,552	5,580	–	–	–	–	32,132
– loans and advances to banks	40,333	4,966	–	–	–	–	45,299
– loans and advances to customers	19,884	21,090	743	–	–	–	41,717
Financial assets designated at fair value	502	4,090	–	–	–	–	4,592
– treasury and other eligible bills	–	–	–	–	–	–	–
– debt securities	424	4,090	–	–	–	–	4,514
– loans and advances to banks	–	–	–	–	–	–	–
– loans and advances to customers	78	–	–	–	–	–	78
Derivatives	173,828	22,897	394	–	9	–	197,128
Loans and advances held at amortised cost	141,771	83,480	7,758	1,220	2,786	(1,411)	235,604
– loans and advances to banks	16,125	2,023	149	–	41	(43)	18,295
– loans and advances to customers	125,646	81,457	7,609	1,220	2,745	(1,368)	217,309
Financial investments	43,851	1,615	–	–	53	–	45,519
– treasury and other similar bills	9,818	–	–	–	–	–	9,818
– debt securities	34,033	1,615	–	–	53	–	35,701
Other assets	2,725	190	12	–	1	–	2,928
– endorsements and acceptances	34	178	11	–	1	–	224
– other	2,691	12	1	–	–	–	2,704

Notes on the Financial Statements (continued)

The bank

	31 December 2007						
	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due not impaired £m	Impaired £m	Impairment allowances £m	Total £m
Items in the course of collection from other banks	1,377	–	–	–	–	–	1,377
Trading assets	99,368	30,934	5,705	–	–	–	136,007
– treasury and other eligible bills	–	437	–	–	–	–	437
– debt securities	27,896	4,474	5,532	–	–	–	37,902
– loans and advances to banks	53,978	5,473	–	–	–	–	59,451
– loans and advances to customers	17,494	20,550	173	–	–	–	38,217
Financial assets designated at fair value	–	3,439	–	–	–	–	3,439
– treasury and other eligible bills	–	–	–	–	–	–	–
– debt securities	–	3,439	–	–	–	–	3,439
– loans and advances to banks	–	–	–	–	–	–	–
– loans and advances to customers	–	–	–	–	–	–	–
Derivatives	44,190	2,061	74	–	–	–	46,325
Loans and advances held at amortised cost	113,514	63,718	3,631	1,149	1,502	(837)	182,677
– loans and advances to banks	27,056	4,670	299	–	6	(3)	32,028
– loans and advances to customers	86,458	59,048	3,332	1,149	1,496	(834)	150,649
Financial investments	12,602	292	–	–	–	–	12,894
– treasury and other similar bills	1,397	–	–	–	–	–	1,397
– debt securities	11,205	292	–	–	–	–	11,497
Other assets	1,274	62	–	1	–	–	1,337
– endorsements and acceptances	188	62	–	1	–	–	251
– other	1,086	–	–	–	–	–	1,086

Ageing analysis of past due but not impaired gross financial instruments

The following table provides an analysis of gross loans and advances to customers held at amortised cost which are past due but not considered impaired. There are no other significant balance sheet items where past due balances are not considered impaired.

The group

	Up to 29 days £m	30-59 days £m	60-89 days £m	90-180 days £m	Over 180 days £m	Total £m
At 31 December 2008	**1,220**	**437**	**257**	**198**	**227**	**2,339**
At 31 December 2007	756	308	210	96	5	1,375

The bank

	Up to 29 days £m	30-59 days £m	60-89 days £m	90-180 days £m	Over 180 days £m	Total £m
At 31 December 2008	**555**	**266**	**191**	**191**	**17**	**1,220**
At 31 December 2007	594	274	188	93	1	1,150

Renegotiated loans

Restructuring activity is designed to manage customer relationships, maximise collection opportunities and, if possible, avoid foreclosure or repossession. Such activities include extended payment arrangements, approved external debt management plans, deferring foreclosure, modification, loan rewrites and/or deferral of payments pending a change in circumstances. Following restructuring, an overdue consumer account is normally reset from delinquent to current status. Restructuring policies and practices are based on indicators or criteria which, in the judgement of local management, indicate that repayment will probably continue. These policies are required to be kept under continual review and their application varies according to the nature of the market, the product, and the availability of empirically based data. Criteria vary between products, but typically include: receipt of one or more qualifying payments within a certain period, a minimum lapse of time from origination before restructuring may occur, and restrictions on the number and/or frequency of successive restructurings. When empirical evidence indicates an increased propensity to default on restructured accounts, the use of roll rate methodology ensures this factor is taken into account when calculating impairment allowances.

Renegotiated loans that would otherwise be past due or impaired

The group

	At 31 December	
	2008	2007
	£m	£m
Loans and advances to customers	**1,298**	813

The bank

	At 31 December	
	2008	2007
	£m	£m
Loans and advances to customers	**1,181**	642

Collateral and other credit enhancements obtained

The group obtained assets by taking possession of collateral held as security, or calling upon other credit enhancements, as follows:

	The group		The bank	
	2008	2007	**2008**	2007
	£m	£m	**£m**	£m
Nature of assets				
Residential property	**67**	67	**67**	65

Repossessed properties are made available for sale in orderly fashion, with the proceeds used to reduce or repay the outstanding indebtedness. Where excess funds are available either for other secured lenders with lower priority or are returned to the customer. The group does not generally occupy the repossessed properties for its business use.

Impairment allowances as a percentage of gross loans and advances to banks and customers[1]

The group

	At 31 December	
	2008	2007
	%	%
Banks		
Individually assessed impairment allowances	**0.17**	0.01
Customers		
Individually assessed impairment allowances	**0.50**	0.43
Collectively assessed impairment allowances	**0.41**	0.41
	1.08	0.85

1 *Net of reverse repo transactions, settlement accounts and stock borrowings.*

Notes on the Financial Statements (continued)

The bank

	At 31 December	
	2008	2007
	%	%
Banks		
Individually assessed impairment allowances	**0.33**	0.01
Customers		
Individually assessed impairment allowances	**0.31**	0.24
Collectively assessed impairment allowances	**0.27**	0.32
	0.91	0.57

Movement in impairment allowances

The group

	Banks	Customers		
	Individually assessed	Individually assessed	Collectively assessed	Total
	£m	**£m**	**£m**	**£m**
At 1 January 2008	**3**	**920**	**873**	**1,796**
Amounts written off	**–**	**(222)**	**(928)**	**(1,150)**
Recoveries of loans and advances written off in previous years	**–**	**(180)**	**(106)**	**(286)**
Charge to income statement	**35**	**858**	**1,266**	**2,159**
Foreign exchange and other movements	**5**	**4**	**17**	**26**
At 31 December 2008	**43**	**1,380**	**1,122**	**2,545**
At 1 January 2007	3	879	884	1,766
Amounts written off	–	(185)	(1,112)	(1,297)
Recoveries of loans and advances written off in previous years	–	(194)	(113)	(307)
Charge to income statement	–	390	1,228	1,618
Foreign exchange and other movements	–	30	(14)	16
At 31 December 2007	3	920	873	1,796

The bank

	Banks	Customers		
	Individually assessed	Individually assessed	Collectively assessed	Total
	£m	**£m**	**£m**	**£m**
At 1 January 2008	**3**	**356**	**478**	**837**
Amounts written off	**–**	**(160)**	**(825)**	**(985)**
Recoveries of loans and advances written off in previous years	**–**	**(59)**	**(31)**	**(90)**
Charge to income statement	**35**	**621**	**938**	**1,594**
Foreign exchange and other movements	**5**	**50**	**–**	**55**
At 31 December 2008	**43**	**808**	**560**	**1,411**
At 1 January 2007	3	331	572	906
Amounts written off	–	(96)	(1,018)	(1,114)
Recoveries of loans and advances written off in previous years	–	(78)	(46)	(124)
Charge to income statement	–	211	1,004	1,215
Foreign exchange and other movements	–	(12)	(34)	(46)
At 31 December 2007	3	356	478	837

Liquidity and funding management

Liquidity risk is the risk that the group does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows. Funding risk (a form of liquidity risk) arises when the necessary liquidity to fund illiquid asset positions cannot be obtained on the expected terms and when required.

The objective of the group's liquidity and funding management is to ensure that all foreseeable funding commitments, including deposit withdrawals, can be met when due, and that access to the wholesale markets is co-ordinated and cost-effective. To that end, the group maintains a diversified and stable funding base comprising core retail and corporate customer deposits and institutional balances. This is augmented with wholesale funding and portfolios of highly liquid assets diversified by currency and maturity which are held to enable the group to respond quickly and smoothly to unforeseen liquidity requirements.

The group requires its operating entities to maintain strong liquidity positions and to manage the liquidity profiles of their assets, liabilities and commitments with the objective of ensuring that their cash flows are balanced appropriately and that all their obligations can be met when due.

The group adapts its liquidity and funding risk framework in response to changes in the mix of business that it undertakes, and to changes in the nature of the markets in which it operates. The group has continuously monitored the impact of recent market events on the group's liquidity positions and introduced more conservative assumptions where justified. The liquidity and funding risk framework will continue to evolve as the group assimilates knowledge from the recent dislocations in the market.

Policies and procedures

The management of liquidity and funding is primarily undertaken locally in the group's operating entities in compliance with practices and limits set by the group's Risk Management Meeting ('RMM'). These limits vary according to the depth and liquidity of the market in which the entities operate. It is HSBC's general policy that each banking entity should be self-sufficient when funding its own operations. Exceptions are permitted for certain short-term treasury requirements and start-up operations or branches which do not have access to local deposit markets. These are funded under limits from the group's largest banking operations and clearly defined internal and regulatory guidelines and limits which serve to place formal limitations on the transfer of resources between group entities and are necessary to reflect the range of currencies, markets and time zones within which the group operates.

The group's liquidity and funding management process includes:

- projecting cash flows by major currency under various stress scenarios and considering the level of liquid assets necessary in relation thereto;
- monitoring balance sheet liquidity ratios against internal and regulatory requirements;
- maintaining a diverse range of funding sources with adequate back-up facilities;
- managing the concentration and profile of debt maturities;
- managing contingent liquidity commitment exposures within pre-determined caps;
- maintaining debt financing plans;
- monitoring depositor concentration in order to avoid undue reliance on large individual depositors and ensure a satisfactory overall funding mix; and
- maintaining liquidity and funding contingency plans. These plans identify early indicators of stress conditions and describe actions to be taken in the event of difficulties arising from systemic or other crises, while minimising adverse long-term implications for the business.

Primary sources of funding

Current accounts and savings deposits payable on demand or at short notice form a significant part of the group's funding, and the group places considerable importance on maintaining their stability.

For deposits, which are a primary source of funding, stability depends upon preserving depositor confidence in the group's capital strength and liquidity, and on competitive and transparent pricing.

Notes on the Financial Statements (continued)

The group also accesses professional markets in order to provide funding for non-banking subsidiaries that do not accept deposits, to maintain a presence in local money markets and to optimise the funding of asset maturities not naturally matched by core deposit funding.

Of total liabilities of £904 billion at 31 December 2008, funding from customers amounted to £370 billion, of which £367 billion was contractually repayable within one year.

An analysis of cash flows payable by the group and bank under financial liabilities by remaining contractual maturities at the balance sheet date is included in Note 32.

Assets available to meet these liabilities, and to cover outstanding commitments to lend (£924 billion), included cash, central bank balances, items in the course of collection and treasury and other bills (£22 billion); loans to banks (£51 billion, including £48 billion repayable within one year); and loans to customers (£298 billion, including £160 billion repayable within one year). In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, the group held debt securities marketable at a value of £175 billion. Of these assets, some £107 billion of debt securities and treasury and other bills had been pledged to secure liabilities.

Advances to deposits ratio

The group emphasises the importance of current accounts and savings accounts as a source of funds to finance lending to customers, and discourages reliance on short-term professional funding. This is achieved by placing limits on group banking entities which restrict their ability to increase loans to customers without corresponding growth in current accounts and savings accounts. This measure is referred to as the 'advances to deposits' ratio. The ratio describes loans and advances to customers as a percentage of the total of core customer current and savings accounts and term funding with a remaining term to maturity in excess of one year. Loans and advances to customers which are part of reverse repurchase arrangements, and where the group receives securities which are deemed to be liquid, are excluded from the advances to deposits ratio, as are current accounts and savings accounts from customers deemed to be 'non-core'. The definition of a non-core deposit includes a consideration of the size of the customer's total deposit balances. Due to the distinction between core and non-core depositors, the group's measure of advances to deposits will be more restrictive than that which could be inferred from the published financial statements.

Advances to deposits ratios

	The group		The bank	
	2008	2007	**2008**	2007
	%	%	**%**	%
Year-end	**88.9**	89.2	**106.0**	97.5
Maximum	**93.4**	92.2	**106.7**	101.7
Minimum	**86.4**	86.0	**97.5**	92.6
Average	**90.6**	89.1	**101.5**	97.1

Advances to deposits ratio limits are set by the RMM.

The group would meet any unexpected net cash outflows by selling securities and accessing additional funding sources such as interbank or collateralised lending markets.

The group also uses measures other than the advances to deposits ratio to manage liquidity risk, including the ratio of net liquid assets to customer liabilities and projected cash flow scenario analyses.

Ratio of net liquid assets to customer liabilities

Net liquid assets are liquid assets less all funds maturing in the next 30 days from wholesale market sources and from customers who are deemed to be professional. For this purpose, the group defines liquid assets as cash balances, short-term interbank deposits and highly-rated debt securities available for immediate sale and for which a deep and liquid market exists. Customers are deemed 'professional' according to the size of their deposits.

Limits for the ratio of net liquid assets to customer liabilities are set for each bank operating entity.

Ratio of net liquid assets to customer liabilities

	The group		The bank	
	2008	2007	2008	2007
	%	%	%	%
Year-end	15.4	14.3	7.1	12.1
Maximum	17.9	22.1	14.1	21.5
Minimum	12.9	14.3	6.9	12.1
Average	15.1	19.0	10.0	15.6

Projected cash flow scenario analyses

The group uses a number of standard projected cash flow scenarios designed to model both group-specific and market-wide liquidity crises, in which the rate and timing of deposit withdrawals and drawdowns on committed lending facilities are varied and the ability to access interbank funding and term debt markets and generate funds from asset portfolios is restricted. The scenarios are modelled by all group banking entities. The appropriateness of the assumptions under each scenario is regularly reviewed. In addition to the group's standard projected cash flow scenarios, individual entities are required to design their own scenarios tailored to reflect specific local market conditions, products and funding bases.

Limits for cumulative net cash flows under stress scenarios are set for each banking entity.

Both ratio and cash flow limits reflect the local market place, the diversity of funding sources available and the concentration risk from large depositors. Compliance with entity level limits is monitored and reported regularly to the RMM.

Contingent liquidity risk

In the normal course of business, the group provides customers with committed facilities, including committed backstop lines to conduit vehicles sponsored by the group and standby facilities to corporate customers. These facilities increase the funding requirements of the group when customers choose to raise drawdown levels over and above their normal utilisation rates. The liquidity risk consequences of increasing levels of drawdown are analysed in the form of projected cash flows under different stress scenarios. The RMM also sets total notional limits for non-cancellable contingent funding commitments by group entity after due consideration of the entity's ability to fund them. The limits are split according to the borrower, the liquidity of the underlying assets and the size of the committed line.

The group's contractual exposures as at 31 December monitored under the contingent liquidity risk limit structure

	The group		The bank	
	2008	2007	2008	2007
	£bn	£bn	£bn	£bn
Conduits				
Client-originated assets[1]				
Total lines	3.8	4.5	2.1	3.2
Largest individual lines	0.7	0.8	0.7	0.5
Assets managed by the group[2]	23.9	12.9	23.9	12.9
Single-issuer liquidity facilities				
Five largest[3]	4.1	5.0	3.4	2.3
Largest market sector[4]	5.0	5.8	5.0	4.2

1 *These exposures relate to consolidated multi-seller conduits. These vehicles provide funding to group customers by issuing debt secured by a diversified pool of customer-originated assets.*
2 *These exposures relate to consolidated securities investment conduits, primarily Solitaire and Mazarin. These vehicles issue debt secured by highly-rated asset-backed securities which are managed by the group.*
3 *These figures represent the five largest committed liquidity facilities provided to customers other than those facilities to conduits.*
4 *These figures represent the total of all committed liquidity facilities provided to the largest market sector other than those facilities to conduits.*

In times of market stress, the group may choose to provide non-contractual liquidity support to certain group-sponsored vehicles or group-promoted products. This support would only be provided after careful consideration of the potential funding requirement and the impact on the entity's overall liquidity, and is not included in the group's liquidity risk measures until such time as the support becomes legally binding.

Market risk management

The objective of the group's market risk management is to manage and control market risk exposures in order to optimise return on risk while maintaining a market profile consistent with the group's status as a premier provider of financial products and services. Market risk is the risk that movements in market risk factors, including foreign exchange rates and commodity prices, interest rates, credit spreads and equity prices will reduce the group's income or the value of its portfolios.

The group separates exposures to market risk into trading or non-trading portfolios. Trading portfolios include those positions arising from market-making, proprietary position-taking and other marked-to-market positions so designated. Non-trading portfolios include positions that arise from the interest rate management of the group's retail and commercial banking assets and liabilities, financial assets designated as available-for-sale and held-to-maturity, and exposures arising from the group's insurance operations. For market risk arising in the group's insurance business, refer to page 152.

The management of market risk is principally undertaken in Global Markets using risk limits approved by the HSBC Group Management Board. Limits are set for portfolios, products and risk types, with market liquidity being a principal factor in determining the level of limits set. Traded Credit and Market Risk, an independent unit within the Group Management Office of HSBC Holdings plc, develops HSBC's market risk management policies and measurement techniques. Each major operating entity has an independent market risk management and control function which is responsible for measuring market risk exposures in accordance with the policies defined by Traded Credit and Market Risk, and monitoring these exposures against the prescribed limits on a daily basis.

Each operating entity is required to assess the market risks which arise on each product in its business and to transfer these risks to either its local Global Markets unit for management, or to separate books managed under the supervision of the local Asset and Liability Management Committee ('ALCO'). The aim is to ensure that all market risks are consolidated within operations which have the necessary skills, tools, management and governance to manage such risks professionally. In certain cases where the market risks cannot be adequately captured by the transfer process, simulation modelling is used to identify the impact of varying scenarios on valuations and net interest income.

The group uses a range of tools to monitor and limit market risk exposures. These include value at risk ('VAR'), sensitivity analysis and stress testing.

Sensitivity analysis

Sensitivity measures are used to monitor the market risk positions within each risk type, for example, present value of a basis point movement in interest rates, for interest rate risk. Sensitivity limits are set for portfolios, products and risk types, with the depth of the market being one of the principal factors in determining the level of limits set.

Value at risk ('VAR')

VAR is a technique that estimates the potential losses that could occur on risk positions as a result of movements in market rates and prices over a specified time horizon and to a given level of confidence.

The VAR models used by the group are predominantly based on historical simulation. The historical simulation models derive plausible future scenarios from historical market rate and price time series, taking account of inter-relationships between different markets and rates, for example between interest rates and foreign exchange rates. The models also incorporate the impact of option features in the underlying exposures.

The historical simulation models used by the group incorporate the following features:

- potential market movements are calculated with reference to data from the last two years;
- historical market rates and prices are calculated with reference to foreign exchange rates and commodity prices, interest rates, equity prices and the associated volatilities;
- VAR is calculated to a 99 per cent confidence level; and
- VAR is calculated for a one-day holding period.

The group routinely validates the accuracy of its VAR models by back-testing the actual daily profit and loss results, adjusted to remove non-modelled items such as fees and commissions, against the corresponding VAR numbers.

Statistically, the group would expect to see losses in excess of VAR only one per cent of the time over a one-year period. The actual number of excesses over this period can therefore be used to gauge how well the models are performing.

Although a useful guide to risk, VAR should always be viewed in the context of its limitations. For example:

- the use of historical data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;
- the use of a one-day holding period assumes that all positions can be liquidated or the risks offset in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;
- the use of a 99 per cent confidence level, by definition, does not take into account losses that might occur beyond this level of confidence;
- VAR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures; and
- VAR is unlikely to reflect loss potential on exposures that only arise under significant market movements.

Stress testing

In recognition of the limitations of VAR, the group augments VAR with stress testing to evaluate the potential impact on portfolio values of more extreme, although plausible, events or movements in a set of financial variables.

Stress testing is performed at a portfolio level, as well as on the consolidated positions of the group, and covers the following scenarios:

- sensitivity scenarios, which consider the impact of market movement on any single risk factor or a set of factors. For example, the impact resulting from a break of a currency peg that is unlikely to be captured within the VAR models;
- technical scenarios, which consider the largest move in each risk factor, without consideration of any underlying market correlation;
- hypothetical scenarios, which consider potential macro economic events; and
- historical scenarios, which incorporate historical observations of market movement during previous periods of stress which would not be captured within VAR.

Stress testing is governed by the 'Stress Testing Review Group' forum that coordinates the group stress testing scenarios in conjunction with the regional risk managers. Consideration is given to the actual market risk exposures, along with market events, in determining the stress scenarios.

Stress testing results are reported to senior management and provide them with an assessment of the financial impact such events would have on the profit of the bank. The daily losses experienced during 2008 were within the stress loss scenarios reported to senior management.

Sensitivity analysis

The following table provides an overview of the reporting of risks within this section:

	Portfolio	
	Trading	Non-trading
Risk type	VAR	VAR
Foreign exchange	VAR	VAR
Interest rate	VAR	N/A
Commodity	VAR	Sensitivity
Equity	VAR	VAR

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Value at risk of the trading and non-trading portfolios

The VAR, both trading and non-trading, for the group was as follows:

	£m
Total	
At 31 December 2008	**144.5**
At 31 December 2007	30.7

	Average £m	Minimum £m	Maximum £m
2008[2]	**61.2**	**22.5**	**151.6**
2007[2]	20.7	14.3	34.8

The figures in the tables above exclude non-trading credit VAR. Including non-trading credit VAR, total VAR at 31 December 2008 was £238.7 million (2007: £32.0 million).

Trading portfolios

The group's control of market risk is based on a policy of restricting individual operations to trading within a list of permissible instruments authorised for each site by Traded Credit and Market Risk, of enforcing rigorous new product and approval procedures, and of restricting trade in the more complex derivative products only to offices with appropriate levels of product expertise and robust control systems.

Market-making and proprietary position-taking is undertaken within Global Banking and Markets. The VAR for such trading activity at 31 December 2008 was £67.7 million (2007: £24.4 million). This is analysed below by risk type:

Total trading VAR by risk type

	Foreign exchange and commodity £m	Interest rate £m	Equity £m	Credit £m	Total £m
At 31 December 2008	**17.4**	**44.2**	**11.6**	**27.1**	**67.7**
At 31 December 2007	4.6	18.7	8.2	14.4	24.4
Average					
2008	**10.0**	**25.7**	**8.0**	**26.2**	**35.1**
2007	4.9	12.5	5.0	7.3	16.5
Minimum					
2008	**4.2**	**9.2**	**4.0**	**13.7**	**13.0**
2007	1.9	7.6	2.9	3.1	11.3
Maximum					
2008	**57.6**	**103.8**	**20.4**	**63.1**	**80.0**
2007	12.2	19.6	8.9	17.5	26.6

1 *The total VAR is non-additive across risk types due to diversification effects.*
2 *The VAR for 2007 has been adjusted on the same basis as group VAR.*

Gap risk

Certain transactions are structured in such a way that the risk to the group is negligible under a wide range of market conditions or events, but there exists a remote possibility that a significant gap event could lead to loss. A gap event is a change in market price from one level to another with no trading opportunity in between, and where the price change breaches the threshold beyond which the risk profile changes from having no open risk to having full exposure to the underlying structure.

Given the characteristics of these transactions, they will make little or no contribution to VAR or to traditional market risk sensitivity measures. The group captures the risks for such transactions within the stress testing scenarios. Gap risk arising is monitored on an ongoing basis, and the group incurred no gap losses arising from movements in the underlying market price on such transactions in 2008.

ABS/MBS positions

The ABS/MBS exposures within the trading portfolios are managed within sensitivity and VAR limits, as described on page 142.

Non-trading portfolios

The principal objective of market risk management of non-trading portfolios is to optimise net interest income.

Interest rate risk in non-trading portfolios arises principally from mismatches between the future yield on assets and their funding cost as a result of interest rate changes. Analysis of this risk is complicated by having to make assumptions on embedded optionality within certain product areas, such as the incidence of mortgage prepayments, and from behavioural assumptions regarding the economic duration of liabilities which are contractually repayable on demand such as current accounts. The prospective change in future net interest income from non-trading portfolios will be reflected in the current realisable value of these positions should they be sold or closed prior to maturity. In order to manage this risk optimally, market risk in non-trading portfolios is transferred to Global Banking and Markets or to separate books managed under the supervision of the local the ALCO.

The transfer of market risk to trading books managed by Global Banking and Markets or supervised by the ALCO is usually achieved by a series of internal deals between the business units and these books. When the behavioural characteristics of a product differ from its contractual characteristics, the behavioural characteristics are assessed to determine the true underlying interest rate risk. Local ALCOs regularly monitor all such behavioural assumptions and interest rate risk positions, to ensure they comply with interest rate risk limits established by the HSBC Group Management Board.

In certain cases, the non-linear characteristics of products cannot be adequately captured by the risk transfer process. For example, both the flow from customer deposit accounts to alternative investment products and the precise prepayment speeds of mortgages will vary at different interest rate levels. In such circumstances simulation modelling is used to identify the impact of varying scenarios on valuations and net interest income.

Once market risk has been consolidated in Global Banking and Markets or ALCO-managed books, the net exposure is typically managed through the use of interest rate swaps within agreed limits. The VAR for these portfolios is included within the group VAR.

Fixed-rate securities

The principal non-trading risk which is not included in the VAR reported for Global Banking and Markets arises out of Fixed Rate Subordinated Notes. The VAR related to these instruments was £34.2 million at 31 December 2008 (2007: £15.6 million), whilst the average, minimum and maximum during the year was £17.7 million, £13.3 million and £34.4 million respectively (2007: £10.3 million, £6.7 million and £18.1 million).

Equity securities held as available-for-sale

Market risk arises on equity securities held as available-for-sale. The fair value of these securities at 31 December 2008 was £2,310 million (2007: £2,691 million) and included private equity holdings of £1,183 million (2007: £1,170 million). Investments in private equity are primarily made through managed funds. Potential new commitments are subject to risk appraisal to ensure that industry and geographical concentrations remain within acceptable levels for the portfolio as a whole. Regular reviews are performed to substantiate the valuation of the investments within the portfolio, and Finance is responsible for reviewing the carrying value of the investments. Money market funds represented £151 million (2007: £923 million) and typically related to funds held for short-term cash management. Investments held to facilitate ongoing business, such as holdings in government-sponsored enterprises and local stock exchanges, represented £187 million (2007: £194 million).

The fair value of the constituents of equity securities held as available-for-sale can fluctuate considerably. A 10 per cent reduction in the value of the available-for-sale equities at 31 December 2008 would have reduced equity by £231 million (2007: £269 million). For details of the impairment incurred on available-for-sale equity securities see the accounting policies in Note 2(j).

Defined benefit pension scheme

Market risk also arises within the group's defined benefit pension schemes to the extent that the obligations of the schemes are not fully matched by assets with determinable cash flows. Pension scheme obligations fluctuate with changes in long-term interest rates, inflation, salary increases and the longevity of scheme

members. Pension scheme assets will include equities and debt securities, the cash flows of which change as equity prices and interest rates vary. There are risks that market movements in equity prices and interest rates could result in assets which are insufficient over time to cover the level of projected obligations and these, in turn, could increase with a rise in inflation and members living longer. Management, together with the trustees who act on behalf of the pension scheme beneficiaries, assesses these risks using reports prepared by independent external actuaries and takes action and, where appropriate, adjust investment strategies and contribution levels accordingly.

The present value of the group's defined benefit pension schemes' liabilities was £11.3 billion at 31 December 2008 compared with £12.4 billion at 31 December 2007. Assets of the defined benefit schemes at 31 December 2008 comprised: equity investments 15 per cent (21 per cent at 31 December 2007); debt securities 73 per cent (66 per cent at 31 December 2007) and other (including property) 11 per cent (13 per cent at 31 December 2007).

Sensitivity of net interest income

A principal part of the group's management of market risk in non-trading portfolios is to monitor the sensitivity of projected net interest income under varying interest rate scenarios (simulation modelling). The group aims, through its management of market risk in non-trading portfolios, to mitigate the impact of prospective interest rate movements which could reduce future net interest income, while balancing the cost of hedging such activities on the current revenue stream.

For simulation modelling, businesses use a combination of scenarios relevant to local businesses and local markets and standard scenarios which are required throughout the group. The standard scenarios are consolidated to illustrate the combined proforma effect on the group's consolidated portfolio valuations and net interest income.

Structural foreign exchange exposures

Structural foreign exchange exposures represent net investments in subsidiaries, branches or associated undertakings, the functional currencies of which are currencies other than the sterling.

Exchange differences on structural exposures are recorded in the consolidated statement of recognised income and expense. The main operating (or functional) currencies of the group's subsidiaries are sterling, euro, US dollars, Swiss francs, Turkish lira and Maltese lira.

The group's policy is to hedge structural foreign currency exposures only in limited circumstances. The group's structural foreign currency exposures are required to be managed with the primary objective of ensuring, where practical, that the group's consolidated capital ratios and the capital ratios of individual banking subsidiaries are protected from the effect of changes in exchange rates. This is usually achieved by ensuring that, for each subsidiary bank, the ratio of structural exposures in a given currency to risk-weighted assets denominated in that currency is broadly equal to the capital ratio of the subsidiary in question.

Concentrations of market risk exposures

Analysis of asset backed securities

During the period valuation losses of £11,551 million on available for sale assets were taken to equity. These primarily relate to valuation losses on asset backed securities. The table shows the group's market risk exposure to asset backed securities (including those carried at fair value through profit and loss and those classified as available for sale).

Asset Backed Securities

	31 December 2008				31 December 2007			
	Gross principal[2] £m	CDS gross protection[3] £m	Net Principal exposure[4,10] £m	Carrying Amount[5,10] £m	Gross principal £m	CDS gross protection £m	Net Principal exposure[10] £m	Carrying Amount[10] £m
- High grade[1]	38,161	(2,917)	35,244	24,917	40,072	(2,575)	37,497	35,448
- rated C to A	10,328	(409)	9,919	4,055	1,146	(182)	964	899
- not publicly rated	3,629	(3,498)	131	90	4,294	(3,397)	897	851
Total asset-backed securities	52,118	(6,824)	45,294	29,062	45,512	(6,154)	39,358	37,198

	Unrealised gains and losses[6] £m	Realised gains and losses[7] £m	Impairment[8] £m	Fair Value Movements through equity[9] £m
- High grade[1]	(440)	(104)	(29)	(6,565)
- rated C to A	(357)	(6)	(269)	(3,531)
- not publicly rated	(1)	1	–	(2)
Total asset-backed securities	(798)	(109)	(298)	(10,098)
Other available-for-sale securities				(1,453)
Total				(11,551)

1 *High grade assets rated AA or AAA.*
2 *The gross principal is the redemption amount on maturity or, in the case of an amortising instrument, the sum of the future redemption amounts through the residual life of the security.*
3 *A CDS is a credit default swap. CDS protection principal is the gross principal of the underlying instrument that is protected by CDSs.*
4 *Net principal exposure is the gross principal amount of assets that are not protected by CDSs. It includes assets that benefit from monoline protection, except where this protection is purchased with a CDS.*
5 *Carrying amount of the net principal exposure.*
6 *Unrealised gains and losses on the net principal exposure (see footnote 4) recognised during the year in the income statement as a result of changes in the fair value of the asset, adjusted for the cumulative amount of transfers to realised gains and losses as a result of the disposal of assets.*
7 *Realised gains and losses on the net principal exposure (see footnote 4) recognised during the year in the income statement as a result of the disposal of assets.*
8 *Impairment losses recognised in the income statement in respect of the net principal amount (see footnote 4) of available-for-sale and held-to-maturity assets.*
9 *Fair value gains and losses on the net principal exposure (see footnote 4) recognised in equity during the year as a result the changes in the fair value of available-for-sale assets, adjusted for transfers from the available-for-sale reserve to the income statement as a result of impairment, and adjusted for transfers to realised gains and losses following the disposal of assets.*
10 *The asset backed securities are primarily US dollar ('USD') denominated. Principal and carrying amounts are converted into sterling ('GBP') at the prevailing exchange rates at 31 December (2008: 1GBP:USD 1.459; 2007: 1GBP:USD 2.006).*

Included in the above table is carrying amount of £17,773 million held through SPEs that are consolidated by the group. Although the group includes these assets in full on its balance sheet, significant first loss risks are borne by third party investors, through the investors' holdings of capital notes. Impairments losses recognised by capital note holders for the year ended 31 December 2008 amounted to £160 million (2007: nil).

Notes on the Financial Statements (continued)

Risk management of insurance operations

The group operates a bancassurance model which provides insurance products for customers with whom the group has a banking relationship. Many of these products are manufactured by group subsidiaries, but where the group considers it operationally more effective, third parties are engaged to manufacture and provide insurance products which the group sells through its banking network. The group works with a limited number of market-leading partners to provide these products. When manufacturing products, the group underwrites the insurance risk and retains the risks and rewards associated with writing insurance contracts. The group's exposure to risks associated with manufacturing insurance contracts in its subsidiaries and its management of these risks are discussed below.

One advantage of the bancassurance model to the group is that, where the group manufactures products to sell to customers, the underwriting profit is retained within the group as is the commission paid by the manufacturer to the bank distribution channel. When the group sells products provided by third parties, it earns a commission. The group sells insurance products across all its customer groups, mainly utilising its retail branches, the internet and phone centres. Personal Financial Services customers attract the majority of sales and comprise the majority of policyholders. The group offers its customers a wide range of insurance and investment products, many of which complement other bank and consumer finance products.

The group's bancassurance business operates across Europe with over 6 legal entities manufacturing insurance products. The majority of these insurance operations are subsidiaries of banking legal entities and comply with their management control procedures. In addition to local management requirements, the insurance operations follow guidelines issued by the Group Insurance Head Office. Implementation of the guidelines is overseen by the Insurance Regional Office. The Group Insurance Head Office is headed by the Group's Managing Director of Insurance, supported by a Chief Operating Officer, Chief Finance Officer and Chief Risk Officer. The Chief Risk Officer was appointed in 2008. The role of Group Insurance Head Office includes setting the control framework for monitoring and measuring insurance risk in line with existing Group practices, and defining insurance-specific policies and guidelines for inclusion in the Group Instruction Manuals.

The Insurance Regional Office (Europe & Middle East) is headed by the Regional Chief Executive Officer ('CEO'), supported by a Deputy Regional CEO, Regional Chief Financial Officer ('CFO') and Regional Chief Risk Officer ('CRO'). The Regional CFO and CRO were appointed during 2008. The role of the Regional Office includes overseeing the effective implementation of HSBC policies and guidelines and monitoring and measuring Insurance Risk in line with HSBC practices. The control framework for monitoring risk includes HSBC's Group Insurance Risk Committee, to which four Group Insurance sub-committees report, focusing on operational risk, insurance risk, market and liquidity risk, and credit risk with the Group Insurance Risk Committee looking at an overview of the status of the significant risks categories in the insurance operations. The group's framework & Risk Committee at Regional level mirror this HSBC framework. The processes and controls employed to monitor individual risks are described under their respective headings below.

INSURANCE RISK

Insurance risk is a risk, other than financial risk, transferred from the holder of a contract to the issuer. The principal insurance risk faced by the group is that the combined cost of claims, administration and acquisition of the contract may exceed the aggregate amount of premiums received and investment income. The cost of a claim can be influenced by many factors, including mortality and morbidity experience, lapse and surrender rates and, where the policy has a savings element, the performance of the assets held to support the liabilities. Performance of the underlying assets will be impacted by both changes in interest rates and equity prices. This risk is discussed further in the Market Risk section below.

The group manages its exposure to insurance risk by applying formal underwriting, reinsurance and claims-handling procedures designed to ensure compliance with regulations and insurance risk appetite, the latter proposed by local businesses and authorised centrally. This is supplemented by undertaking stress testing. During 2008, insurance manufacturing entities have documented their underwriting authority limits. These underwriting limits are submitted annually to HSBC's Insurance Head Office.

The insurance contracts sold by the group relate, in the main, to core underlying banking activities such as savings or investment products and credit life products. The group's manufacturing focuses on personal lines, i.e. contracts written for individuals. Personal lines tend to be of higher volume and lower individual value than commercial lines, and this diversifies the insurance risk.

Life and non-life business insurance risks are controlled by high level policies and procedures set centrally, supplemented as appropriate with locally-imposed measures which take account of specific local market conditions and regulatory requirements but reflect local market practices.

For example, manufacturing entities are required to obtain authorisation from HSBC's Insurance Head Office to write certain classes of business, with restrictions applying particularly to commercial and liability non-life insurance.

Local ALCOs are required to monitor certain risk exposures, in particular for life business where the focus is on reviewing the risks associated with the duration and cash flow matching of insurance assets and liabilities.

Reinsurance is also used as a means of mitigating exposure, in particular to aggregations of catastrophe risk. Specific examples are as follows:

- Accident and health insurance. Potential exposure to concentrations of claims arising from particular events, such as earthquakes or a pandemic, are mitigated by the purchase of catastrophe reinsurance.
- Motor insurance. Reinsurance protection is arranged to avoid excessive exposure to larger losses, particularly from personal injury claims.
- Fire and other damage to property. Portfolios at risk from catastrophic losses are protected by reinsurance in accordance with information obtained from professional risk-modelling organisations.

Whilst entering in to a reinsurance arrangement may provide a means of managing insurance risk, such contracts expose the group to counter-party risk, the risk the reinsurer defaults. This risk is discussed further in the Credit Risk section.

The group manages its insurance risks through the application of formal underwriting, reinsurance and claims procedures. These procedures are designed also to ensure compliance with regulations. The group's overall approach to insurance risk is to seek to maintain a good diversification of insurance business by type and to focus on risks that are straightforward to manage and frequently are directly related to the underlying banking activity.

A key feature of insurance business, and life insurance in particular, is the importance of managing the assets, liabilities and risks in a co-ordinated fashion rather than individually. This reflects the greater interdependence of these three elements for life insurance than is generally the case for non-life insurance. Of particular importance for a number of lines of business is the need to match the expected pattern of cash flow, which in some cases (such as annuities) can run for many years.

Both life and non-life business insurance risks are controlled through a combination of local and central procedures and policies. These include a centralised approach to the authorisation to write certain classes of business. Use is also made of risk management committees in order to monitor risk exposures. Market risk limits are also applied centrally as an additional control over the extent of insurance risk that is retained.

As indicated in the specific comments relating to particular classes, use is also made of reinsurance as a means of further mitigating exposure.

The following tables provide an analysis of the insurance risk exposures by type of business. By definition, the group is not exposed to insurance risk on investment contracts, so they have not been included in the insurance risk management analysis.

Life business tends to be longer-term in nature than non-life business and frequently involves an element of savings and investment in the contract. Accordingly, separate tables are provided for life and non-life businesses, reflecting their distinctive risk characteristics. The life insurance risk table provides an analysis of insurance liabilities as the best available overall measure of insurance exposure, because provisions for life contracts are typically set by reference to expected future cash outflows relating to the underlying policies. The table for non-life business uses written premiums as the best available measure of risk exposure.

Notes on the Financial Statements (continued)

Analysis of life insurance risk – liabilities to policyholders

	2008 £m	2007 £m
Life (non-linked)		
Insurance contracts with DPF[1]	696	469
Credit life	173	117
Annuities	260	205
Term assurance and other long-term contracts	902	337
Total life (non-linked)	2,031	1,128
Life (linked)	1,061	858
Investment contracts with DPF [1,2]	12,157	9,447
Life insurance policyholder liabilities	15,249	11,433

1 *Insurance contracts with discretionary participation features ('DPF') give policyholders a contractual right to receive, as a supplement to their guaranteed benefits, additional benefits that are likely to be a significant portion of the total contractual benefits and whose amount or timing is contractually at the discretion of the group. The additional benefits are contractually based on the performance of a specified pool of contracts or assets, or the profit of the company issuing the contracts.*
2 *Although investments contracts with DPF are financial investments, the group continues to account for them as insurance contracts as permitted by IFRS 4.*

The liabilities for long-term contracts are set by reference to a range of assumptions which include lapse and surrender rates, mortality and expense levels. These assumptions are typically set by reference to the entity's own experience. Economic assumptions, such as investment returns and interest rates, are typically set by reference to observable market data. Where the underlying assumptions change, there will be an impact on the liabilities. Sensitivity of the profit after tax and the net assets to changes in both economic and non-economic assumptions are considered later.

The above table of liabilities to life insurance policyholders provides an overall summary of the group's life insurance activity. In particular, the table highlights that the most significant products are investment contracts with DPF issued in France, and unit-linked contracts issued in UK and Malta.

Insurance risk arising from life insurance depends on the type of business, and varies considerably. The principal risks are mortality, morbidity, lapse, surrender and expense levels.

The main contracts which generate exposure to mortality and morbidity risks are term assurance contracts and annuities. These risks are monitored on a regular basis, and are primarily mitigated by medical underwriting and by retaining the ability in certain cases to amend premiums in the light of experience. Expense risk can generally be managed through pricing. The level of expenses in the contract will be one of the items considered when setting premium rates.

Analysis of non-life insurance risk – net written insurance premiums

	2008 £m	2007 £m
Accident and health	8	11
Motor	190	183
Fire and other damage	89	64
Credit (non-life)	51	18
Other (non-life)	26	23
Total net written insurance premiums	365	299
Net insurance claims incurred and movement in policyholder liabilities	306	250

1 *Net written insurance premiums represent gross written premiums less gross written premiums ceded to reinsurers.*

The above table of non-life net written insurance premiums provides an overall summary of the non-life insurance activity of the group. The main risks associated with non-life business are underwriting risk and claims experience risk. Underwriting risk is the risk that the group does not charge premiums appropriate to the cover provided and claims experience risk is the risk that portfolio experience is worse than expected. The group manages these risks through pricing (for example, imposing restrictions and deductibles in the policy terms and conditions), product design, risk selection, claims handling, investment strategy and reinsurance policy. The majority of non-life insurance

contracts are renewable annually and the underwriters have the right to refuse renewal or to change the terms and conditions of the contract at the time.

FINANCIAL RISKS

The group's insurance businesses are exposed to a range of financial risks, including market risk, credit risk and liquidity risk. Market risk includes interest rate risk, equity risk and foreign exchange risk. The nature and management of these risks is described below.

Manufacturing subsidiaries are exposed to financial risk, for example, when the proceeds from financial assets are not sufficient to fund the obligations arising from non-linked insurance and investment contracts. Certain insurance-related activities undertaken by the Group's subsidiaries such as insurance broking, insurance management, pensions and annuities administration and intermediation, are exposed to financial risk, but not to a significant extent.

In addition to policies provided for HSBC-wide application through the Group Instruction Manuals, insurance manufacturing subsidiaries may implement additional risk management procedures which reflect local market conditions and regulatory requirements.

Local regulatory requirements prescribe the type, quality and concentration of assets that the group's insurance manufacturing subsidiaries must maintain to meet insurance liabilities. Within each subsidiary, ALCOs are responsible for ensuring that exposures to financial risks remain within local requirements and risk mandates (as agreed with HSBC Group Insurance Head Office), and ensure compliance with the control framework established centrally through the Group Instruction Manuals.

The following table analyses the assets held in the group's insurance manufacturing subsidiaries at 31 December 2008 by type of liability, and provides a view of the exposure to financial risk:

Financial assets held by insurance manufacturing operations

	At 31 December 2008				
	Life linked contracts £m	Life non-linked contracts £m	Non-life insurance £m	Other assets £m	Total £m
Financial assets designated at fair value					
Treasury bills	21	17	–	5	43
Debt securities	1,578	502	–	709	2,789
Equity securities	2,681	2,895	–	231	5,807
	4,280	3,414	–	945	8,639
Available-for-sale:					
Treasury bills	–	–	83	82	165
Other eligible bills	–	–	187	86	273
Debt securities	–	9,044	14	5	9,063
Equity securities	–	–	–	18	18
	–	9,044	284	191	9,519
Derivatives	118	42	–	17	177
Other financial assets	359	1,002	387	826	2,574
	4,757	13,502	671	1,979	20,909

Notes on the Financial Statements (continued)

	At 31 December 2007				
	Life linked contracts £m	Life non-linked contracts £m	Non-life insurance £m	Other assets £m	Total £m
Financial assets designated at fair value					
Treasury bills	25	–	–	–	25
Debt securities	2,873	502	–	943	4,318
Equity securities	3,482	3,211	–	340	7,033
	6,380	3,713	–	1,283	11,376
Available-for-sale:					
Treasury bills	–	–	57	59	116
Other eligible bills	–	–	88	86	174
Debt securities	–	6,133	152	145	6,430
Equity securities	–	–	7	–	7
	–	6,133	304	290	6,727
Derivatives	150	39	-	15	204
Other financial assets	439	298	375	350	1,462
	6,969	10,183	679	1,938	19,769

The table demonstrates that for linked contracts, the group typically designates assets at fair value. For non-linked contracts, the classification of the assets is driven by the nature of the underlying contract.

The table also shows that approximately 57 per cent of financial assets was invested in debt securities at 31 December 2008 with 28 per cent invested in equity securities.

In life linked insurance, premium income less charges levied is invested in a portfolio of assets. The group manages the financial risk of this product on behalf of the policyholders by holding appropriate assets in segregated funds or portfolios to which the liabilities are linked. The group typically retains some exposure to market risk as the market value of the linked assets influences the fees charged by the group and thereby affects the recoverability of expenses incurred by the group in managing the product. The assets held to support life linked liabilities represented 23 per cent of the total financial assets of the group's insurance manufacturing subsidiaries at the end of 2008 (2007: 35 per cent).

MARKET RISK

Market risk can be further sub-categorised into interest rate risk and equity risk. Each of these categories is discussed further below.

Interest rate risk

The group's insurance underwriting subsidiaries are exposed to interest rate risk when there is a mismatch in terms of duration or yields between the assets and liabilities.

The group manages the interest rate risk arising from its insurance underwriting subsidiaries by establishing limits centrally. These govern the sensitivity of the net present values of expected cash flows from subsidiaries' assets and liabilities to a one basis point parallel upward shift in the discount curve used to calculate values. Adherence to these limits is monitored by local ALCOs. Interest rate risk is also assessed by measuring the impact of defined movements in interest yield curves on the profits after tax and net assets of the insurance underwriting subsidiaries. An immediate and permanent movement in interest yield curves as at 31 December 2008 in all territories in which the group's insurance subsidiaries operate would have the following impact on the profit for the year and net assets at that date:

	2008		2007	
	Impact on profit for the year £m	Impact on net assets £m	Impact on profit for the year £m	Impact on net assets £m
+ 100 basis points shift in yield curves	32	10	(2)	(14)
– 100 basis points shift in yield curves	(38)	(17)	4	17

The interest rate sensitivities set out above are illustrative only and employ simplified scenarios. It should be noted that the effects may not be linear and therefore the results cannot be extrapolated. The sensitivities do not incorporate

actions that could be taken by management to mitigate the effect of the interest rate movements, nor do they take account of any resultant changes in policyholder behaviour.

Equity risk

Equity risk is the risk of changes in the fair value of an equity instrument. The group manages the equity risk arising from its holdings of equity securities centrally by setting limits on the maximum market value of equities that each insurance underwriting subsidiary may hold. Equity risk is also monitored by estimating the effect of predetermined movements in equity prices on the profit and total net assets of the insurance underwriting subsidiaries. The following table illustrates the impact on the aggregated profit for the year and net assets of a reasonably possible 10 per cent variance in equity prices:

	2008		2007	
	Impact on profit for the year £m	Impact on net assets £m	Impact on profit for the year £m	Impact on net assets £m
10 per cent increase in equity prices	3	3	8	8
10 per cent decrease in equity prices	(4)	(4)	(7)	(7)

These equity sensitivities are illustrative only and employ simplified scenarios. It should be noted that the effects may not be linear and therefore the results cannot be extrapolated. They do not allow for the effect of management actions which may mitigate the equity price decline, nor for any resultant changes, such as in policyholder behaviour, that might accompany such a fall.

CREDIT RISK

Credit risk can give rise to losses through default and can lead to volatility in income statement and balance sheet figures through movements in credit spreads, principally on the £10.7 billion (2007: £8.1 billion) non-linked bond portfolio. The exposure of the income statement to the effect of changes in credit spreads is small (see the table above). 89 per cent (2007: 82 per cent) of the financial assets held by insurance subsidiaries are classified as available for sale, and consequently any changes in the fair value of these financial investments would have no impact on the profit after tax to the extent that the financial assets are not deemed impaired.

The exposure to credit risk products and the management of the risks associated with credit protection products are included in the analyses of life and non-life insurance risk on page 150.

Management of the group's insurance manufacturing subsidiaries is responsible for the credit risk, quality and performance of their investment portfolios. Investment credit mandates and limits are set locally by the insurance manufacturing subsidiaries and approved by their local insurance ALCO and Credit Risk function before receiving concurrence centrally from HSBC Group Credit Risk. The form and content of the mandates accord with centrally-set investment credit risk guidance regarding credit quality, industry sector concentration and liquidity restrictions, but allow for local regulatory and country-specific conditions. The assessment of creditworthiness of issuers and counterparties is based primarily upon internationally recognised credit ratings and other publicly-available information.

Investment credit exposures are monitored against limits by the local insurance manufacturing subsidiaries, and are aggregated by the Regional Offices and reported to HSBC's Group Credit Risk function, the Group Insurance Credit Risk Meeting and the Group Insurance Risk Committee. Stress testing is performed by the HSBC Group Insurance Head Office on the investment credit exposures using credit spread sensitivities and default probabilities. The stresses are reported to the HSBC Group Insurance Credit Risk Committee.

As noted above, the group can, to a certain extent, share investment losses with policyholders which dilutes the impact to the group. However, in circumstances where losses can not be passed to policyholders, for example – where a contract includes a guarantee, losses which would result in a breach of the guaranteed benefits due to the policyholder are borne by the group.

In response to adverse credit market conditions various initiatives were introduced during 2008 to better manage and report credit risk. These included an Early Warning Report which is produced on a weekly basis to identify investments which may be at risk of future impairment. This report is circulated to Senior Management in Group Insurance Head Office and the Regional Chief Financial Officers and Risk Officers, and risk reduction strategies are implemented when considered appropriate. Similarly a Watch List of investments where there are current credit

concerns is produced and circulated weekly. It is anticipated that 2009 will see an increase in corporate defaults and downgrades by the Rating Agencies due to a prolonged global economic downturn,

Credit quality

The following table presents an analysis of treasury bills, other eligible bills and debt securities within the group's insurance business by rating agency designation, based on Standard & Poor's ratings or their equivalent. Only assets supporting non-linked liabilities are included in the table as financial risk on assets supporting linked liabilities is predominantly borne by the policyholder. 77.6 per cent (2007: 82.2 per cent) of the assets included in the table are invested in AA or AAA rated investments.

Treasury bills, other eligible bills and debt securities in the group's insurance subsidiaries

	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due but not impaired £m	Impaired £m	Impair-ment allowances £m	Total £m
At 31 December 2008							
Supporting liabilities under non-linked insurance and investment contracts							
Financial assets designated at fair value	368	151	–	–	–	–	519
– treasury and other eligible bills	17	–	–	–	–	–	17
– debt securities	351	151	–	–	–	–	502
Financial investments	9,133	195	–	–	–	–	9,328
– treasury and other similar bills	270	–	–	–	–	–	270
– debt securities	8,863	195	–	–	–	–	9,058
	9,501	346	–	–	–	–	9,847
Supporting shareholders' funds							
Financial assets designated at fair value	702	12	–	–	–	–	714
– treasury and other eligible bills	5	–	–	–	–	–	5
– debt securities	697	12	–	–	–	–	709
Financial investments	173	–	–	–	–	–	173
– treasury and other similar bills	168	–	–	–	–	–	168
– debt securities	5	–	–	–	–	–	5
	875	12	–	–	–	–	887
Total							
Financial assets designated at fair value	1,070	163	–	–	–	–	1,233
– treasury and other eligible bills	22	–	–	–	–	–	22
– debt securities	1,048	163	–	–	–	–	1,211
Financial investments	9,306	195	–	–	–	–	9,501
– treasury and other similar bills	438	–	–	–	–	–	438
– debt securities	8,868	195	–	–	–	–	9,063
	10,376	358	–	–	–	–	10,734

	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due but not impaired £m	Impaired £m	Impair-ment allowances £m	Total £m
At 31 December 2007							
Supporting liabilities under non-linked insurance and investment contracts							
Financial assets designated at fair value	911	211	–	–	–	–	1,122
– treasury and other eligible bills	–	–	–	–	–	–	–
– debt securities	911	211	–	–	–	–	1,122
Financial investments	6,435	137	–	–	–	–	6,572
– treasury and other similar bills	146	–	–	–	–	–	146
– debt securities	6,289	137	–	–	–	–	6,426
	7,346	348	–	–	–	–	7,694
Supporting shareholders' funds							
Financial assets designated at fair value	369	13	–	–	–	–	382
– treasury and other eligible bills	59	–	–	–	–	–	59
– debt securities	310	13	–	–	–	–	323
Financial investments	88	–	–	–	–	–	88
– treasury and other similar bills	85	–	–	–	–	–	85
– debt securities	3	–	–	–	–	–	3
	457	13	–	–	–	–	470
Total							
Financial assets designated at fair value	1,280	224	–	–	–	–	1,504
– treasury and other eligible bills	59	–	–	–	–	–	59
– debt securities	1,221	224	–	–	–	–	1,445
Financial investments	6,523	137	–	–	–	–	6,660
– treasury and other similar bills	231	–	–	–	–	–	231
– debt securities	6,292	137	–	–	–	–	6,429
	7,803	361	–	–	–	–	8,164

Issuers of treasury bills, other eligible bills and debt securities in the group's insurance subsidiaries

	Treasury bills £m	Other eligible bills £m	Debt securities £m	Total £m
At 31 December 2008				
Governments	**187**	**16**	**2,361**	**2,564**
Local authorities	–	–	**151**	**151**
Asset-backed securities	–	–	–	–
Corporates and other	–	**257**	**7,762**	**8,019**
	187	**273**	**10,274**	**10,734**
At 31 December 2007				
Governments	116	–	2,035	2,151
Local authorities	–	–	70	70
Asset-backed securities	–	–	–	–
Corporates and other	–	174	5,770	5,944
	116	174	7,875	8,165

Credit risk also arises when part of the insurance risk incurred by the group is assumed by reinsurers. The credit risk exposure to reinsurers is monitored by the Regional Insurance Office and the HSBC Group Insurance Head Office and is reported quarterly to the Group Insurance Risk Committee and the Group Insurance Credit Risk Committee. The split of liabilities ceded to reinsurers and outstanding reinsurance recoveries, analysed by Standard & Poor's reinsurance credit rating data or their equivalent, is shown below. The group's exposure to third parties under the reinsurance agreement described above is included in this table.

Reinsurance

	Neither past due nor impaired						
	Strong £m	Medium £m	Sub-standard £m	Past due but not impaired £m	Impaired £m	Impairment allowances £m	Total £m
Reinsurers' share of liabilities under insurance contracts							
At 31 December 2008							
Linked insurance contracts	7	–	–	–	–	–	7
Non-linked insurance contracts	**602**	**9**	–	–	–	–	**611**
Total	**609**	**9**	–	–	–	–	**618**
Reinsurance debtors	**11**	–	–	–	–	–	**11**
At 31 December 2007							
Linked insurance contracts	17	11	–	–	–	–	28
Non-linked insurance contracts	401	99	–	–	–	–	500
Total	418	110	–	–	–	–	528
Reinsurance debtors	9	–	–	–	–	–	9

LIQUIDITY RISK

It is an inherent characteristic of almost all insurance contracts that there is uncertainty over the amount and the timing of settling claims liabilities that may arise, and this leads to liquidity risk. The group's insurance manufacturing subsidiaries manage liquidity risk by utilising some or all of the following techniques:

- matching cash inflows with expected cash outflows using specific cash flow projections or more general asset and liability matching techniques such as duration matching;
- maintaining sufficient cash resources;
- investing in good credit-quality investments with deep and liquid markets to the degree to which they exist;
- monitoring investment concentrations and restricting them where appropriate, for example, debt issues or issuers; and
- establishing committed contingency borrowing facilities.

There is a greater spread of expected maturities for the life business where, in a large proportion of cases, the liquidity risk is borne in conjunction with policyholders (wholly in the case of unit-linked business).

The following tables show the expected undiscounted cash flows for insurance contract liabilities and the remaining contractual maturity of investment contract liabilities:

Expected maturity of insurance contract liabilities

	Expected cash flows (undiscounted)				
	Within 1 year £m	1-5 years £m	5-15 years £m	Over 15 years £m	Total £m
At 31 December 2008					
Non-life insurance	**456**	**407**	**19**	–	**882**
Life insurance (non-linked)	**732**	**618**	**570**	**301**	**2,221**
Life insurance (linked)	**80**	**233**	**475**	**453**	**1,241**
Total	**1,268**	**1,258**	**1,064**	**754**	**4,344**
At 31 December 2007					
Non-life insurance	402	381	36	-	819
Life insurance (non-linked)	329	294	424	217	1,264
Life insurance (linked)	75	301	411	191	978
Total	806	976	871	408	3,061

Remaining contractual maturity of investment contract liabilities

	Liabilities under investment contracts by insurance underwriting subsidiaries			
	Linked investment contracts £m	Non-linked investment contracts £m	Investment contracts with DPF £m	Total £m
At 31 December 2008				
Remaining contractual maturity:				
– due within 1 year	117	–	–	117
– due between 1 and 5 years	419	–	–	419
– due between 5 and 10 years	330	–	–	330
– due after 10 years	1,123	–	–	1,123
– undated[1]	1,627	24	12,157	13,808
Total	3,616	24	12,157	15,797
At 31 December 2007				
Remaining contractual maturity:				
– due within 1 year	137	-	-	137
– due between 1 and 5 years	615	-	-	615
– due between 5 and 10 years	475	-	-	475
– due after 10 years	1,679	-	-	1,679
– undated[1]	2,899	36	9,447	12,382
Total	5,805	36	9,447	15,288

1 *In cases, policyholders have the option to terminate their contracts at any time and receive the surrender values of their policies. These may be significantly lower than the amounts shown above.*

Present value of in-force long-term insurance business

The group's life insurance business is accounted for using the embedded value approach, which, *inter alia*, provides a comprehensive framework for the evaluation of insurance and related risks. The present value of the in-force long-term ('PVIF') asset at 31 December 2008 was £579 million (2007: £444 million). The present value of the shareholder's interest in the profits expected to emerge from the book of in-force policies at 31 December 2008 can be stress-tested to assess the ability of the life business book to withstand adverse developments. A key feature of the life insurance business is the importance of managing the assets, liabilities and risks in a coordinated fashion rather than individually. This reflects greater interdependence of these three elements for life insurance than is generally the case for non-life insurance.

Sensitivity of PVIF to changes in economic assumptions

The following table shows the effect on the PVIF of reasonably possible changes in the main economic assumptions, namely changes in the risk-free and risk discount rates, across all insurance underwriting subsidiaries:

	PVIF at 31 December	
	2008 £m	2007 £m
+ 100 basis points shift in risk-free rate	15	9
– 100 basis points shift in risk-free rate	(14)	(20)
+ 100 basis points shift in risk discount rate	(26)	(21)
– 100 basis points shift in risk discount rate	28	23

Due to certain characteristics of the contracts, the relationships may be non-linear and the results of the stress-testing disclosed above should not be extrapolated to higher levels of stress. In calculating the various scenarios, all assumptions are held stable except when testing the effect of the shift in the risk-free rate, when consequential changes to investment returns, risk discount rates and bonus rates are also incorporated. The sensitivities shown are before actions that could be taken by management to mitigate effects and before consequential changes in policyholder behaviour.

Non-economic assumptions

The policyholder liabilities and PVIF are determined by reference to non-economic assumptions which include, for non-life manufacturers, claims costs and expense rates and, for life manufacturers, mortality and/or morbidity, lapse

rates and expense rates. The table below shows the sensitivity of profit for the year to, and net assets at, 31 December 2008 to reasonably possible changes in these non-economic assumptions at that date across all insurance manufacturing subsidiaries, with comparatives for 2007.

Claims costs is a risk associated with non-life insurance business. An increase in claims costs would have a negative effect on profit.

Mortality and morbidity risk is typically associated with life insurance contracts. The effect of an increase in mortality or morbidity on profit depends on the type of business being written. For a portfolio of term assurance contracts, an increase in mortality usually has a negative effect on profit as the number of claims increases. For a portfolio of annuity contracts, an increase in mortality rates typically has a positive effect on profit as the period over which the benefit is being paid to the policyholder is shortened. However, when an annuity contract includes life cover, the positive effect on profit of the increase in mortality may be offset by the benefits payable under the life insurance.

Sensitivity to lapse rates is dependent on the type of contracts being written. For insurance contracts, the cost of claims is funded by premiums received and income earned on the investment portfolio supporting the liabilities. For a portfolio of term assurance, an increase in lapse rates typically has a negative effect on profit due to the loss of future premium income on the lapsed policies. For a portfolio of annuity contracts, an increase in lapse rates has a positive effect on profit as the obligation to pay future benefits on the lapsed contracts is extinguished.

Expense rate risk is the exposure to a change in expense rates. To the extent that increased expenses cannot be passed on to policyholders, an increase in expense rates will have a negative impact on profits.

Sensitivity to changes in non-economic assumptions

The sensitivity of profit for the year and net assets to reasonably possible changes in non-economic conditions across all insurance underwriting subsidiaries is as follows:

	Effect on:		Effect on:	
	Profit for the year to 31 December 2008	Net assets at 31 December 2008	Profit for the year to 31 December 2007	Net assets at 31 December 2007
	£m	£m	£m	£m
20 % increase in claims costs	(34)	(34)	(32)	(32)
20 % decrease in claims costs	34	34	32	32
10 % increase in mortality and/or morbidity rates	(2)	(2)	6	6
10 % decrease in mortality and/or morbidity rates	4	4	(9)	(9)
50 % increase in lapse rates	(84)	(84)	(28)	(28)
50 % decrease in lapse rates	130	130	45	45
10 % increase in expense rates	(19)	(19)	(5)	(5)
10 % decrease in expense rates	18	18	5	5

Special purpose entities (including on- and off-balance sheet arrangements)

The group enters into certain transactions with customers in the ordinary course of business which involve the establishment of special purpose entities ('SPEs') to facilitate or secure customer transactions, some of which have been included in the group's consolidated balance sheet. The group's structures that utilise SPEs are authorised centrally when they are established to ensure appropriate purpose and governance. The activities of SPEs administered by the group are closely monitored by senior management.

The group sponsors the formation of entities which are designed to accomplish certain narrow and well-defined objectives, such as securitising financial assets or affecting a lease, and this requires a form of legal structure that restricts the assets and liabilities within the structure to the single purpose for which it was established. The group consolidates these SPEs when the substance of the relationship indicates that the group controls them. In assessing control, all relevant factors are considered, including qualitative and quantitative aspects. The group re-assesses the required consolidation accounting tests whenever there is a change in the substance of the relationship between the group and an SPE. The most significant categories of SPE are discussed in more detail below.

Structured investment vehicles and conduits

Structured Investment Vehicles ('SIVs')

SIVs are SPEs which invest in diversified portfolios of interest-earning assets, generally funded through issues of commercial paper ('CP'), medium term notes ('MTN') and other senior debt to take advantage of the spread of differentials between the assets in the SIV and the funding cost. Prior to the implementation of Basel II, it was capital efficient to many bank investors to invest in highly-rated investment securities in this way. The group sponsored establishment of two SIVs, Cullinan Finance Limited ('Cullinan') and Asscher Finance Limited ('Asscher') in 2005 and 2007, respectively, and in November 2007 the group consolidated the SIVs.

Subsequently the SIVs were restructured and the group established three new securities investment conduits ('SICs') to take on the assets held in SIVs. Mazarin Funding Limited ('Mazarin'), an asset backed CP conduit, and Barion Funding Limited ('Barion'), a term-funding vehicle, were set up in respect of Cullinan; and Malachite Funding Limited ('Malachite'), a term-funding vehicle, was set up in respect of Asscher.

Conduits

The group sponsors and manages two types of conduits which issue CP; multi-seller securities and SICs. The group has consolidated these conduits from inception because it is exposed to the majority of risks and rewards of ownership.

Securities investment conduits

Solitaire purchases highly rated ABSs to facilitate tailored investment opportunities. The group's other SICs, Mazarin, Barion and Malachite, evolved from the restructuring of the group's sponsored SIVs as discussed above.

Multi-seller conduits

These vehicles were established for the purpose of providing access to flexible market-based sources of finance for the group's clients for example, to finance discrete pools of third-party originated trade and vehicle finance loan receivables.

Money market funds

The group has established, manages and has investments in a number of money market funds which provide customers with tailored investment opportunities with a set of narrow and well-defined objectives. The group consolidates a fund when the group's holding is of sufficient size to represent the majority of the risks and rewards of ownership or when the substance of the relation indicates that the group controls the fund.

Securitisations

The group uses SPEs to securitise customer loans and advances it has originated, mainly in order to diversify its sources of funding for asset origination and for capital efficiency purposes. The SPEs are not consolidated when the group is not exposed to the majority of risks and rewards of ownership.

Other SPEs

The group also establishes, in the normal course of business for a number of purposes, for example, structured credit transactions for customers and to provide finance to public and private sector infrastructure projects and for asset and structured finance transactions.

Structured credit transactions

The group provides structured credit transactions to third-party professional and institutional investors who wish to obtain exposure, sometimes on a leveraged basis, to a reference portfolio of debt instruments. In such structures, the investor receives returns referenced to the underlying portfolio by purchasing notes issued by the SPEs. The group enters into contracts with the SPEs, generally in the form of derivatives, in order to pass the required risks and rewards of the reference portfolios to the SPEs. The group's risk in relation to the derivative contracts with the SPEs is managed within the group's trading market risk framework.

Other uses of SPEs

The group participates in Public-Private Partnerships to provide financial support for infrastructure projects initiated by government authorities. The funding structure is commonly achieved through the use of SPEs. The group consolidates these SPEs when it is exposed to the majority of risks and rewards of the vehicles.

The group's Asset and Structured Finance ('ASF') business specialises in leasing and arranging finance for aircraft and other physical assets, which it is customary to ring-fence through the use of SPEs, and in structured loans and deposits, where SPEs introduce cost efficiencies. The group consolidates these SPEs when the substance of the relationship indicates that the group controls the SPE.

Third party sponsored SPEs

The group's exposure to third party sponsored SIVs, conduits and securitisations have arisen through normal banking arrangements on standard market terms through standby liquidity facility commitments.

Other off-balance sheet arrangements

Financial guarantees, letters of credit and similar undertakings

Note 39 describes various types of guarantees and discloses the maximum potential future payments under such arrangements.

Commitments to lend

The group generally has the right to change or terminate any conditions of a personal customer's overdraft, credit card or other credit line upon notification to the customer. In respect of corporate commitments to lend, in most cases the group's position will be protected through restrictions on access to funding in the event of material adverse change

Leveraged finance transactions

Loan commitments in respect of leveraged finance transactions are accounted for as derivatives where it is the group's intention to sell the loan after origination.

39 Contingent liabilities, commitments and guarantees

	The group		The bank	
	2008 £m	2007 £m	2008 £m	2007 £m
Guarantees and other contingent liabilities				
Guarantees and irrevocable letters of credit pledged as collateral security	21,310	18,972	13,787	10,816
Other contingent liabilities	110	75	–	–
	21,420	19,047	13,787	10,816
Commitments[1]				
Documentary credits and short-term trade-related transactions	2,204	1,621	961	447
Forward asset purchases and forward deposits placed	493	38	–	–
Undrawn note issuing and revolving underwriting facilities	–	19	–	–
Undrawn formal standby facilities, credit lines and other commitments to lend[2]	151,694	144,341	102,626	101,879
	154,391	146,019	103,487	102,326

1 *Excluding capital commitments, which are separately disclosed below.*
2 *Based on original contractual maturity.*

The table above discloses the nominal principal amounts of contingent liabilities, commitments and guarantees. They are mainly credit-related instruments which include both financial and non-financial guarantees and commitments to extend credit. Nominal principal amounts represent the amounts at risk should contracts be fully drawn upon and clients default. As a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of these nominal principal amounts is not representative of future liquidity requirements.

Financial Services Compensation Scheme

The Financial Services Compensation Scheme ('FSCS') has provided compensation to consumers following the collapse of a number of deposit takers such as Bradford & Bingley plc, Heritable Bank plc, Kaupthing Singer & Friedlander Limited, Landsbanki 'Icesave' and London Scottish Bank plc. The compensation paid out to consumers is currently funded through loans from the Bank of England and HM Treasury. The bank could be liable to pay a proportion of the outstanding borrowings that the FSCS has borrowed from HM Treasury which at 16 December 2008 stood at £19.7 billion. The bank is also obligated to pay its share of forecast management expenses based on the bank's market share of deposits protected under the FSCS. The bank has accrued £86 million as at 31 December 2008 in respect of the share of forecast management expense, including interest costs, for the 2008/9 and 2009/10 levy years. This accrual is based on the bank's estimated share of total market protected deposits at 31 December 2007 and 2008, respectively. However, the ultimate FSCS levy to the industry as a result of the 2008 collapses cannot currently be estimated reliably as it is dependent on various uncertain factors including the potential recoveries of assets by the FSCS and changes in the interest rate, the level of protected deposits and the population of FSCS members at the time.

Guarantees

The group provides guarantees and similar undertakings on behalf of both third party customers and other entities within the group. These guarantees are generally provided in the normal course of the group's banking business. The principal types of guarantees provided, and the maximum potential amount of future payments which the group could be required to make, were as follows:

Notes on the Financial Statements (continued)

The group

	At 31 December 2008		At 31 December 2007	
	Guarantees in favour of third parties £m	**Guarantees by the group in favour of other HSBC group entities £m**	Guarantees in favour of third parties £m	Guarantees by the group in favour of other HSBC group entities £m
Guarantee type				
Financial guarantee contracts[1]	**9,972**	**996**	8,957	1,266
Standby letters of credit which are financial guarantee contracts[2]	**791**	**57**	752	68
Other direct credit substitutes[3]	**244**	**3**	191	6
Performance bonds[4]	**2,395**	**43**	1,751	29
Bid bonds[4]	**75**	**2**	129	4
Standby letters of credit related to particular transactions[4]	**486**	**–**	412	–
Other transaction-related guarantees[4]	**5,891**	**26**	5,215	71
Other items	**439**	**–**	196	–
Total	**20,293**	**1,127**	17,603	1,444

The bank

	At 31 December 2008		At 31 December 2007	
	Guarantees in favour of third parties £m	**Guarantees by the bank in favour of other HSBC group entities £m**	Guarantees in favour of third parties £m	Guarantees by the bank in favour of other HSBC group entities £m
Guarantee type				
Financial guarantee contracts[1]	**7,057**	**2,693**	6,382	1,069
Standby letters of credit which are financial guarantee contracts[2]	**5**	**–**	–	–
Other direct credit substitutes[3]	**–**	**–**	1	–
Performance bonds[4]	**898**	**36**	648	22
Bid bonds[4]	**17**	**2**	19	3
Standby letters of credit related to particular transactions[4]	**76**	**–**	74	–
Other transaction-related guarantees[4]	**2,651**	**24**	2,461	16
Other items	**328**	**–**	121	–
Total	**11,032**	**2,755**	9,706	1,110

1 *Financial guarantees contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss incurred because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. The amounts in the above table are nominal principal amounts.*
2 *Standby letters of credit which are financial guarantee contracts are irrevocable obligations on the part of the group and/or the bank to pay third parties when customers fail to make payments when due.*
3 *Other direct credit substitutes include re-insurance letters of credit and trade-related letters of credit issued without provision for the issuing entity to retain title to the underlying shipment.*
4 *Performance bonds, bid bonds, standby letters of credit and other transaction-related guarantees are undertakings by which the obligation on the group and/or the bank to make payment depends on the outcome of a future event.*

The amounts disclosed in the above table reflect the group's maximum exposure under a large number of individual guarantee undertakings. The risks and exposures arising from guarantees are captured and managed in accordance with the group's overall credit risk management policies and procedures. Guarantees with terms of more than one year are subject to the group's annual credit review process.

Other commitments

At 31 December 2008, the group had commitments to purchase, within one year, land and buildings and other fixed assets from a number of suppliers for a value of £368 million (2007: £282 million).

Joint ventures and associates

The group had no contingent liabilities or commitments in relation to joint ventures or associates, incurred jointly or otherwise.

40 Lease commitments

Finance lease commitments

The group leases land and buildings (including branches) and equipment from third parties under finance lease arrangements to support its operations.

	2008			2007		
	Total future minimum payments £m	**Interest charges £m**	**Present value £m**	Total future minimum payments £m	Interest charges £m	Present value £m
No later than one year	**21**	**(20)**	**1**	13	(12)	1
Later than one year and no later than five years	**97**	**(92)**	**5**	51	(51)	–
Later than five years	**504**	**(178)**	**326**	415	(87)	328
	622	**(290)**	**332**	479	(150)	329

At 31 December 2008 future minimum sublease payments of £314 million (2007: £232 million) were expected to be received under non-cancellable subleases at the balance sheet date.

Operating lease commitments

At 31 December 2008, the group was obligated under a number of non-cancellable operating leases for properties, plant and equipment for which the future minimum lease payments extend over a number of years.

	Land and buildings	
	2008 £m	2007 £m
Future minimum lease payments under non-cancellable operating leases expiring:		
– no later than one year	**122**	110
– later than one year and no later than five years	**394**	367
– later than five years	**533**	540
	1,049	1,017

In 2008, £105 million (2007: £117 million) was charged to 'General and administrative expenses' in respect of lease and sublease agreements, all of which related to minimum lease payments.

Finance lease receivables

	2008			2007		
	Total future minimum payments £m	**Unearned finance income £m**	**Present value £m**	Total future minimum payments £m	Unearned interest income £m	Present value £m
Lease receivables:						
– no later than one year	**1,209**	**(152)**	**1,057**	729	(141)	588
– later than one year and no later than five years	**2,829**	**(584)**	**2,245**	2,222	(493)	1,729
– later than five years	**4,367**	**(1,444)**	**2,923**	3,502	(1,146)	2,356
	8,405	**(2,180)**	**6,225**	6,453	(1,780)	4,673

At 31 December 2008, unguaranteed residual values of £108 million (2007: £85 million) had been accrued, and the accumulated allowance for uncollectible minimum lease payments receivable amounted to nil (2007: Nil).

In 2008, £ nil (2007: Nil) was received as contingent rents and recognised in 'Other operating income'.

Operating lease receivables

The group leases a variety of different assets to third parties under operating and finance lease arrangements, including rolling stock, property, aircraft and general plant and machinery.

	Equipment	
	2008	2007
	£m	£m
Future minimum lease payments under non-cancellable operating leases expiring:		
– no later than one year	290	237
– later than one year and no later than five years	429	670
– later than five years	76	199
	795	1,106

41 Litigation

On 27 July 2007, the UK Office of Fair Trading ('OFT') issued High Court legal proceedings against a number of UK financial institutions, including HSBC Bank plc, to determine the legal status and enforceability of certain of the charges applied to their personal customers in relation to unauthorised overdrafts (the 'charges'). Pending the resolution of the proceedings, the Financial Services Authority ('FSA') has granted firms (including HSBC Bank plc) a waiver enabling them to place relevant complaints about the charges on hold and the County Courts have stayed all individual customer claims.

Certain preliminary issues in these proceedings have been heard in the Commercial Division of the High Court. This has confirmed that HSBC Bank plc's current and historic charges are capable of being tested for fairness but are not capable of being penalties. HSBC Bank plc (and all the other financial institutions involved in the legal proceedings) appealed the findings that the charges are capable of being tested for fairness. The Court of Appeal delivered its judgment on 26 February 2009, confirming the decision of the High Court that the charges of HSBC Bank plc (and all of the other financial institutions involved in the legal proceedings) are capable of being tested for fairness. HSBC Bank plc is considering applying for leave to appeal to the House of Lords.

The proceedings remain at an early stage and may, allowing for further appeals on the issues, take some time to conclude. A wide range of outcomes is possible, depending upon the outcome of any appeal to the House of Lords and, to the extent applicable, upon the Court's assessment of the fairness of each charge across the period under review. Since July 2001, there have been a variety of charges applied by HSBC Bank plc across different charging periods under the then existing contractual arrangements. HSBC Bank plc considers the charges to be and to have been valid and enforceable, and intends strongly to defend its position.

If, contrary to the bank's current assessment, the Court should ultimately (after appeals) reach an adverse decision that results in a liability for it, a large number of different outcomes is possible, each of which would have a different financial impact. Given that there is limited authority on how an assessment of fairness should be conducted, the bank's estimate of the potential financial impact could be in the order of £350 million, as published in the *Interim Report 2008*. To make an estimate of the potential financial impact at this stage with any precision is extremely difficult, owing to (among other things) the complexity of the issues, the number of permutations of possible outcome, and the early stage of the proceedings. In addition, the assumptions made by the bank may prove to be incorrect.

On 11 December 2008, Bernard L. Madoff ('Madoff') was arrested and charged in the United States District Court for the Southern District of New York with one count of securities fraud. That same day, the SEC filed securities fraud charges against Madoff and his firm Bernard L. Madoff Investment Securities LLC (Madoff Securities), a broker dealer and investment advisor registered with the SEC. The criminal complaint and SEC complaint each alleged that Madoff had informed senior Madoff Securities employees, in substance, that his investment advisory business was a fraud. On 15 December 2008, on the application of the Securities Investor Protection Corporation, the United States District Court for the Southern District of New York appointed a trustee for the liquidation of the business of Madoff Securities, and removed the liquidation proceeding to the United States Bankruptcy Court for the Southern District of New York. On 9 February 2009, on Madoff's consent, the United States District Court for the Southern District of New York entered a partial judgment in the SEC action, permanently enjoining Madoff from

violating certain antifraud provisions of the U.S. securities laws, ordering Madoff to pay disgorgement, prejudgment interest and a civil penalty in amounts to determined at a later time, and continuing certain other relief previously imposed, including a freeze on Madoff's assets. The relevant U.S. authorities are continuing their investigations into the alleged fraud. There remains significant uncertainty as to the facts of the alleged fraud and the extent of any assets of, and remaining within, Madoff Securities.

Various non-US HSBC group companies provide custodial, administration and similar services to a number of funds incorporated outside the United States of America whose assets were invested with Madoff Securities. Based on information provided by Madoff Securities, as at 30 November 2008, the aggregate net asset value of these funds (which would include principal amounts invested and unrealised gains) was £5.6 billion.

Proceedings concerning Madoff and Madoff Securities have already been issued in various jurisdictions against numerous defendants and the group expects further proceedings to be brought, including by the Madoff Securities trustee. Various group companies have been named as defendants in suits in the United States seeking class action status and cases in the Commercial List of the Irish courts. All of the cases where group companies are named as a defendant are at a very early stage. The group considers that it has good defences to these claims and will continue to defend them vigorously. The group is unable reliably to estimate the liability, if any, that might arise as a result of such claims.

Various group companies have also received requests for information from various regulatory authorities in connection with the alleged fraud by Madoff. The group companies are co-operating with these requests for information.

These actions apart, the group is party to legal actions in a number of jurisdictions arising out of its normal business operation. The group considers that none of the actions is material, and none is expected to result in a significant adverse effect on the financial position of the group, either individually or in the aggregate. Management believes that adequate provisions have been made in respect of the litigation arising out of its normal business operations. The group has not disclosed any contingent liability associated with these legal actions because it is not practical to do so.

42 Related party transactions

The ultimate parent company of the group is HSBC Holdings plc, which is incorporated in England.

The group's related parties include the parent, fellow subsidiaries, associates, joint ventures, post-employment benefit plans for the benefit of HSBC employees, key management personnel, close family members of Key Management Personnel and entities which are controlled, jointly controlled or significantly influenced by Key Management Personnel or their close family members.

(a) Transactions with Directors and other Key Management Personnel

Key Management Personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of HSBC Bank plc and the Group and includes members of the Board of Directors of HSBC Bank plc and HSBC Holdings plc and Group Managing Directors of HSBC Holdings plc.

Compensation of Directors and other Key Management Personnel

	2008 £000	2007 £000
Short-term employee benefits	4,231	6,665
Post-employment benefits	65	395
Termination benefits	–	–
Share-based payment	2,357	4,432
	6,653	11,492

Notes on the Financial Statements (continued)

Shareholdings and options of Directors' and other Key Management Personnel

	Balance at 31 December 2008	Balance at 31 December 2007
Number of share options from equity participation plans held by Directors and other key management personnel (and their connected persons)	**1,033,747**	958,232
Number of shares held by Directors and other key management personnel (and their connected persons)	**17,498,156**	16,625,206

Transactions, arrangements and agreements including Directors and other Key Management Personnel

The table below set out transactions which fall to be disclosed under IAS 24 'Related Party Disclosures' between the group and the Key Management Personnel of both the bank and its parent company, HSBC Holdings plc, and their connected persons or controlled companies.

	2008			2007		
	Number of persons	**Highest balance during the year[1] £000**	**Balance at 31 December[1] £000**	Number of persons	Highest balance during the year[1] £000	Balance at 31 December[1] £000
Key Management Personnel and connected persons and companies controlled by them						
Loans	**70**	**103,594**	**49,776**	110	379,869	271,991
Credit cards	**59**	**452**	**196**	47	635	267
Guarantees	**5**	**6,753**	**5,684**	17	14,811	13,224

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The above transactions were made in the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with persons of a similar standing or, where applicable, with other employees. The transactions did not involve more than the normal risk of repayment or present other unfavourable features.

Transactions, arrangements and agreements including Directors and officers (Companies Act 1985)

In addition to the requirements of IAS 24, particulars of transactions, arrangements and agreements entered into by HSBC Bank plc and its subsidiaries with Directors and connected persons and companies controlled by them and with officers of HSBC Bank plc are required to be disclosed pursuant to section 232 of the Companies Act 1985. Under the Companies Act there is no requirement to disclose transactions with the Key Management Personnel of the bank's parent company, HSBC Holdings plc.

For 2007, officers comprised the members of the bank's Executive Committee who served during the year and the Company Secretary. For 2008, officers comprised the members of the Executive Committee and its successor, the European Management Committee, who served during the year, and the Company Secretary.

The table below sets out transactions which fall to be disclosed under section 232 of the Companies Act 1985.

The group	**2008** Number of persons	**2008** Balance at 31 December £000	2007[1] Number of persons	2007[1] Balance at 31 December £000
Directors				
Loans	**14**	**1,690**	12	1,478
Credit cards	**13**	**65**	20	51
Guarantees	–	–	1	12
Officers				
Loans	**19**	**7,039**	22	6,488
Credit cards	**19**	**81**	21	108
Guarantees	–	–	–	–

1 *Comparative figures for 2007 have been restated to show Directors, excluding their connected persons following a change to section 232 and Part 2 of Schedule 6 of the Companies Act.*

(b) Transactions with other related parties

Associates and joint ventures

The group

	2008 Highest balance during the year[1] £m	**2008** Balance at 31 December 2008[1] £m	2007 Highest balance during the year[1] £m	2007 Balance at 31 December 2007[1] £m
Amounts due from joint ventures				
– subordinated	–	–	–	–
– unsubordinated	**202**	**110**	216	202
Amounts due from associates				
– subordinated	–	–	19	–
– unsubordinated	–	–	33	–
Amounts due to joint ventures	**20**	**12**	20	20
Amounts due to associates	**1**	–	166	1

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The bank

	2008 Highest balance during the year[1] £m	**2008** Balance at 31 December 2008[1] £m	2007 Highest balance during the year[1] £m	2007 Balance at 31 December 2008[1] £m
Amounts due from joint ventures				
– subordinated	–	–	–	–
– unsubordinated	**161**	**110**	161	161
Amounts due from associates				
– subordinated	–	–	–	–
– unsubordinated	–	–	1	–
Amounts due to joint ventures	**12**	**10**	4	4
Amounts due to associates	**1**	–	29	1

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

Notes on the Financial Statements (continued)

Transactions of the group with HSBC Holdings plc and fellow subsidiaries of HSBC Holdings plc

Transactions detailed below include amounts due to/from HSBC Holdings plc.

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**214**	**53**	37	7
Financial assets designated at fair value	**21**	**21**	15	15
Derivatives	**–**	**–**	–	–
Loans and advances to banks	**–**	**–**	–	–
Loans and advances to customers	**343**	**56**	60	33
Financial investments	**58**	**58**	1	1
Other assets	**–**	**–**	–	–

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Liabilities				
Trading liabilities	**22**	**17**	13	12
Deposits by banks	**–**	**–**	–	–
Customer accounts	**8,582**	**3,406**	3,308	2,931
Derivatives	**–**	**–**	–	–
Subordinated amounts due	**3,047**	**3,047**	1,577	1,577
Guarantees	**–**	**–**	–	–

	For the year ended 31 December 2008 £m	For the year ended 31 December 2007 £m
Income Statement		
Interest income	**1**	–
Interest expense	**117**	111
Dividend income	**6**	14
Fee income	**–**	–
Fee expense	**–**	–
Trading income	**–**	–
Other operating income	**18**	–
General and administrative expenses	**82**	48

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Transactions detailed below include amounts due to/from fellow subsidiaries of HSBC Holdings plc

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**9,718**	**8,369**	9,895	7,453
Derivatives	**72,434**	**30,669**	24,494	7,445
Loans and advances to banks	**5,444**	**5,267**	5,968	5,968
Loans and advances to customers	**3,252**	**3,252**	1,646	1,102
Financial investments	**7,277**	**7,277**	5,829	5,829
Other assets	**7,497**	**212**	1,983	716

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Liabilities				
Trading liabilities	**25,241**	**25,241**	19,563	17,345
Deposits by banks	**9,116**	**7,594**	6,962	6,095
Customer accounts	**1,715**	**559**	2,131	1,429
Derivatives	**70,444**	**29,022**	26,536	8,966
Guarantees	**996**	**996**	151	116

	For the year ended 31 December 2008 £m	For the year ended 31 December 2007 £m
Income Statement		
Interest income	**495**	556
Interest expense	**269**	379
Dividend income	**–**	–
Fee income	**81**	99
Fee expense	**188**	135
Trading income	**392**	316
Other operating income	**15**	27
General and administrative expenses	**142**	120

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

Transactions between HSBC Bank plc and its subsidiaries, HSBC Holdings plc and fellow subsidiaries of HSBC Holdings plc

Transactions detailed below include amounts due to/from HSBC Bank plc and its subsidiaries.

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**36,824**	**27,184**	40,138	40,138
Derivatives	**56,747**	**32,375**	8,341	8,341
Loans and advances to banks	**4,982**	**2,521**	5,026	3,798
Loans and advances to customers	**18,397**	**18,313**	7,930	7,594
Financial investments	**851**	**851**	–	–
Other assets	–	–	–	–
Liabilities				
Trading liabilities	**19,690**	**11,479**	16,153	13,567
Deposits by banks	**21,560**	**21,560**	12,695	10,827
Customer accounts	**11,876**	**11,580**	11,470	11,470
Derivatives	**56,143**	**33,368**	8,056	8,056
Subordinated amounts due	**622**	**622**	–	–
Guarantees	**1,761**	**1,761**	998	998

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Notes on the Financial Statements (continued)

Transactions detailed below include amounts due to/from HSBC Bank plc and HSBC Holdings plc.

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**214**	**53**	37	7
Derivatives	–	–	–	–
Loans and advances to banks	–	–	–	–
Loans and advances to customers	**137**	**56**	60	33
Financial investments	–	–	–	–
Other assets	–	–	–	–
Liabilities				
Trading liabilities	**22**	**17**	13	12
Deposits by banks	–	–	–	–
Customer accounts	**3,680**	**3,398**	3,289	2,919
Derivatives	–	–	–	–
Subordinated amounts due	**3,047**	**3,047**	1,577	1,577
Guarantees	–	–	–	–

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Transactions detailed below include amounts due to/from HSBC Bank plc and fellow subsidiaries of HSBC Holdings plc.

	2008		2007	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**9,258**	**7,486**	8,803	6,634
Derivatives	**43,907**	**23,192**	5,335	5,255
Loans and advances to banks	**4,557**	**3,662**	4,890	4,329
Loans and advances to customers	**3,085**	**3,085**	982	982
Financial investments	–	–	–	–
Other assets	**3,561**	**231**	204	36

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Liabilities				
Trading liabilities	**23,613**	**23,613**	19,497	16,272
Deposits by banks	**5,980**	**3,146**	4,323	4,200
Customer accounts	**1,418**	**378**	1,850	1,147
Derivatives	**38,799**	**21,559**	5,826	5,826
Guarantees	**931**	**931**	113	70

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

Pension funds

At 31 December 2008, fees of £10.9 million (2007: £15.9 million) were earned by group companies for management services related to the group's pension funds held under management. The group's pension funds had placed deposits of £281 million (2007: £215 million) with its banking subsidiaries.

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

HSBC Bank (UK) Pension Scheme (the 'Scheme') has entered into swap transactions with the bank to manage the inflation and interest rate sensitivity of the liabilities. At 31 December 2008, the gross notional value of the swaps was £12,132 million (2007: £10,543 million), the swaps had a negative fair value of £1,220 million to the bank (2007: negative fair value of £124 million) and the bank had delivered collateral of £1,682 million (2007: £378 million) to the Scheme in respect of these swaps. All swaps were executed at prevailing market rates and within standard market bid-offer spreads.

In order to satisfy diversification requirements, the Trustee has requested special collateral provisions for the swap transactions between the bank and the Scheme. The collateral agreement stipulates that the Scheme never posts collateral to the bank. Collateral is posted to the Scheme by the bank at an amount that the Trustee is highly confident would be sufficient to replace the swaps in the event of default by the bank. Under the terms of the agreement, increases in collateral when required, are posted by the bank on a daily basis and any reductions of collateral are repaid to the bank on a monthly basis.

With the exception of the special collateral arrangements detailed above, all other aspects of the swap transactions between the bank and the Scheme are on substantially the same terms as comparable transactions with third party counterparties.

43 Events after the balance sheet date

There have been no material events after the balance sheet date which would require disclosure or adjustment to the 31 December 2008 financial statements.

On 30 January 2009, HSBC Holdings plc subscribed £527 million for one ordinary share of £1 credited as fully paid in the ordinary share capital of the bank.

These accounts were approved by the Board of Directors on 2 March 2009 and authorised for issue.

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Financial Statements

Consolidated income statement for the year ended 31 December 2007

	Notes	2007 £m	2006 £m
Interest income		16,439	13,339
Interest expense		(12,585)	(9,143)
Net interest income		**3,854**	4,196
Fee income		5,442	5,018
Fee expense		(1,258)	(1,276)
Net fee income		**4,184**	3,742
Trading income excluding net interest income		1,698	1,699
Net interest income on trading activities		1,789	927
Net trading income		**3,487**	2,626
Net income from financial instruments designated at fair value	4	**126**	59
Gains less losses from financial investments		**552**	239
Dividend income		**43**	50
Net earned insurance premiums	5	**1,921**	317
Other operating income		**307**	480
Total operating income		**14,474**	11,709
Net insurance claims incurred and movement in policyholders' liabilities	6	**(1,674)**	(91)
Net operating income before loan impairment charges and other credit risk provisions		**12,800**	11,618
Loan impairment charges and other credit risk provisions		**(1,043)**	(938)
Net operating income		**11,757**	10,680
Employee compensation and benefits	8	**(4,287)**	(3,929)
General and administrative expenses	9	**(2,872)**	(2,354)
Depreciation and impairment of property, plant and equipment	22	**(422)**	(410)
Amortisation and impairment of intangible assets and impairment of goodwill	21	**(142)**	(151)
Total operating expenses		**(7,723)**	(6,844)
Operating profit		**4,034**	3,836
Share of profit/ (loss) in associates and joint ventures		**47**	(40)
Profit before tax		**4,081**	3,796
Tax expense	11	**(767)**	(978)
Profit for the year		**3,314**	2,818
Profit attributable to shareholders of the parent company		**3,227**	2,722
Profit attributable to minority interests		**87**	96

Consolidated balance sheet at 31 December 2007

	Notes	2007 £m	2006 £m
ASSETS			
Cash and balances at central banks		**7,146**	3,618
Items in the course of collection from other banks		**2,434**	2,937
Trading assets	*15*	**153,206**	85,994
Financial assets designated at fair value	*16*	**14,969**	5,985
Derivatives	*17*	**60,470**	32,090
Loans and advances to banks	*31*	**60,764**	44,428
Loans and advances to customers	*31*	**227,687**	200,416
Financial investments	*18*	**69,528**	42,380
Interests in associates and joint ventures	*20*	**118**	923
Goodwill and intangible assets	*21*	**9,877**	9,251
Property, plant and equipment	*22*	**4,119**	4,408
Other assets	*24*	**5,936**	4,454
Deferred tax assets	*11*	**50**	29
Prepayments and accrued income		**5,976**	3,847
Total assets		**622,280**	440,760
LIABILITIES AND EQUITY			
Liabilities			
Deposits by banks	*31*	**48,786**	38,513
Customer accounts	*31*	**268,269**	227,350
Items in the course of transmission to other banks		**1,975**	2,428
Trading liabilities	*25*	**117,454**	52,080
Financial liabilities designated at fair value	*26*	**15,659**	9,460
Derivatives	*17*	**61,539**	32,743
Debt securities in issue	*31*	**50,921**	38,090
Retirement benefit liabilities	*8*	**674**	2,252
Other liabilities	*27*	**6,843**	4,614
Current tax liabilities		**467**	286
Liabilities under insurance contracts issued	*28*	**12,251**	1,886
Accruals and deferred income		**6,509**	4,196
Provisions	*29*	**427**	402
Deferred tax liabilities	*11*	**302**	142
Subordinated liabilities	*30*	**5,205**	5,380
Total liabilities		**597,281**	419,822
Equity			
Called up share capital	*35*	**1,797**	797
Share premium account	*36*	**15,499**	14,558
Other reserves	*36*	**(221)**	78
Retained earnings	*36*	**7,348**	4,966
Total equity attributable to shareholders of the parent company		**24,423**	20,399
Minority interests	*36*	**576**	539
Total equity		**24,999**	20,938
Total equity and liabilities		**622,280**	440,760

S K Green, *Chairman*
M F Geoghegan, *Deputy Chairman*
D D J John, *Chief Executive*
J H McKenzie, *Secretary*

3 March 2008

Financial Statements (continued)

Consolidated statement of recognised income and expense for the year ended 31 December 2007

	2007 £m	2006 £m
Available-for-sale investments:		
– valuation (losses)/ gains taken to equity	**(964)**	258
– transferred to income statement on disposal net of impairment	**(501)**	(179)
Cash flow hedges:		
– losses taken to equity	**(71)**	(64)
– transferred to income statement	**33**	(118)
Exchange differences arising on net investments in foreign operations	**1,109**	(617)
Share of changes in equity of associates and joint ventures	**101**	137
Actuarial gains on post-employment benefits	**1,267**	9
	974	(574)
Tax on items taken directly to equity	**(311)**	29
Total net income/ (expense) taken directly to equity during the year	**663**	(545)
Profit for the year	**3,314**	2,818
Total recognised income and expense for the year	**3,977**	2,273
Total recognised income and expense for the year attributable to:		
– shareholders of the parent company	**3,875**	2,198
– minority interests	**102**	75

Consolidated cash flow statement for the year ended 31 December 2007

	Notes	2007 £m	2006 £m
Cash flows from operating activities			
Profit before tax		**4,081**	3,796
Adjustments for:			
– non-cash items included in profit before tax	*37*	**2,023**	1,861
– change in operating assets	*37*	**(56,617)**	(26,052)
– change in operating liabilities	*37*	**83,551**	39,302
– elimination of exchange differences[1]		**(1,792)**	761
– net gain from investing activities		**(552)**	(239)
– share of (profits)/ losses in associates and joint ventures		**(47)**	40
– distributions from/ (to) associates		7	(50)
– contributions paid for defined benefit pension schemes		**548**	142
– tax paid		**(872)**	(766)
Net cash from operating activities		**30,330**	18,795
Cash flows used in investing activities			
Purchase of financial investments		**(71,980)**	(46,621)
Proceeds from the sale of financial investments		**43,217**	46,118
Purchase of property, plant and equipment		**(578)**	(628)
Proceeds from the sale of property, plant and equipment		**67**	179
Purchase of goodwill and intangible assets		**(123)**	(147)
Net cash outflow from acquisition of and increase in stake of subsidiaries		**9**	7
Net cash outflow from acquisition of and increase in stake of associates		**(118)**	(259)
Proceeds from disposal of associates		**982**	270
Purchases of HSBC Holdings plc shares to satisfy share based payment transactions		**182**	142
Net cash used in investing activities		**(28,342)**	(939)
Cash flows used in financing activities			
Issue of share capital		**1,510**	675
Subordinated loan capital issued		**59**	1,207
Subordinated loan capital repaid		**10**	(411)
Dividends paid to shareholders		**(1,706)**	(1,591)
Dividends paid to minority interests		**(7)**	(9)
Net cash used in financing activities		**(134)**	(129)
Net increase in cash and cash equivalents		**1,854**	17,727
Cash and cash equivalents at 1 January		**46,721**	30,515
Effect of exchange rate changes on cash and cash equivalents		**2,660**	(1,521)
Cash and cash equivalents at 31 December	*37*	**51,235**	46,721

1 *Adjustment to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.*

Notes on the Financial Statements (continued)

HSBC Bank plc balance sheet at 31 December 2007

	Notes	2007 £m	2006 £m
ASSETS			
Cash and balances at central banks		**3,677**	2,496
Items in the course of collection from other banks		**1,377**	1,367
Trading assets	*15*	**149,102**	62,729
Financial assets designated at fair value	*16*	**3,439**	–
Derivatives	*17*	**46,325**	24,361
Loans and advances to banks	*31*	**32,028**	25,121
Loans and advances to customers	*31*	**150,649**	143,964
Financial investments	*18*	**13,821**	12,135
Interests in associates and joint ventures	*20*	**46**	255
Investments in subsidiary undertakings	*23*	**15,754**	14,546
Goodwill and intangible assets	*21*	**540**	557
Property, plant and equipment	*22*	**1,078**	1,521
Other assets	*24*	**2,077**	2,014
Deferred tax assets	*11*	**515**	873
Prepayments and accrued income		**3,601**	2,147
Total assets		**424,029**	294,086
LIABILITIES AND EQUITY			
Liabilities			
Deposits by banks	*31*	**41,061**	29,182
Customer accounts	*31*	**184,899**	164,054
Items in the course of transmission to other banks		**1,056**	1,019
Trading liabilities	*25*	**99,755**	35,215
Financial liabilities designated at fair value	*26*	**8,082**	4,736
Derivatives	*17*	**47,536**	24,967
Debt securities in issue	*31*	**8,117**	5,408
Retirement benefit liabilities	*8*	**551**	2,069
Other liabilities	*27*	**2,874**	2,414
Current taxation		**198**	106
Accruals and deferred income		**4,214**	2,572
Provisions	*29*	**163**	105
Deferred tax liabilities	*11*	**2**	33
Subordinated liabilities	*30*	**4,744**	4,999
Total liabilities		**403,252**	276,879
Equity			
Called up share capital	*35*	**1,797**	797
Share premium account	*36*	**15,499**	14,558
Other reserves	*36*	**327**	202
Retained earnings	*36*	**3,154**	1,650
Total equity		**20,777**	17,207
Total equity and liabilities		**424,029**	294,086

S K Green, *Chairman*
M F Geoghegan, *Deputy Chairman*
D D J John, *Chief Executive*
J H McKenzie, *Secretary*

3 March 2008

HSBC Bank plc statement of recognised income and expense for the year ended 31 December 2007

	2007 £m	2006 £m
Available-for-sale investments:		
– valuation gains taken to equity	**238**	63
– transferred to income statement on disposal or impairment	**(167)**	2
Cash flow hedges:		
– gains taken to equity	**10**	56
– transferred to income statement	**19**	(35)
Exchange differences arising on net investments in foreign operations	**(10)**	(1)
Actuarial gains/(losses) on post-employment benefits	**1,231**	(10)
	1,321	75
Tax on items taken directly to equity	**(364)**	(42)
Total net income taken directly to equity during the year	**957**	33
Profit for the year	**2,351**	1,896
Total recognised income and expense for the year attributable to shareholders of the parent company	**3,308**	1,929

Financial Statements (continued)

HSBC Bank plc cash flow statement for the year ended 31 December 2007

	Notes	2007 £m	2006 £m
Cash flows (used in)/ from operating activities			
Profit before tax		**2,859**	2,335
Adjustments for:			
– non-cash items included in net profit	*37*	**1,607**	1,267
– change in operating assets	*37*	**(44,754)**	(13,812)
– change in operating liabilities	*37*	**39,363**	21,446
– elimination of exchange differences[1]		**(2,046)**	(160)
– net gain from investing activities		**(167)**	(48)
– contribution paid for defined pension schemes		**535**	127
– tax paid		**(428)**	(323)
Net cash (used in)/ from operating activities		**(3,031)**	10,832
Cash flows (used in)/ from investing activities			
Purchase of financial investments		**(20,361)**	(17,398)
Proceeds from the sale of financial investments		**19,027**	20,315
Purchase of property, plant and equipment		**(307)**	(373)
Proceeds from the sale of property, plant and equipment		**59**	148
Purchase of goodwill and intangible assets		**(97)**	(110)
Net cash outflow from acquisition/increase stake in associates		**(61)**	(98)
Proceeds from disposal of associates		**298**	46
Purchases of HSBC Holdings plc shares to satisfy share based payment transactions		**26**	84
Net cash (used in)/ from investing activities		**(1,416)**	2,614
Cash flows used in financing activities			
Issue of ordinary share capital		**1,510**	675
Subordinated loan capital issued		**–**	1,110
Subordinated loan capital repaid		**22**	(400)
Dividends paid		**(1,706)**	(1,591)
Net cash used in financing activities		**(174)**	(206)
Net (decrease)/ increase in cash and cash equivalents		**(4,621)**	13,240
Cash and cash equivalents at 1 January		**26,485**	14,053
Effect of exchange rate changes on cash and cash equivalents		**728**	(808)
Cash and cash equivalents at 31 December	*37*	**22,592**	26,485

1 *Adjustment to bring changes between opening and closing balance sheet amounts to average rates. This is not done on a line-by-line basis, as details cannot be determined without unreasonable expense.*

Notes on the Financial Statements

1 Basis of preparation

(a) Compliance with International Financial Reporting Standards

The group has prepared its consolidated and parent company financial statements in accordance with International Financial Reporting Standards ('IFRSs') as endorsed by the European Union ('EU'). EU-endorsed IFRSs may differ from IFRSs as published by the International Accounting Standards Board ('IASB') if, at any point in time, new or amended IFRSs have not been endorsed by the EU. At 31 December 2007, there were no unendorsed standards effective for the year ended 31 December 2007 affecting these consolidated and parent company financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the group. Accordingly, the group's financial statements for the year ended 31 December 2007 are prepared in accordance with IFRSs as issued by the IASB.

IFRSs comprise accounting standards issued by the IASB and its predecessor body as well as interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC') and its predecessor body.

The significant accounting policies applied in the preparation of these financial statements are set out in Note 2 below.

On 1 January 2007, the group adopted IFRIC 10 'Interim Financial Reporting and Impairment'. The application of this interpretation had no significant effect on the consolidated financial statements.

During 2007, the group changed the presentation of its business segments to include 'Other' as an additional segment. All prior period comparative data have been restated to conform to the current year presentation. Additional information on this is set out in Note 2(c).

(b) Presentation of information

In publishing the parent company financial statements together with the group financial statements, the group is taking advantage of the exemption in s230 of the Companies Act 1985 not to present its individual income statement and related notes that form part of these approved financial statements.

The group has taken advantage of the exemption under Regulation 7 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993 from certain partnerships that are consolidated by the group presenting their own individual financial statements under IFRSs.

The audited capital management information presented on pages 17 to 22 also forms part of these financial statements.

(c) Consolidation

The consolidated financial statements of HSBC Bank plc comprise the financial statements of the bank and its subsidiaries made up to 31 December. Newly acquired subsidiaries are consolidated from the date that control is transferred to the group. The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured at the fair value of the consideration given at the date of exchange, together with costs directly attributable to that acquisition. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair value of the group's share of the identifiable assets, liabilities and contingent liabilities acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the group's share of the identifiable assets, liabilities and contingent liabilities of the business required, the difference is recognised immediately in the income statement. Entities that are controlled by the group are consolidated until the date that control ceases.

For Special Purpose Entities ('SPEs'), the following circumstances may indicate a relationship in which, in substance, the group controls and, consequently, consolidates an SPE:

- the activities of the SPE are being conducted on behalf of the group according to its specific business needs so that the group obtains benefits from the SPE's operation;
- the group has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the group has delegated these decision-making powers;

- the group has the rights to obtain the majority of benefits of the SPE and therefore may be exposed to risks incidental to the activities of the SPE; or
- the group retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.

All intra-group transactions are eliminated on consolidation.

The consolidated financial statements of the group also include the attributable share of the results and reserves of joint ventures and associates. These are based on financial statements made up to dates not earlier than three months prior to 31 December, adjusted for the effect of any significant transactions or events that occur between that date and the group's reporting date.

(d) Future accounting developments

Standards and Interpretations issued by the IASB and endorsed by the EU

IFRS 8 'Operating Segments', which replaces IAS 14 'Segment Reporting', was issued on 30 November 2006 and is effective for annual periods beginning on or after 1 January 2009. This standard specifies how an entity should report information about its operating segments, based on information about the components of the entity that the chief operating decision maker uses to make operating decisions. The group currently presents two sets of segments in accordance with IAS 14, one geographical and one based on customer groups, which reflect the way the businesses of the group are managed. It is anticipated that IFRS 8 will be adopted by the group with effect from 1 January 2009, and will accordingly present segmental information which reflects the operating segments used to make operating decisions at that time.

IFRIC 11 'Group and Treasury Share Transactions' was issued on 2 November 2006 and is effective for annual periods beginning on or after 1 March 2007. IFRIC 11 requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments required are obtained. The interpretation also provides guidance on whether share-based payment arrangements in which suppliers of goods or services of an entity are provided with equity instruments of the entity's parent should be accounted for as cash-settled or equity-settled in the entity's financial statements. It is anticipated that this interpretation will be adopted with effect from 1 January 2008, and will have an impact on the group which is currently being assessed.

Standards and Interpretations issued by the IASB but not endorsed by the EU

The IASB issued a revised IAS 23 'Borrowing Costs' on 29 March 2007, which is applicable for annual periods beginning on or after 1 January 2009. The revised Standard eliminates the option of recognising borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset. Adoption of the revised Standard is not expected to have a significant impact on group results.

IFRIC 12 'Service Concession Arrangements' ('IFRIC 12') was issued on 30 November 2006 and is effective for annual periods beginning on or after 1 January 2008. IFRIC 12 provides guidance on service concession arrangements by which a government or other public sector entity grants contracts for the supply of public services to the private sector operators. IFRIC 12 addresses how service concession operators should apply existing IFRSs to account for the obligations they undertake and the rights they receive in service concession arrangements. IFRIC 12 is unlikely to have a material effect on the group.

IFRIC 13 'Customer Loyalty Programmes' ('IFRIC 13') was issued on 28 June 2007 and is effective for annual periods beginning on or after 1 July 2008. IFRIC 13 addresses how companies that grant their customers loyalty award credits (often called 'points') when buying goods or services should account for their obligation to provide free or discounted goods or services, if and when the customers redeem the points. IFRIC 13 requires companies to allocate some of the proceeds of the initial sale to the award credits and recognise these proceeds as revenue only when they have fulfilled their obligations to provide the goods or services. The group is currently assessing the effect of this interpretation.

IFRIC 14 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction' ('IFRIC 14') was issued on 5 July 2007 and is effective for annual periods beginning on or after

1 January 2008. IFRIC 14 provides guidance regarding the circumstances under which refunds and future reductions in contributions from a defined benefit plan can be regarded as available to an entity for the purpose of recognising a net defined benefit asset. Additionally, in jurisdictions where there is both a minimum funding requirement and restrictions over the amounts that companies can recover from the plan, either as refunds or reductions in contribution, additional liabilities may need to be recognised. IFRIC 14 is not expected to have a significant impact on the group.

A revised IAS 1 'Presentation of Financial Statements', which is applicable for annual periods beginning on or after 1 January 2009, was issued on 6 September 2007. The revised standard aims to improve users' ability to analyse and compare information given in financial statements. Adoption of the revised standard will have no effect on the results reported in the group's consolidated financial statements but will change the presentation of the results and financial position of the group in certain respects.

The IASB issued an amendment to IFRS 2 'Share-based Payment' on 17 January 2008. The amendment, which is applicable for annual periods beginning on or after 1 January 2009, clarifies that vesting conditions comprise only service conditions and performance conditions. It also specifies the accounting treatment for a failure to meet a non-vesting condition. Adoption of the amendment is unlikely to have a significant effect on the group's consolidated financial statements.

A revised IFRS 3 'Business Combinations' and an amended IAS 27 'Consolidated and Separate Financial Statements', were issued on 10 January 2008. The revisions to the standards apply prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual financial reporting period beginning on or after 1 July 2009. The main changes under the standards are that:

- acquisition-related costs are recognised as expenses in the income statement in the period they are incurred;
- equity interests held prior to control being obtained are remeasured to fair value at the time control is obtained, and any gain or loss is recognised in the income statement;
- changes in a parent's ownership interest in a subsidiary that do not result in a change of control are treated as transactions between equity holders and reported in equity; and
- an option is available, on a transaction-by-transaction basis, to measure any non-controlling interests (previously referred to as minority interests) in the entity acquired either at fair value, or at the non-controlling interest's proportionate share of the net identifiable assets of the entity acquired.

The effect that the changes will have on the results and financial position of the group will depend on the incidence and timing of business combinations occurring on or after 1 January 2010.

The IASB issued amendments to IAS 32 'Financial Instruments: Presentation' and IAS 1 'Presentation of Financial Statements', – 'Puttable Financial Instruments and Obligations Arising on Liquidation', on 14 February 2008. The amendments are applicable for annual periods beginning on or after 1 January 2009. The effect of the amendments, if any, on the consolidated financial statements is currently being assessed by the group.

2 Summary of significant accounting policies

(a) Interest income and expense

Interest income and expense for all interest-bearing financial instruments except for those classified as held-for-trading or designated at fair value (other than debt issued by the group and related derivatives) are recognised in 'Interest income' and 'Interest expense' in the income statement using the effective interest method. The effective interest method is a way of calculating the amortised cost of a financial asset or a financial liability (or groups of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the group estimates cash flows considering all contractual terms of the financial instrument but not future credit losses. The calculation includes all amounts paid or received by the group that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Interest on impaired financial assets is calculated by applying the original effective interest rate of the financial asset to the carrying amount as reduced by any allowance for impairment.

(b) Non interest income

Fee income

The group earns fee income from a diverse range of services provided to its customers. Fee income is accounted for as follows:

- income earned on the execution of a significant act is recognised as revenue when the act is completed (for example, fees arising from negotiating, or participating in the negotiation of, a transaction for a third party, such as the arrangement for the acquisition of shares or other securities);
- income earned from the provision of services is recognised as revenue as the services are provided (for example, asset management, portfolio and other management advisory and service fees); and
- income which forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate (for example, certain loan commitment fees) and recorded in 'Interest income' (Note 2(a)).

Net income from financial instruments designated at fair value

'Net income from financial instruments designated at fair value' includes all gains and losses from changes in the fair value of financial assets and financial liabilities designated at fair value through profit or loss. Interest income and expense and dividend income arising on those financial instruments are also included, except for debt securities in issue and derivatives managed in conjunction with debt securities in issue. Interest on these instruments is shown in 'Net interest income'.

Net trading income

Net trading income comprises all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading, together with related interest income, expense and dividends.

Dividend income

Dividend income is recognised when the right to receive payment is established. This is the ex-dividend date for equity securities.

(c) Segment reporting

The group is organised into three geographical regions, the United Kingdom, Continental Europe and Rest of the World and manages its business through seven business segments: UK Personal Financial Services; UK Commercial Banking; UK Global Banking and Markets; International Banking; France; Private Banking; and HSBC Trinkaus & Burkhardt. The 'Other' segment comprises activities, operations and sources of income and expense which are not allocated to any of the other business segments. This includes movements in fair value on debt securities issued by the group designated at fair value and exchange movements on foreign-currency denominated equity instruments issued by the group. Segment income and expenses include transfers between geographical regions and transfers between business segments. These transfers are conducted at arms length.

(d) Determination of fair value

All financial instruments are recognised initially at fair value. In the normal course of business, the fair value of a financial instrument on initial recognition is the transaction price (that is, the fair value of the consideration given or received). In certain circumstances, however, the initial fair value will be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only data from observable markets, such as interest rate yield curves, option volatilities and currency rates. When such evidence exists, the group recognises a trading gain or loss at inception of the financial instrument. When unobservable market data have a significant impact on the valuation of financial instruments, the entire initial difference in fair value indicated by the valuation model from the transaction price is not recognised immediately in the income statement but is recognised over the life of the

transaction on an appropriate basis, or when the inputs become observable, or the transaction matures or is closed out, of when the group enters into an offsetting transaction.

Subsequent to initial recognition, the fair values of financial instruments are quoted in active markets are based on bid prices for assets held and offer prices for liabilities issued. When independent prices are not available, fair values are determined by using valuation techniques which refer to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. For financial instruments, fair values may be determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from current market transactions or observable market data.

When fair values are calculated using valuation techniques factors such as bid-offer spread, credit profile and model uncertainty are taken into account as appropriate. Valuation techniques incorporate assumptions that other market participants would use in their valuations, including assumptions about interest rate yield curves, exchange rates, volatilities and prepayment and default rates. Where a portfolio of financial instruments has quoted prices in an active market, the fair value of the instruments are calculated as the product of the number of units and quoted price and no block discounts are made.

If the fair value of a financial asset measured at fair value becomes negative, it is recorded as a financial liability until its fair value becomes positive, at which time it is recorded as a financial asset.

The fair values of financial liabilities are measured using quoted market prices where available, or using valuation techniques. These fair values include market participants' assessments of the credit quality of the group's liabilities. The amount of change during the period, and cumulatively, in the fair value of designated financial liabilities and loans and advances that is attributable to changes in their credit risk is determined as the amount of change in the fair value that is not attributable to changes in market conditions that give rise to market risk.

(e) Loans and advances to banks and customers

Loans and advances to banks and customers include loans and advances originated by the group which are not intended to be sold in the short term and have not been classified either as held for trading or designated at fair value through profit and loss. Loans and advances are recognised when cash is advanced to borrowers. They are derecognised when either borrowers repay their obligations, or the loans are sold or written off or substantially all the risks and rewards of ownership are transferred. They are initially recorded at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method, less impairment losses. Where loans and advances are hedged by derivatives designated and qualifying as fair value hedges, the carrying value of the loans and advances so hedged includes a fair value adjustment for the hedged risk only.

(f) Loan impairment

Losses for impaired loans are recognised promptly when there is objective evidence that impairment of a loan or portfolio of loans has occurred. Impairment losses are calculated on individual loans and on groups of loans assessed collectively. Impairment losses are recorded as charges to the income statement. The carrying amount of impaired loans on the balance sheet is reduced through the use of impairment allowance accounts. Losses expected from future events are not recognised.

Individually assessed loans and advances

For all loans that are considered individually significant, the group assesses on a case-by-case basis at each balance sheet date whether there is any objective evidence that a loan is impaired. For those loans where objective evidence of impairment exists, impairment losses are determined considering the following factors:

- the group's aggregate exposure to the customer;
- the viability of the customer's business model and its capability to trade successfully out of financial difficulties and generate sufficient cash flow to service its debt obligations;
- the ability of the borrower to obtain, and make payments in the currency of the loan if not local currency;
- the amount and timing of expected receipts and recoveries;

- the extent of other creditors' commitments ranking ahead of, or *pari passu* with, the group and the likelihood of other creditors continuing to support the company;
- the complexity of determining the aggregate amount and ranking of all creditor claims and the extent to which legal and insurance uncertainties are evident;
- the realisable value of security (or other credit mitigants) and likelihood of successful repossession;
- the likely dividend available on liquidation or bankruptcy;
- the likely deduction of any costs involved in recovery of amounts outstanding; and
- when available, the secondary market price of the debt.

Impairment losses are calculated by discounting the expected future cash flows of a loan at its original effective interest rate, and comparing the resultant present value with the loan's current carrying value. Any loss is charged in the income statement. The carrying amount of impaired loans on the balance sheet is reduced through the use of an allowance account.

Collectively assessed loans and advances

Impairment is assessed on a collective basis in two different scenarios:

- to cover losses which have been incurred but have not yet been identified on loans subject to individual assessment; and
- for homogeneous groups of loans that are not considered individually significant.

Incurred but not yet identified impairment

Individually assessed loans for which no evidence of loss has been specifically identified on an individual basis are grouped together according to their credit risk characteristics for the purpose of calculating an estimated collective loss. This reflects impairment losses that are likely to have been incurred as a result of the risk conditions in existence at the balance sheet date, and that can be reliably estimated. These losses will only be individually identified in the future. As soon as information becomes available which identifies losses on individual loans within the group, those loans are removed from the group and assessed on an individual basis for impairment.

The collective impairment allowance is determined after taking into account:

- historical loss experience in portfolios of similar credit risk characteristics (for example, by industry sector, risk rating or product segment);
- the estimated period between impairment occurring and the loss being identified and evidenced by the establishment of an appropriate allowance against the individual loan; and
- management's experienced judgement as to whether current economic and credit conditions are such that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience.

The period between a loss occurring and its identification is estimated by local management for each identified portfolio.

Homogeneous groups of loans

Two methodologies are used to calculate impairment allowances where large numbers of relatively low-value assets are managed using a portfolio approach:

- when appropriate empirical information is available, the group utilises roll rate methodology. This employs a statistical analysis of historical trends of default and the amount of consequential loss, based on the delinquency of accounts within a portfolio of homogenous accounts. Other historical data and current economic conditions are also evaluated when calculating the appropriate level of impairment allowance required to cover inherent loss. In certain highly developed markets, models also take into account behavioural and account management trends revealed in, for example, bankruptcy and rescheduling statistics.

- when the portfolio size is small, or when information is insufficient or not reliable enough to adopt a roll rate methodology, a formulaic approach is used which allocates progressively higher percentage loss rates the longer a customer's loan is overdue. Loss rates reflect the discounted expected future cash flows for a portfolio and are based on historical experience.

In normal circumstances, historical experience is the most objective and relevant information from which to assess inherent loss within each portfolio. In circumstances where historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date - for example, where there have been changes in economic conditions or regulations – management considers the more recent trends in the portfolio risk factors which may not be adequately reflected in its statistical models and, adjusts impairment allowances accordingly.

Roll rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure they remain appropriate.

Reversals of impairment

If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The reversal is recognised in the income statement.

Assets acquired in exchange for loans

Non-financial assets acquired in exchange for loans as part of an orderly realisation are recorded as assets held for sale and reported in 'Other assets'. The asset acquired is recorded at the lower of its fair value (less costs to sell) and the carrying amount of the loan (net of impairment allowance) at the date of exchange. No depreciation is charged in respect of assets held for sale. Any subsequent write-down of the acquired asset to fair value less costs to sell is recognised in the income statement in 'Other operating income'. Any subsequent increase in the fair value less costs to sell, to the extent this does not exceed the cumulative write down, is also recognised in 'Other operating income', together with any realised gains or losses on disposal.

Write-off of loans and advances

Loans, and the related impairment allowances, are normally written off, either partially or in full, in the case of that portion of the loan amount not covered by the value of security, when there is no realistic prospect of further recovery; and in the case of secured balances, after proceeds from the realisation of security have been received.

Renegotiated loans

Loans subject to collective impairment assessment whose terms have been renegotiated are no longer considered to be past due, but are treated as new loans once the minimum number of payments required under the new arrangements have been received. Loans subject to individual impairment assessment, whose terms have been renegotiated, are subject to ongoing review to determine whether they remain impaired or are considered to be past due. The carrying amount of loans that have been classified as renegotiated retain this classification until maturity or derecognition.

(g) Trading assets and trading liabilities

Treasury bills, debt securities, equity shares, loans, deposits, debt securities in issue, and short positions in securities are classified as held for trading if they have been acquired principally for the purpose of selling or repurchasing in the near term, or they form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking. These financial assets or financial liabilities are recognised on trade date when the group enters into contractual arrangements with counterparties to purchase or sell securities, and are normally derecognised when either sold (assets) or extinguished (liabilities). Measurement is initially at fair value, with transaction costs taken to the income statement. Subsequently their fair values are remeasured and all gains and losses from changes therein are recognised in the income statement in 'Net trading income' as they arise.

(h) Financial instruments designated at fair value

Financial instruments, other than those held for trading, are classified in this category if they meet one or more of the criteria set out below, and are so designated by management. The group may designate financial instruments at fair value when the designation:

(i) Eliminates or significantly reduces valuation or recognition inconsistencies that would otherwise arise from measuring financial assets or financial liabilities, or recognising gains and losses on them, on different bases. Under this criterion, the main classes of financial instruments designated by the group are:

- *Long-term debt securities* – The interest payable on certain fixed rate long-term debt securities in issue and subordinated liabilities has been matched with receive fixed/ pay variable interest rate swaps as part of a documented interest rate risk management strategy. An accounting mismatch would arise if the debt securities in issue were accounted for at amortised cost, because the related derivatives are measured at fair value with changes in the fair value taken through the income statement. By designating the long-term debt at fair value, the movement in the fair value of the long-term debt will be recorded in the income statement.
- *Financial assets and financial liabilities under investment contracts* – Liabilities to customers under linked contracts are determined based on the fair value of the assets held in the linked funds, with changes recognised in the income statement. If no designation was made for the assets relating to the customer liabilities they would be reclassified as available-for-sale and the changes in fair value would be recorded directly in equity. These financial instruments are managed on a fair value basis and management information is also prepared on this basis. Designation at fair value of the financial assets and liabilities under investment contracts allows the changes in fair value to be recorded in the income statements and presented in the same line.

(ii) Applies to groups of financial assets, financial liabilities or combinations thereof that are managed, and their performance evaluated, on a fair value basis in accordance with a documented risk management or investment strategy, and where information about the groups of financial instruments is reported to management on that basis. Under this criterion, certain financial assets held to meet liabilities under insurance contracts are the main class of financial instrument so designated. The group has documented risk management and investment strategies designed to manage such assets at fair value, taking into consideration the relationship of assets to liabilities in a way that mitigates market risks. Reports are provided to management on the fair value of the assets. Fair value measurement is also consistent with the regulatory reporting requirements under the appropriate regulations for these insurance operations.

(iii) Relates to financial instruments containing one or more embedded derivatives that significantly modify the cash flows resulting from those financial instruments, including certain debt issues and debt securities held.

The fair value designation, once made, is irrevocable. Designated financial assets and financial liabilities are recognised when the group enters into the contractual provisions of the arrangements with counterparties, which is generally on trade date, and are normally derecognised when sold (assets) or extinguished (liabilities). Measurement is initially at fair value, with transaction costs taken directly to the income statement. Subsequently, the fair values are remeasured and, except for interest payable on debt securities in issue designated at fair value, gains and losses from changes therein are recognised in 'Net income from financial instruments designated at fair value'.

(i) Financial investments

Treasury bills, debt securities and equity shares intended to be held on a continuing basis, other than those designated at fair value (Note 2(h)), are classified as 'available-for-sale' or 'held-to-maturity'. Financial investments are recognised on trade date, when the group enters into contractual arrangements with counterparties to purchase securities, and are normally derecognised when either the securities are sold or the borrowers repay their obligations.

(i) Available-for-sale securities are initially measured at fair value plus direct and incremental transaction costs. They are subsequently remeasured at fair value, and changes therein are recognised in equity in the 'Available-for-sale reserve' until the securities are either sold or impaired. When available-for-sale securities are sold, cumulative gains or losses previously recognised in equity are recognised in the income statement as 'Gains less losses from financial investments'.

Interest income is recognised on available-for-sale securities using the effective interest rate method, calculated over the asset's expected life. Premiums and/or discounts arising on the purchase of dated investment securities are included in the calculation of their effective interest rates. Dividends are recognised in the income statement when the right to receive payment has been established.

At each balance sheet date an assessment is made of whether there is any objective evidence of impairment in the value of a financial asset or group of financial assets. This usually arises when circumstances are such that an adverse effect on future cash flows from the asset or group of assets can be reliably estimated. If an available-for-sale security is impaired, the cumulative loss (measured as the difference between the asset's acquisition cost (net of any principal repayments and amortisation) and its current fair value, less any impairment loss on that asset previously recognised in the income statement) is removed from equity and recognised in the income statement. Reversals of impairment losses are subject to contrasting treatments depending on the nature of the instrument concerned:

- if the fair value of a debt instrument classified as available-for-sale increases in a subsequent period, and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement; and
- impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(ii) Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group positively intends, and is able, to hold until maturity. Held-to-maturity investments are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.

(j) Sale and repurchase agreements (including stock lending and borrowing)

When securities are sold subject to a commitment to repurchase them at a predetermined price ('repos'), they remain on the balance sheet and a liability is recorded in respect of the consideration received. Securities purchased under commitments to sell ('reverse repos') are not recognised on the balance sheet and the consideration paid is recorded in 'Loans and advances to banks' or 'Loans and advances to customers' as appropriate. The difference between the sale and repurchase price is treated as interest and recognised over the life of the agreement.

Securities lending and borrowing transactions are generally secured, with collateral taking the form of securities or cash advanced or received. The transfer of securities to counterparties under these agreements is not normally reflected on the balance sheet. Cash collateral advanced or received is recorded as an asset or a liability respectively.

Securities borrowed are not recognised on the balance sheet. If they are sold on to third parties, an obligation to return the securities is recorded as a trading liability and measured at fair value, and any gains or losses are included in 'Net trading income'.

(k) Derivatives and hedge accounting

Derivatives are recognised initially, and are subsequently remeasured, at fair value. Fair values of exchange-traded derivatives are obtained from quoted market prices. Fair values of over-the-counter derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models.

Derivatives may be embedded in other financial instruments, for example, a convertible bond with an embedded conversion option. Embedded derivatives are treated as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host contract; the terms of the embedded derivative would meet the definition of a stand-alone derivative if they were contained in a separate contract; and the combined contract is not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes therein recognised in the income statement.

Derivatives are classified as assets when their fair value is positive, or as liabilities when their fair value is negative. Derivative assets and liabilities arising from different transactions are only offset if the transactions are

with the same counterparty, a legal right of offset exists, and the parties intend to settle the cash flows on a net basis.

The method of recognising fair value gains or losses depends on whether derivatives are held for trading or are designated as hedging instruments, and if the latter, the nature of the risks being hedged. All gains and losses from changes in the fair value of derivatives held for trading are recognised in the income statement. When derivatives are designated as hedges, the group classifies them as either: (i) hedges of the change in fair value of recognised assets or liabilities or firm commitments ('fair value hedges'); (ii) hedges of the variability in highly probable future cash flows attributable to a recognised asset or liability, or a forecast transaction ('cash flow hedges'), or (iii) a hedge of net investments in a foreign operation ('net investment hedges'). Hedge accounting is applied to derivatives designated as hedging instruments in a fair value, cash flow or net investment hedge provided certain criteria are met.

Hedge accounting

At the inception of a hedging relationship the group documents the relationship between the hedging instruments and hedged items, its risk management objective and its strategy for undertaking the hedge. The group also requires a documented assessment, both at hedge inception and on an ongoing basis, of whether or not the derivatives that are used in hedging transactions are highly effective in offsetting the changes attributable to the hedged risks in the fair values or cash flows of the hedged items. Interest on designated qualifying hedges is included in 'Net interest income'.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in the income statement along with changes in the fair value of the assets, liabilities or group thereof, that are attributable to the hedged risk.

If a hedging relationship no longer meets the criteria for hedge accounting the cumulative adjustment to the carrying amount of the hedged item is amortised to the income statement based on a recalculated effective interest rate over the residual period to maturity, unless the hedged item has been derecognised whereby it is released to the income statement immediately.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity within the cash flow hedging reserve. Any gain or loss in fair value relating to an ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled to the income statement in the periods in which the hedged item will affect profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity until the forecast transaction is eventually recognised in the income statement. When a forecast transaction is no longer expected to occur the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the income statement. Gains and losses accumulated in equity are included in the income statement on the disposal of the foreign operation.

Hedge effectiveness testing

To qualify for hedge accounting the group requires that, at the inception of the hedge and throughout its life, each hedge must be expected to be highly effective. Actual effectiveness must also be demonstrated on an ongoing basis.

The documentation of each hedging relationship sets out how the effectiveness of the hedge is assessed. The method a group entity adopts for assessing hedge effectiveness will depend on its risk management strategy.

For prospective effectiveness the hedging instrument must be expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated. For actual effectiveness the changes in fair value or cash flows must offset each other in the range of 80 per cent to 125 per cent for the hedge to be deemed effective.

Hedge ineffectiveness is recognised in the income statement in 'Net trading income'.

Derivatives that do not qualify for hedge accounting

All gains and losses from changes in the fair values of any derivatives that do not qualify for hedge accounting are recognised immediately in the income statement. These gains and losses are reported in 'Net trading income', except where derivatives are managed in conjunction with financial instruments designated at fair value (other than derivatives related to debt issued by the group), in which case gains and losses are reported in 'Net income from financial instruments designated at fair value'. The interest on derivatives managed in conjunction with debt securities issued by the group that are designated at fair value is recognised in 'Interest expense'. All other gains and losses on these derivatives are reported in 'Net income from financial instruments designated at fair value'.

(l) Derecognition of financial assets and liabilities

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or the group has transferred the financial assets such that it either transfers its contractual rights to receive the cash flows of the financial assets, or retains the rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to recipients in an arrangement where:

- there is no obligation to pass on the cash flows unless equivalent amounts are collected from the asset;
- the terms of the arrangement prohibits the sale or pledging of the asset; and
- cash flows collected are remitted to the recipient without material delay.

When financial assets have been transferred derecognition will occur when, either:

- substantially all the risks and rewards of ownership have been transferred; or
- the group has neither retained nor transferred substantially all the risks and rewards, but has not retained control.

Financial liabilities are derecognised when they are extinguished, i.e. when the obligation is discharged, cancelled or expires.

(m) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount 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.

(n) Subsidiaries, associates and joint ventures

The bank's investments in subsidiaries, associates and joint ventures are stated at cost less impairment losses and, in the case of subsidiaries, pre-acquisition dividends. Reversals of impairment losses are recognised in the income statement if there has been a change in the estimates used to determine the recoverable amount of the investment.

The group's investments in associates and interests in joint ventures are recognised using the equity method, initially stated at cost, including attributable goodwill, and are adjusted thereafter for the post-acquisition change in the group's share of net assets.

Adjustments to the carrying amount of investments in associates and interests in joint ventures that have not been recognised in profit or loss are recognised by the group directly in equity in the 'Associates and joint ventures' reserve.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in the respective associates or joint ventures. Unrealised losses are also eliminated to the extent of the group's interest in the associates or joint ventures unless the transaction provides evidence of an impairment of the asset transferred.

(o) Goodwill and intangible assets

(i) Goodwill arises on business combinations including the acquisition of subsidiaries, joint ventures or associates when the cost of acquisition exceeds the fair value of the group's share of the identifiable assets, liabilities and contingent liabilities acquired. If the group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of an acquired business is greater than the cost to acquire, the excess is recognised immediately in the income statement.

Intangible assets are recognised separately from goodwill when they are separable or arise from contractual or other legal rights and their fair value can be measured reliably.

Goodwill is allocated to cash-generating units for the purpose of impairment testing, which is undertaken at the lowest level at which goodwill is monitored for internal management purposes. Impairment testing is performed at least annually, and whenever there is an indication that the cash-generating unit may be impaired, by comparing the present value of the expected future cash flows from a business with the carrying value of its net assets, including attributable goodwill. Goodwill is stated at cost less accumulated impairment losses which are charged to the income statement.

Goodwill on acquisitions of joint ventures or associates is included in 'Interests in associates and joint ventures'.

At the date of disposal of a business attributable goodwill is included in the group's share of net assets in the calculation of the gain or loss on disposal.

(ii) Intangible assets include the value of in-force long-term insurance business, computer software, trade names, customer lists, core deposit relationships, credit card customer relationships and merchant or other loan relationships. Intangible assets are subject to impairment review if there are events or changes in circumstances that indicate that the carrying amount may not be recoverable.

- Intangible assets that have an indefinite useful life, or are not yet ready for use, are tested for impairment at least annually. This impairment test may be performed at any time during the year, provided it is performed at the same time every year. An intangible asset recognised during the current period is tested before the end of the current year.
- Intangible assets that have a finite useful life, except for the value of in-force long-term insurance business, are stated at cost less amortisation and accumulated impairment losses and are amortised over their estimated useful lives. Estimated useful life is the lower of legal duration and expected economic life.

For the accounting policy followed in respect of the value of the in-force long-term insurance businesses see Note 2(x).

Intangible assets are amortised over their finite useful lives as follows:

Trade names	10 years
Purchased software	5 years
Internally generated software	5 years
Customer/merchant relationships	between 3 and 10 years
Other	10 years

(p) Property, plant and equipment

Land and buildings are stated at historical cost, or fair value at the date of transition to IFRSs, less any impairment losses and depreciation calculated to write off the assets over their estimated useful lives as follows:

- freehold land is not depreciated;
- freehold buildings are depreciated on cost at the greater of two per cent per annum on a straight-line basis or over their remaining useful lives; and

– leasehold buildings are depreciated on cost on a straight-line basis over the unexpired terms of the leases, or over their remaining useful lives.

Equipment, fixtures and fittings (including equipment on operating leases where the group is the lessor) are stated at cost less any impairment losses and depreciation calculated on a straight-line basis to write off the assets over their useful lives, which run to a maximum of 35 years but are generally between five years and 20 years.

Property, plant and equipment is subject to an impairment review if there are events or changes in circumstances which indicate that the carrying amount may not be recoverable.

The group holds certain properties as investments to earn rentals or for capital appreciation, or both. Investment properties are included in the balance sheet at fair value with changes therein recognised in the income statement in the period of change. Fair values are determined by independent professional valuers who apply recognised valuation techniques.

(q) Finance and operating leases

Agreements which transfer to counterparties substantially all the risks and rewards incidental to the ownership of assets, but not necessarily legal title, are classified as finance leases. When the group is a lessor under finance leases the amounts due under the leases, after deduction of unearned charges, are included in 'Loans and advances to banks' or 'Loans and advances to customers' as appropriate. Finance income receivable is recognised in 'Net interest income' over the periods of the leases so as to give a constant rate of return on the net investment in the leases.

When the group is a lessee under finance leases the leased assets are capitalised and included in 'Property, plant and equipment' and the corresponding liability to the lessor is included in 'Other liabilities'. A finance lease and its corresponding liability are recognised initially at the fair value of the asset or, if lower, the present value of the minimum lease payments. Finance charges payable are recognised in 'Net interest income' over the period of the lease based on the interest rate implicit in the lease so as to give a constant rate of interest on the remaining balance of the liability.

All other leases are classified as operating leases. When acting as lessor the group includes the assets subject to operating leases in 'Property, plant and equipment' and accounts for them accordingly. Impairment losses are recognised to the extent that residual values are not fully recoverable and the carrying value of the equipment is thereby impaired. When the group is the lessee leased assets are not recognised on the balance sheet. Rentals payable and receivable under operating leases are accounted for on a straight-line basis over the periods of the leases and are included in 'General and administrative expenses' and 'Other operating income' respectively.

A sale and leaseback transaction involves the sale of an asset followed by the leasing back of the same asset. The resulting lease is classified either as a finance lease or an operating lease and accounted for accordingly. If a sale and leaseback transaction results in the recognition of a finance lease, any excess of sales proceeds over the carrying amount is deferred and amortised over the lease term. If a sale and leaseback transaction results in an operating lease, any profit or loss is recognised immediately.

(r) Income tax

Income tax comprises current tax and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in shareholders' equity, in which case it is recognised in shareholders' equity.

Current tax is the tax expected to be payable on the taxable profit for the year, calculated using tax rates enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax assets and liabilities are offset when the group intends to settle on a net basis and the legal right to set-off exists.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the amounts attributed to such assets and liabilities for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled based on tax rates and laws enacted, or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when they arise in the same tax reporting group and relate to income taxes levied by the same taxation authority, and when a legal right to set off exists in the entity.

Deferred tax relating to actuarial gains and losses on post-employment benefits is recognised directly in equity. Deferred tax relating to fair value remeasurement of available-for-sale investments and cash flow hedging instruments which are charged or credited directly to equity, is also credited or charged directly to equity and is subsequently recognised in the income statement when the deferred fair value gain or loss is recognised in the income statement.

(s) Pension and other post-employment benefits

The group operates a number of pension and other post-employment benefit plans throughout the world. These plans include both defined benefit and defined contribution plans and various other post-employment benefits such as post-employment health care.

Payments to defined contribution plans and state-managed retirement benefit plans, when the group's obligations under the plans are equivalent to a defined contribution plan, are charged as an expense as they fall due.

The defined benefit pension costs and the present value of defined benefit obligations are calculated at the reporting date by the scheme's actuaries using the Projected Unit Credit Method. The charge to the income statement mainly comprises the current service cost, plus the unwinding of the discount rate on plan liabilities, less the expected return on plan assets, and is presented in operating expenses. Past service costs are recognised immediately to the extent that the benefits have vested, and are otherwise recognised on a straight-line basis over the average period until the benefits vest. Actuarial gains and losses arise as a result of differences between previous expectations based on actuarial assumptions and the actual outcome for the period and from changes in actuarial assumptions. They are recognised in shareholders' equity and presented in the Statement of Recognised Income and Expense in the period in which they arise.

The defined benefit liability recognised in the balance sheet represents the present value of defined benefit obligations adjusted for unrecognised past service costs and reduced by the fair value of plan assets. Any net defined benefit surplus is limited to unrecognised past service costs plus the present value of available refunds and reductions in future contributions to the plan.

The costs of obligations arising from other post-employment benefits plans, such as defined benefit health care plans, are accounted for on the same basis as defined benefit pension plans.

(t) Equity compensation plans

Shares in HSBC Holdings plc awarded to an employee on joining the group that are made available immediately, with no vesting period attached to the award, are expensed immediately. When an inducement is awarded to an employee on commencement of employment with the group, and the employee must complete a specified period of service before the inducement vests, the expense is spread over the period to vesting.

Share options granted by HSBC Holdings to group employees are accounted for as equity-settled share-based payment transactions. The expense is recognised in the income statement over the vesting period and is determined by reference to the fair value of the options on grant date, and the effect of any non-market vesting conditions such as option lapses. An option may lapse if, for example, an employee ceases to be employed by the group before the end of the vesting period. Estimates of future such employee departures are taken into account when accruing the cost during the service period. The fair value of these awards is credited to equity over the vesting period and the awards are satisfied by HSBC Holdings transferring shares to the employees.

Share awards granted to employees of the group by group entities are accounted for as cash-settled share-based payment transaction and are expensed to the income statement over the vesting period at fair value. A liability for the fair value of the share awards is recognised on-balance sheet and this liability is remeasured at each reporting date over the vesting period and on the date of settlement. The employing entity has an obligation to transfer HSBC Holdings shares to the employee if the vesting conditions of the award are satisfied.

If awards of shares and options lapse during the vesting period due to an employee leaving employment with the group, the charge to date is reversed to the income statement. If an award lapses due to an employee leaving a

plan but not employment with the group, this is accounted for as an acceleration of vesting with full immediate recognition of the outstanding charge in the income statement. No accounting entries are made if awards of share options lapse after they have fully vested.

(u) Foreign currencies

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements of HSBC Bank plc are presented in sterling, which is the group's presentation currency.

Transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date. Any resulting exchange differences are included in the income statement. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated into the functional currency using the rate of exchange at the date of the initial transaction. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated into the functional currency using the rate of exchange at the date the fair value was determined. Any exchange component of a gain or loss on a non-monetary item is recognised in equity if the gain or loss on the non-monetary item is recognised directly in equity. Any exchange component of a gain or loss on a non-monetary item is recognised directly in the income statement if the gain or loss on the non-monetary item is recognised in the income statement.

In the financial statements, the assets, including related goodwill where applicable, and liabilities of branches, subsidiaries, joint ventures and associates whose functional currency is not sterling, are translated into the group's presentational currency at the rate of exchange ruling at the balance sheet date. The results of branches, subsidiaries, joint ventures and associates that have a functional currency other than sterling are translated into sterling at the average rates of exchange for the reporting period. Exchange differences arising from the retranslation of opening foreign currency net investments, and exchange differences arising from retranslation of the result for the reporting period from the average rate to the exchange rate prevailing at the period end, are recognised in equity in the 'foreign exchange reserve'. At the date of transition to IFRSs, the group set the cumulative exchange differences for all foreign operations to zero in accordance with IFRS 1. Exchange differences on a monetary item that is part of a net investment in a foreign operation are recognised in the income statement of the separate financial statements. In consolidated financial statements these exchange differences are recognised in the foreign exchange reserve in shareholders' equity. On disposal of a foreign operation, exchange differences relating thereto and previously recognised in reserves are recognised in the income statement.

(v) Provisions

Provisions are recognised when it is probable that an outflow of economic benefits will be required to settle a current legal or constructive obligation as a result of past events, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the control of the group. Contingent liabilities are not recognised in the financial statements but are disclosed unless the probability of settlement is remote.

(w) Financial guarantee contracts

Liabilities under financial guarantee contracts that are not classified as insurance contracts, are recorded initially at their fair value, which is generally the fee received or receivable. Subsequently, the financial guarantee liabilities are measured at the higher of the initial fair value, less cumulative amortisation, and the best estimate of the expenditure required to settle the obligations. Where guarantee contracts have been classified as insurance contracts, they are measured consistently with insurance liabilities.

HSBC Bank plc has issued financial guarantees to other group entities and these are accounted for in accordance with the above.

(x) Insurance contracts

Through its insurance subsidiaries, the group issues contracts to customers that contain insurance risk, financial risk or a combination thereof. A contract under which the group accepts significant insurance risk from another party by agreeing to compensate that party on the occurrence of a specified uncertain future event, is classified as an insurance contract. An insurance contract may also transfer financial risk, but is accounted for as an insurance contract if the insurance risk is significant.

As permitted by IFRS 4 investment contracts with discretionary participation features are accounted for as insurance contracts.

Insurance contracts are accounted for as follows:

Premiums

Gross insurance premiums for non-life insurance business are reported as income over the term of the insurance contract attributable to the risks borne during the accounting period. The unearned premium or the proportion of the business underwritten in the accounting year relating to the period of risk after the balance sheet date is calculated on a daily or monthly pro rata basis.

Premiums for life assurance are accounted for when receivable, except in unit-linked business where premiums are accounted for when liabilities are established.

Reinsurance premiums are accounted for in the same accounting period as the premiums for the direct insurance to which they relate.

Claims and reinsurance recoveries

Gross insurance claims for non-life insurance business include paid claims and movements in outstanding claims reserves.

Gross insurance claims for life insurance contracts reflect the total cost of claims arising during the year, including claim handling costs and any policyholder bonuses allocated in anticipation of a bonus declaration. Claims arising in the year include maturities, surrenders and death claims.

Maturity claims are recognised when due for payment. Surrenders are recognised when paid or at an earlier date on which, following notification, the policy ceases to be included within the calculation of the related insurance liabilities. Death claims are recognised when notified.

Reinsurance recoveries are accounted for in the same period as the related claim.

Liabilities under insurance contracts

Outstanding claims liabilities for non-life insurance contracts are based on the estimated ultimate cost of all claims incurred but not settled at the balance sheet date, whether reported or not, together with related claim-handling costs and a reduction for the expected value of salvage and other recoveries. Liabilities for claims incurred but not reported are made on an estimated basis, using appropriate statistical techniques.

Liabilities under non-linked life insurance contracts are calculated by each life insurance operation based on local actuarial principles.

Liabilities under unit-linked life insurance contracts are at least equivalent to the surrender or transfer value which is calculated by reference to the value of the relevant underlying funds or indices.

A liability adequacy test is carried out on insurance liabilities to ensure that the carrying amount of the liabilities is sufficient in the light of current estimates of future cash flows. When performing the liability adequacy test, all contractual cash flows are discounted and compared against the carrying value of the liability. Where a shortfall is identified it is charged immediately to the income statement.

Present value of in-force long-term insurance business

The value placed on insurance contracts that are classified as long-term insurance business and are in force at the balance sheet date is recognised as an asset.

The present value of in-force long-term insurance business is determined by discounting future cash flows expected to emerge from business currently in force using appropriate assumptions in assessing factors such as future mortality, lapse rates and levels of expenses and a risk discount rate that reflects the risk premium attributable to the respective long-term insurance business. Movements in the present value of in-force long-term insurance business are included in 'Other operating income' on a gross of tax basis.

Future profit participation

Where contracts provide discretionary profit participation benefits to policyholders, insurance liabilities include the net unrealised gains recognised in connection with the assets backing the contracts to the extent that policyholders will benefit from such gains. The benefit may arise from the contractual terms, regulation, or past distribution policy on the basis of the contractual terms of the policy, regulation, or past distribution policy. The corresponding movement in the liability is recognised in equity or in the income statement in the same proportion to net unrealised gains on the assets. In the case of net unrealised losses, a deferred participating asset is recognised only to the extent that its recoverability is highly probable.

(y) Investment contracts

Customer liabilities under non-linked and unit-linked investment contracts and the linked financial assets are designated at fair value. Movements in fair value are recognised in 'Net income from financial investments designated at fair value'. Premiums receivable and amounts withdrawn are accounted for as increases or decreases in the liability recorded in respect of investment contracts.

Investment management fees receivable are recognised in the income statement over the period of the provision of the investment management services, in 'Net fee income'.

The incremental costs directly related to the acquisition of new investment contracts or renewing existing investment contracts are deferred and amortised over the period during which the investment management services are provided.

(z) Debt securities in issue and deposits by customers and banks

Financial liabilities are recognised when the group enters into the contractual provisions of the arrangements with counterparties, which is generally on trade date. Financial liabilities are initially measured at fair value, normally the consideration received net of directly attributable transaction costs incurred. Subsequent measurement of financial liabilities, other than those measured at fair value through profit or loss and financial guarantees, is at amortised cost, using the effective interest rate method to amortise the difference between proceeds net of directly attributable transaction costs and the redemption amount over the expected life of the debt.

(aa) Share capital

Financial instruments issued are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

(ab) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Such investments are normally those with less than three months' maturity from the date of acquisition, and include cash and balances at central banks, treasury bills and other eligible bills, loans and advances to banks, items in the course of collection from or in transmission to other banks and certificates of deposit.

(ac) Non-current assets held for sale

The group classifies a non-current asset or disposal group as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

For the group to use this classification, the asset or disposal group must be available for immediate sale in its present condition and its sale must be highly probable. A sale is highly probable if:

- the appropriate level of management is committed to a plan to sell the asset or disposal group;
- an active plan to locate a buyer and complete the plan has been initiated;
- the asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value;
- the sale is expected to be completed within one year from the date of classification; and
- it is unlikely that there will be significant changes to the plan or that the plan will be withdrawn.

When the group classifies an asset or disposal group as held for sale it is measured at the lower of its carrying amount and fair value less costs to sell.

3 Use of assumptions and estimates

The results of the group are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its consolidated financial statements. The accounting policies used in the preparation of the consolidated financial statements are described in detail in Note 2.

When preparing the financial statements, it is the directors' responsibility under UK company law to select suitable accounting policies and to make judgements and estimates that are reasonable and prudent.

The accounting policies that are deemed critical to the group's results and financial position, in terms of the materiality of the items to which the policy is applied, or which involve a high degree of judgement and estimation, are:

Impairment of loans

The group's accounting policy for losses in relation to the impairment of customer loans and advances is described in Note 2(f) on the financial statements. Further information can be seen in Note 38 'Risk Management'.

Losses in respect of impaired loans are reported in the group's income statement under the caption 'Loan impairment charges and other credit risk provisions'. An increase in these losses has the effect of reducing the group's profit for the period by a corresponding amount (while a decrease in impairment charges or reversal of impairment charges has the opposite effect).

The group's policy requires a review of the level of impairment allowances on individual facilities above materiality thresholds at least half-yearly, or more regularly when individual circumstances require. This normally includes a review of collateral held (including re-confirmation of its enforceability) and an assessment of actual and anticipated receipts.

In the case of homogenous loans, in normal circumstances, historical experience is the most objective and relevant information from which to assess inherent loss within each portfolio. In circumstances where historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date, for example, where there have been changes in economic conditions or regulatory changes, management considers the most recent trends in the portfolio risk factors which may not be fully reflected in its statistical models when calculating the appropriate level of impairment allowances. Key risk factors include recent trends in charge-off and delinquency, economic conditions such as national and local trends in housing markets, changes in product mix and concentration, bankruptcy trends, other market conditions such as changes in interest rates and energy prices, changes in laws and regulations and natural disasters.

The portfolio approach is generally applied to the following:

- Low value, homogenous small business accounts;
- Residential mortgages;
- Credit cards and other unsecured consumer lending products; and
- Motor vehicle financing.

These portfolio allowances are generally reassessed monthly and charges for new allowances, or reversals of existing allowances, are calculated for each separately identified portfolio.

Goodwill impairment

The group's accounting policy for goodwill is described in Note 2(o).

Goodwill is allocated to cash-generating units ('CGU') for the purpose of impairment testing. When the process of identifying and evaluating goodwill impairment demonstrates that the expected cash flows of a CGU have declined and/or that its cost of capital has increased, the effect is to reduce the CGU's estimated fair value. If this results in an estimated recoverable amount that is lower than the carrying amount of the CGU, a charge for impairment of goodwill will be recorded, thereby reducing by a corresponding amount the group's profit for the year. Goodwill is stated at cost less accumulated impairment losses.

Significant management judgement is involved in determining the cost of capital assigned to an individual CGU and in estimating its future cash flows. This is discussed in further detail in Note 21 'Impairment of assets other than financial instruments'.

Valuation of financial instruments

The group's accounting policy for valuation of financial instruments is included in Note 2(d) and is discussed further within Note 17 'Derivatives' and Note 31 'Fair value of financial instruments'.

When fair values are determined by using valuation techniques which refer to observable market data because independent prices are not available, management will consider the following when applying a model:

- The likelihood and expected timing of future cash flows on the instrument. These cash flows are usually governed by the terms of the instrument, although management judgement may be required when the ability of the counterparty to service the instrument in accordance with the contractual terms is in doubt; and
- An appropriate discount rate for the instrument. Management determines this rate based on its assessment of the appropriate spread of the rate for the instrument over the risk-free rate.

When valuing instruments by reference to comparable instruments, management takes into account the maturity, structure and rating of the instrument with which the position held is being compared. When valuing instruments on a model basis using the fair value of underlying components, management also considers the need for adjustments to take account of factors such as bid-offer spread, credit profile and model uncertainty. These adjustments are based on defined policies which are applied consistently across the group.

When unobservable market data have a significant impact on the valuation of derivatives, the entire initial change in fair value indicated by the valuation model is recognised: over the life of the transaction on an appropriate basis; in the income statement when the inputs become observable; or when the transaction matures or is closed out.

Financial instruments measured at fair value through profit or loss comprise financial instruments held for trading and financial instruments designated at fair value. Changes in their fair value directly impact the group's income statement in the period in which they occur.

A change in the fair value of a financial asset which is classified as 'available-for-sale' is recorded directly in equity until the financial asset is sold, when the cumulative change in fair value is charged or credited to the income statement. When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in profit or loss, reducing the group's operating profit.

Pensions

The assumptions used are disclosed in Note 8 'Employee compensation and benefits'.

Share-based payments

The assumptions used are disclosed in Note 10 'Share-based payments'.

Consolidation

The circumstances under which the group consolidates special purpose entities are outlined in Note 1(e) and disclosed in Note 38 'Risk Management'.

4 Net income from financial instruments designated at fair value

Net income from financial instruments designated at fair value includes:

- all gains and losses from changes in the fair value of financial assets and liabilities designated at fair value, including liabilities under investment contracts;
- all gains and losses from changes in the fair value of derivatives that are managed in conjunction with financial assets and liabilities designated at fair value; and
- interest income, interest expense and dividend income in respect of:
  - financial assets and liabilities designated at fair value; and
  - derivatives managed in conjunction with the above,

except for interest arising on the group's debt securities in issue and subordinated liabilities, together with the interest element of derivatives managed in conjunction with them, which is recognised in 'Interest expense'.

	2007 £m	2006 £m
Net income arising on:		
– financial assets held to meet liabilities under insurance and investment contracts	368	395
– other financial assets designated at fair value[1]	188	50
– derivatives managed in conjunction with financial assets designated at fair value[1]	7	26
	563	471
– liabilities to customers under investment contracts	(295)	(350)
– own debt securities in issue and subordinated liabilities[2]	76	186
– derivatives managed in conjunction with own debt securities in issue and subordinated liabilities	(27)	(186)
– other financial liabilities designated at fair value	(183)	(62)
– derivatives managed in conjunction with financial liabilities designated at fair value	(8)	–
	(437)	(412)
Net income from financial instruments designated at fair value	126	59

1 *The group has designated certain loans and advances at fair value.*
2 *Gains and losses from changes in the fair value of own debt securities in issue and subordinated liabilities may arise from changes in own credit risk. In 2007, the group recognised a £205 million gain (2006: £6 million loss) on changes in the fair value of these instruments arising from changes in own credit risk.*

5 Net earned insurance premiums

	2007				
	Non-life insurance £m	Life insurance (non-linked) £m	Life insurance (linked) £m	Investment contracts with discretionary participation features[2] £m	Total £m
Gross written premiums[1]	372	723	129	933	2,157
Movement in unearned premiums	6	2	–	–	8
Gross earned premiums	378	725	129	933	2,165
Gross written premiums ceded to reinsurers	(73)	(154)	(9)	–	(236)
Reinsurers' share of movement in unearned premiums	(8)	–	–	–	(8)
Reinsurers' share of gross earned premiums	(81)	(154)	(9)	–	(244)
Net earned insurance premiums	297	571	120	933	1,921

1 *Gross written insurance premiums in 2007 include adjustments on the implementation of FSA Policy Statement PS06/14.*
2 *Investment contracts with with discretionary participation features have been recognised in 2007 as a result of obtaining control of HSBC Assurances VIE (France) and HSBC Assurances IARD (France) during the year.*

	2006				
	Non-life insurance £m	Life insurance (non-linked) £m	Life insurance (linked) £m	Investment contracts with discretionary participation features £m	Total £m
Gross written premiums	131	304	52	–	487
Movement in unearned premiums	22	5	-	–	27
Gross earned premiums	153	309	52	–	514
Gross written premiums ceded to reinsurers	(63)	(131)	(7)	–	(201)
Reinsurers' share of movement in unearned premiums	4	-	-	–	4
Reinsurers' share of gross earned premiums	(59)	(131)	(7)	–	(197)
Net earned insurance premiums	94	178	45	–	317

6 Net insurance claims incurred and movement in policyholders' liabilities

	2007				
	Non-life insurance £m	**Life insurance (non-linked) £m**	**Life insurance (linked) £m**	**Investment contracts with discretionary participation features[1] £m**	**Total £m**
Claims, benefits and surrenders paid	250	132	139	537	1,058
Movement in liabilities	36	(123)	19	536	468
Gross claims incurred and movement in liabilities	286	9	158	1,073	1,526
Reinsurers' share of claims, benefits and surrenders paid	(65)	(73)	(8)	–	(146)
Reinsurers' share of movement in liabilities	29	263	2	–	294
Reinsurers' share of claims incurred and movement in liabilities	(36)	190	(6)	–	148
Net insurance claims incurred and movement in policyholders' liabilities	250	199	152	1,073	1,674

1 *Investment contracts with discretionary participation features have been recognised in 2007 as a result of obtaining control of HSBC Assurances VIE (France) and HSBC Assurances IARD (France) during the year.*

Notes on the Financial Statements (continued)

	2006				
	Non-life insurance £m	Life insurance (non-linked) £m	Life insurance (linked) £m	Investment contracts with discretionary participation features £m	Total £m
Claims, benefits and surrenders paid	83	103	119	–	305
Movement in liabilities	(5)	(32)	(50)	–	(87)
Gross claims incurred and movement in liabilities	78	71	69	–	218
Reinsurers' share of claims, benefits and surrenders paid	(36)	(69)	(5)	–	(110)
Reinsurers' share of movement in liabilities	7	(35)	11	–	(17)
Reinsurers' share of claims incurred and movement in liabilities	(29)	(104)	6	–	(127)
Net insurance claims incurred and movement in policyholders' liabilities	49	(33)	75	–	91

7 Net operating income

Net operating income for the year is stated after the following items of income, expense, gains and losses:

	2007 £m	2006 £m
Income		
Interest on financial instruments, excluding interest on financial assets held for trading or designated at fair value	**16,439**	13,339
Interest recognised on impaired financial assets	**28**	39
Fees earned on financial assets that are not held for trading or designated at fair value and that are not included in their effective interest rates	**2,966**	2,316
Fees earned relating to trust and other fiduciary activities where the group holds or invests assets on behalf of its customers	**767**	691
Expense		
Interest on financial instruments, excluding interest on financial liabilities held for trading or designated at fair value	**12,310**	8,936
Fees payable on financial assets or liabilities not held for trading nor designated at fair value, other than fees included in effective interest rate calculations on these types of assets and liabilities	**571**	478
Fees payable relating to trust and other fiduciary activities where the group holds or invests assets on behalf of its customers	**18**	12
Gains/(losses)		
Gain on disposal of assets held for sale	**111**	–
Impairment losses on:		
– loans and advances	**(1,043)**	(935)
– available-for-sale financial investments	**(23)**	(8)

8 Employee compensation and benefits

	The group		**The bank**	
	2007 £m	2006 £m	**2007 £m**	2006 £m
Wages and salaries	**3,465**	3,221	**1,935**	1,951
Social security costs	**478**	409	**195**	187
Post-employment benefits	**344**	299	**287**	220
	4,287	3,929	**2,417**	2,358

The average number of persons employed by the group during the year was as follows:

	2007	2006
UK PFS, Global Banking and Markets and Commercial Banking	51,050	49,484
International Banking	12,671	9,279
France	14,905	14,620
Private Banking	4,456	4,109
HSBC Trinkaus & Burkhardt	1,817	1,635
Total	84,929	79,127

Post-employment benefit plans

Income statement charge

	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Defined benefit pension plans				
- HSBC Bank (UK) Pension Scheme	245	182	245	182
- Other plans	(5)	21	1	-
Defined contribution plans	95	88	33	31
Defined benefit healthcare plans	9	8	8	7
	344	299	287	220

Liabilities recognised on the balance sheet

	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Defined benefit pension plans				
- HSBC Bank (UK) Pension Scheme	403	1,907	403	1,907
- Other plans	107	165	12	10
Defined benefit healthcare plans	164	180	136	152
	674	2,252	551	2,069

Pension plans

The extant plans are funded defined benefit plans with assets held in trust or similar funds separate from the group. The plans are reviewed at least annually or in accordance with local practice and regulations by qualified actuaries. The actuarial assumptions used to calculate the defined benefit obligations and related current service cost vary according to the economic conditions of the countries in which they are situated.

Defined benefit pension arrangements for bank employees are provided by the HSBC Bank (UK) Pension Scheme (the "Scheme"), the assets of which are held in a separate trust fund. The Pension Scheme is administered by a corporate trustee, HSBC Bank Pension Trust (UK) Limited (the "Trustee"), whose Board is comprised of 13 Directors, four of whom are elected by employees and two by pensioners. The Trustee Directors of the Pension Scheme are required to act in the best interest of the Scheme's beneficiaries.

Healthcare benefits plans

The group also provides post-employment healthcare benefits which are unfunded under plans in the United Kingdom and France. Post-employment healthcare benefits plans are accounted for in the same manner as defined benefit pension plans. The plans are reviewed at least annually or in accordance with local practice and regulations by qualified actuaries. The actuarial assumptions used to calculate the defined benefit obligations and related current service cost vary according to the economic conditions of the countries in which they are situated. The group's total healthcare cost for the year was £9 million (2006: £8 million).

Post-employment defined benefit plan principal actuarial assumptions

The principal actuarial financial assumptions used to calculate the defined benefit pension plans and post-

employment healthcare benefits at 31 December 2007, which will form the basis for measuring the 2008 periodic costs, were:

	Discount rate %	Inflation assumption %	Rate of increase for pensions in payment and deferred pension %	Rate of pay increase %	Healthcare cost trend rates %
At 31 December 2007					
UK	5.80	3.30	3.30	4.30	7.30
France	4.50	2.00	2.00	3.00	6.00
Germany	4.50	2.00	2.00	3.00	n/a
Switzerland	2.25	1.50	n/a	2.25	n/a

The group determines discount rates in consultation with its actuaries based upon the current average yield of high quality (AA rated) debt instruments, with maturities consistent with that of the pension obligation. The expected rate of return on plan assets is determined in consultation with the group's actuaries, based on historical market returns, adjusted for additional factors such as the current rate of inflation and interest rates.

The principal actuarial financial assumptions used to calculate the defined benefit pension plans and post employment healthcare benefits at 31 December 2006, which formed the basis for measuring the 2007 periodic costs, were as follows:

	Discount rate %	Inflation assumption %	Rate of increase for pensions in payment and deferred pension %	Rate of pay increase %	Healthcare cost trend rates %
At 31 December 2006					
UK	5.10	3.00	3.00	4.00	7.00
France	4.50	2.00	2.00	3.00	6.00
Germany	4.50	2.00	2.00	3.00	n/a
Switzerland	2.25	1.50	n/a	2.25	n/a

The mortality tables and average life expectancy at 65 used at 31 December 2007 were as follows:

	Mortality table	Life expectancy at age 65 for a male member currently:		Life expectancy at age 65 for a female member currently:	
		Aged 65	Aged 45	Aged 65	Aged 45
UK	PA92U2005	20.40	21.70	23.40	24.60
France	TG05	22.93	25.73	26.41	29.29
Germany	Heubeck 2005G	18.06	20.84	22.20	24.85
Switzerland	BVG2005	17.90	17.90	20.98	20.98

The mortality tables and average life expectancy at 65 used at 31 December 2006 were as follows:

	Mortality table	Life expectancy at age 65 for a male member currently:		Life expectancy at age 65 for a female member currently:	
		Aged 65	Aged 45	Aged 65	Aged 45
UK	PA92U2005	20.30	21.60	23.30	24.60
France	TPG93	22.79	25.59	26.28	29.14
Germany	Heubeck 2005G	18.06	20.84	22.20	24.85
Switzerland	EVK2000	17.76	17.76	21.09	21.09

Actuarial assumption sensitivities

The discount rate is sensitive to changes in market conditions arising during the reporting period. The mortality rates used are sensitive to experience from the plan member profile. The following table shows the effect of changes in these and the other key assumptions on the pension obligation and pension cost for the following year:

	HSBC Bank (UK) Pension Scheme	
	2007	2006
	£m	£m
Discount rate		
Change in pension obligation at 31 December from a 25bps increase	**(493)**	(553)
Change in pension obligation at 31 December from a 25bps decrease	**530**	584
Change in pension cost from a 25bps increase	**(10)**	(10)
Change in pension cost from a 25bps decrease	**10**	11
Rate of inflation		
Change in pension obligation at 31 December from a 25bps increase	**530**	584
Change in pension obligation at 31 December from a 25bps decrease	**(493)**	(553)
Change in pension cost from a 25bps increase	**40**	45
Change in pension cost from a 25bps decrease	**(37)**	(39)
Rate of increase for pensions in payment and deferred pensions		
Change in pension obligation at 31 December from a 25bps increase	**410**	463
Change in pension obligation at 31 December from a 25bps decrease	**(378)**	(444)
Change in pension cost from a 25bps increase	**30**	29
Change in pension cost from a 25bps decrease	**(28)**	(28)
Rate of pay increase		
Change in pension obligation at 31 December from a 25bps increase	**120**	146
Change in pension obligation at 31 December from a 25bps decrease	**(115)**	(140)
Change in pension cost from a 25bps increase	**11**	16
Change in pension cost from a 25bps decrease	**(10)**	(14)
Mortality		
Change in pension obligation from each additional year of longevity assumed	**340**	385

	Other plans	
	2007	2006
	£m	£m
Change in pension obligation from each additional year of longevity assumed	**9**	16

Defined benefit pension plans

Value recognised in the balance sheet

	At 31 December 2007			
	HSBC Bank (UK) Pension Scheme		Other plans	
	Expected rate of return %	**Value £m**	**Expected rate of return[2] %**	**Value £m**
Equities	**8.3**	**2,283**	**7.2**	**196**
Bonds	**6.1**	**7,646**	**3.6**	**260**
Property	**7.3**	**936**	**5.2**	**11**
Other	**5.1**	**451**	**4.9**	**90**
Fair value of plan assets		**11,316**		**557**
Present value of funded obligations		**(11,719)**		**(610)**
Present value of unfunded obligations		-		**(33)**
Defined benefit obligation		**(11,719)**		**(643)**
Effect of limit on plan surpluses		-		**(21)**
Unrecognised past service cost		-		-
Net liability[1]		**(403)**		**(107)**

1 £415 million of the net liability for defined benefit pension plans relates to the bank (2006: £1,917 million)
2 The expected rates of return are weighted on the basis of the fair value of the plan assets.

Notes on the Financial Statements (continued)

	At 31 December 2006			
	HSBC Bank (UK) Pension Scheme		Other plans	
	Expected rate of return %	Value £m	Expected rate of return[1] %	Value £m
Equities	8.0	2,570	5.7	178
Bonds	5.3	6,208	3.3	229
Property	7.0	1,047	–	5
Other	4.3	660	3.0	48
Fair value of plan assets		10,485		460
Present value of funded obligations		(12,392)		(595)
Present value of unfunded obligations		–		(32)
Defined benefit obligation		(12,392)		(627)
Effect of limit on plan surpluses		–		2
Unrecognised past service cost		–		–
Net liability		(1,907)		(165)

1 The expected rates of return are weighted on the basis of the fair value of the plan assets

The Scheme holds a diversified portfolio of investments to meet future cash flow liabilities arising from accrued benefits as they fall due to be paid. The Trustee of the Scheme is required to produce a written statement of investment principles (SIP). The statement sets out the principles governing how decisions about investments are made.

During 2006, the Trustee undertook a review of the Scheme's investment strategy in the light of the latest triennial valuation (31 December 2005) and related discussions with the bank on Scheme funding. As a result of this review, the Trustee has adopted a revised investment strategy that seeks to reduce the financial risks arising from the Scheme. The impact on the asset allocation of the Scheme resulting from the implementation of this revised investment strategy has been to reduce the Scheme's equity holdings and increase holdings in debt instruments. The Scheme has entered into derivative transactions with the bank to manage the risks arising from its portfolio. These derivatives comprise interest rate, London Interbank Offered Rate ('LIBOR'), swaps and inflation, Retail Prices Index ('RPI'), swaps. Under the terms of these swaps, the Scheme is committed to making LIBOR-related interest payments in exchange for cash flows paid into the Scheme based on a projection of the future benefit payments to the Scheme members. Further information on these swaps is detailed in Note 42 'Related party transactions'.

Changes in the present value of the defined benefit obligation

	2007		2006	
	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
At 1 January	12,392	627	11,961	601
Current service cost	227	23	242	24
Interest cost	623	23	560	21
Contributions by employees	-	16	–	13
Actuarial gains	(1,208)	(49)	(2)	(15)
Benefits paid	(315)	(37)	(369)	(32)
Past service cost – vested immediately	-	3	–	2
Curtailments	-	(29)	–	–
Exchange and other movements	-	66	–	13
At 31 December	11,719	643	12,392	627

Changes in the fair value of plan assets

	2007		2006	
	HSBC Bank (UK) Pension Scheme £m	**Other plans £m**	HSBC Bank (UK) Pension Scheme £m	Other plans £m
At 1 January	**10,485**	**460**	10,107	404
Expected return	**605**	**25**	620	22
Contributions by the group	**535**	**13**	127	15
Contributions by employees	**-**	**16**	–	11
Experience gains	**6**	**3**	–	7
Benefits paid	**(315)**	**(24)**	(369)	(16)
Assets distributed on settlements	**-**	**(3)**	–	–
Exchange and other movements	**-**	**67**	–	17
At 31 December	**11,316**	**557**	10,485	460

The actual return on plan assets for the year ended 31 December 2007 was £639million (2006: £649 million). The group expects to make £251 million of contributions to defined benefit pension plans during 2008.

Total expense recognised in the income statement in 'Employee compensation and benefits'

	2007		2006		2005	
	HSBC Bank (UK) Pension Scheme £m	**Other plans £m**	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
Current service cost	**227**	**23**	242	20	211	23
Interest cost	**623**	**23**	560	16	540	20
Expected return on plan assets	**(605)**	**(25)**	(620)	(16)	(525)	(15)
Past service cost	**-**	**3**	–	1	-	(2)
(Gains)/losses on curtailments	**-**	**(29)**	–	–	-	-
Total expense	**245**	**(5)**	182	21	226	26

Summary

	2007		2006		2005	
	HSBC Bank (UK) Pension Scheme £m	**Other plans £m**	HSBC Bank (UK) Pension Scheme £m	Other plans £m	HSBC Bank (UK) Pension Scheme £m	Other plans £m
Defined benefit obligation	**(11,719)**	**(643)**	(12,392)	(627)	(11,961)	(601)
Fair value of plan assets	**11,316**	**557**	10,485	460	10,107	404
Effect of limit on plan surpluses	**-**	**(21)**	-	2	-	-
Net deficit	**(403)**	**(107)**	(1,907)	(165)	(1,854)	(197)
Experience gains on plan liabilities	**(30)**	**(4)**	300	1	40	3
Experience gains/(losses) on plan assets	**6**	**3**	–	7	905	9
Gains/(losses) from changes in actuarial assumptions	**1,238**	**53**	(298)	14	(1,166)	(71)
Total net actuarial gains/(losses)	**1,214**	**52**	2	22	(221)	(59)

Total net actuarial gains recognised in equity since transition to IFRSs are £738 million. The total effect of the limit on plan surpluses recognised in equity together with net actuarial losses in 2007 was a £17 million loss (2006: £3 million loss).

Notes on the Financial Statements (continued)

The most recently completed triennial actuarial valuation of the Scheme performed by the Scheme Actuary on behalf of the Trustee was carried out as at 31 December 2005. The valuation identified a deficit of £1,200 million. The method adopted for this valuation was the projected unit credit method basis. The expected cash flows from the Scheme were projected by reference to the RPI swap break-even curve at 31 December 2005. Salary increases were assumed to be 1 per cent per annum above RPI, and inflationary pension increases, subject to a minimum of zero per cent per annum and a maximum of five per cent per annum, were assumed to be in line with RPI. The projected cash flows were discounted at the LIBOR swap curve at 31 December 2005 plus a margin for the expected return on the investment strategy of 110 basis points per annum. The mortality experience of the Scheme's pensioners over the three year period since the previous valuation was analysed and the mortality assumption set on the basis of this with allowances for medium cohort future improvements on the PA92 series of tables from the valuation date.

As part of the 31 December 2005 valuation, calculations were also carried out as to the amount of assets that might be needed to meet the liabilities if the Scheme was discontinued and the members' benefits bought out with an insurance company, although in practice this may not be possible for a plan of this size, or the Trustee continued to run the Scheme without the support of the bank. The amount required under this approach is estimated to be £15,500 million as at 31 December 2005. In estimating the solvency position for this purpose, a more prudent assumption about future improvements in mortality was made that for the assessment of the ongoing position and it was assumed that the Trustee would alter the investment strategy to be in line with that, on an appropriately matched portfolio of cash and interest and inflation swaps. An explicit allowance for expenses was also included.

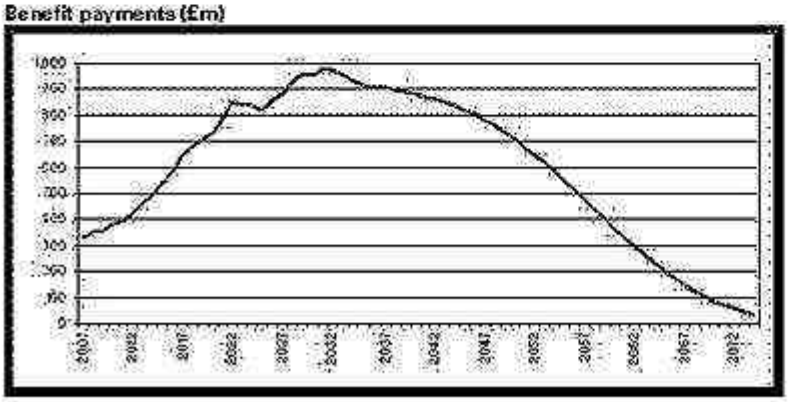
In anticipation of the valuation result, on 22 December 2005 HSBC Bank plc made an additional contribution of £1 billion in order to reduce the deficit of the plan. Following receipt of the valuation the Trustee and the bank have agreed a funding plan to close the deficit over a maximum period of ten years and adopt an appropriate ongoing contribution rate. As a result of these negotiations the bank has agreed to make ongoing contributions to the Scheme at a rate of 36.0 per cent of pensionable salaries from 1 January 2007 until the completion of the next actuarial valuation, due at 31 December 2008. During 2006 the bank paid contributions at the rate of 20 per cent of pensionable salaries and in order to compensate for this, a further 2 per cent of pensionable salaries is being paid over the period 1 January 2007 to 31 December 2014. The bank has also agreed to a series of additional contributions towards the deficit as detailed below:

	£m
2012	465
2013	465
2014	465

The Trustee and the bank will monitor progress towards closing the deficit on an annual basis and in the light of the next triennial valuation due as at 31 December 2008.

The benefits payable from the Scheme are expected to be as shown in the chart below:

Benefit payments (£m)



Post-employment healthcare benefits plans

Value recognised in the balance sheet

	2007 £m	2006 £m
Present value of unfunded obligations	(164)	(180)
Net liability[1]	(164)	(180)

1 *£136 million of the net liability for post-employment healthcare benefits relates to the bank (2006: £152 million).*

Changes in the present value of the defined benefit obligation

	2007 £m	2006 £m
At 1 January	180	168
Current service cost	1	1
Interest cost	8	7
Actuarial (gains)/losses	(22)	12
Past service costs		
- vested immediately	-	–
- unvested benefits	-	–
Benefits paid	(6)	(6)
Exchange and other movements	3	(2)
At 31 December	164	180

Total expense recognised in the income statement, in 'Employee compensation and benefits'

	2007 £m	2006 £m
Current service cost	1	1
Interest cost	8	7
Total expense	9	8

Summary

	Year ended 31 December		
	2007 £m	2006 £m	2005 £m
Defined benefit obligation	(164)	(180)	(168)
Net deficit	(164)	(180)	(168)
Experience gains/(losses) on plan liabilities	8	(5)	-
Gains/(losses) from changes in actuarial assumptions	14	(7)	(22)
Total net actuarial gains/(losses)	22	(12)	(22)

The group expects to make £6m of contributions to healthcare benefit plans during 2008.

Total net actuarial losses recognised in equity to date are £14 million.

The actuarial assumptions of the healthcare cost trend rates have a significant effect on the amounts recognised. A one percentage point change in assumed healthcare cost trend rates would have the following effects on amounts recognised in 2007:

	1% increase £m	1% decrease £m
Increase/ (decrease) on the aggregate of the current service cost and interest cost	2	(1)
Increase/ (decrease) on defined benefit obligation	24	(19)

Notes on the Financial Statements (continued)

The bank

Employees of the bank who are members of defined benefit pension plans are principally members of the HSBC Bank (UK) Pension Scheme, as disclosed in the note above.

Directors' emoluments

The aggregate emoluments of the Directors of the bank, computed in accordance with Part I of Schedule 6 of the Companies Act were:

	2007 £000	2006 £000
Fees	466	365
Salaries and other emoluments	2,026	1,607
Bonuses	8,448[1]	3,316[2]
	10,940	5,288
Vesting of Restricted Share Plan awards	4,243	534

1 *Includes the sum of £4,274,098 deferred into shares which are not subject to performance conditions, but are subject to a restricted period.*

2 *In return for the prior waiver of bonus, the employer contribution into the pension scheme of a Director was increased by the amount of £245,458.*

In aggregate, awards of £157,576 (2006: £3,081,494) will be made to one Director under long-term incentive plans in respect of 2007.

Retirement benefits accrue to one Director under a defined benefit scheme and to one Director under a money purchase scheme. A further Director accrued retirement benefits under a money purchase scheme from January to August 2007. Aggregate contributions during the year to money purchase arrangements in respect of Directors services were £395,023.

In addition, there were payments under retirement benefit agreements with former Directors of £700,887 (2006: £690,462), including payments in respect of unfunded pension obligations to former Directors of £386,873 (2006: £397,657). The provision as at 31 December 2007 in respect of unfunded pension obligations to former Directors amounted to £4,653,000 (2006: £5,130,000). During the year, aggregate contributions to pension schemes in respect of Directors were £395,023 (2006: £645,612 - including £245,458 arising from Director's waiver of bonus).

Discretionary bonuses for Directors are based on a combination of individual and corporate performance and are determined by the Remuneration Committee of the bank's parent company, HSBC Holdings plc. The cost of the conditional awards under the HSBC Holdings Restricted Share Plan 2000 and The HSBC Share Plan are recognised through an annual charge based on the fair value of the awards and the likely level of vesting of shares, apportioned over the period of service to which the award relates.

Of these aggregate figures, the following amounts are attributable to the highest paid Director:

	2007 £000	2006 £000
Fees	-	35
Salaries and other emoluments	208	422
Bonuses[1]	3,064	845[2]

1 *Includes the sum of £1.2 million deferred into shares which are not subject to performance conditions, but are subject to a restricted period.*

2 *In return for the prior waiver of bonus, an employer contribution of £245,458 was made into a defined contribution pension arrangement and is not shown in this figure.*

The highest paid Director received 424,486 shares as the result of awards under long-term incentive plans that vested during the year. The highest paid Director did not exercise any share options over HSBC Holdings Plc ordinary shares during the year.

Contributions of £180,000 into a defined contribution pension arrangement were made by the bank in respect of services by the highest paid Director during the year.

The Remuneration Committee of the bank's parent company, HSBC Holdings plc, is proposing that the highest paid Director should receive a conditional award of HSBC Holdings plc ordinary shares with a face value of £157,576 under The HSBC Share Plan in respect of services as a Director during the year. Details of The HSBC Share Plan and performance conditions are contained within the Directors' Remuneration Report of HSBC Holdings plc.

9 General and administrative expenses

Auditors' remuneration

Auditors' remuneration in relation to statutory audit amounted to £9.0 million (2006: £8.1 million).

The following fees were payable by the group to the group's principal auditor, KPMG Audit plc and its associates (together 'KPMG'):

	2007 £m	2006 £m
Audit fees for HSBC Bank plc statutory audit:		
– fees relating to current year	3.3	3.3
– fees relating to prior year	0.1	–
	3.4	3.3
Fees payable to KPMG for other services provided to the group		
– audit of subsidiaries, pursuant to legislation	5.0	4.4
– other services pursuant to legislation	2.2	2.3
– tax services	0.2	0.3
– services relating to information technology	0.2	0.1
– valuation and actuarial services	0.1	0.1
– all other services	1.9	1.4
	9.6	8.6
Total fees payable	13.0	11.9

'Audit fees for HSBC Bank plc statutory audit' are fees payable to KPMG Audit plc for the statutory audit of the consolidated financial statements of the group and the separate financial statements of HSBC Bank plc. It excludes amounts payable for the statutory audit of HSBC Bank plc's subsidiaries which have been included in 'Fees payable to KPMG for other services provided to the group'.

The following is a description of the type of services included in 'Fees payable to KPMG for other services provided to the group':

Audit related services:

- Audit of the group's subsidiaries pursuant to legislation, includes fees payable to KPMG for the statutory audit of HSBC Bank plc's subsidiaries and associated pension schemes.
- Other services pursuant to legislation include services for assurance and other services that are in relation to statutory and regulatory filings, including comfort letters and interim reviews.

Tax services:

- Tax services include tax compliance services and tax advisory services.

Other services:

- Services relating to information technology include advice on IT security and business continuity and performing agreed upon IT testing procedures.
- Valuation and actuarial services include internal valuation opinions on transfers within the group.
- All other services include other assurance and advisory services such as translation services, ad-hoc accounting advice and review of financial models.

Fees payable to KPMG for non-audit services for HSBC Bank plc are not disclosed because such fees are disclosed on a consolidated basis for the group.

Notes on the Financial Statements (continued)

10 Share-based payments

Share option awards granted by HSBC Holdings to group employees are accounted for as equity-settled share-based payments and are satisfied by HSBC Holdings transferring shares to the employees on exercise.

Where an award of HSBC Holdings shares is made to a group employee by a group entity, the employing entity has an obligation to transfer HSBC Holdings shares to the employee if the vesting conditions of the award are satisfied. The employing entity incurs a liability in respect of the share awards recognised at fair value, remeasured at each reporting date over the vesting period and at the date of settlement. These transactions are accounted for as cash-settled share-based payment transactions.

During 2007, £42 million was charged to the income statement in respect of equity-settled share-based payment transactions and £122 million was charged to the income statement in respect of cash-settled share-based payment transactions (2006: £77 million and £122 million respectively). The equity-settled share-based payment expense was based on the fair value of the transactions at the grant date. The cash-settled share-based payment expense was based on the fair value of the transactions at the date of settlement or at the year end. All of the expense arose under employee share awards made within the group's reward structures. The carrying amount of the share-based payment liability at the balance sheet date was £184 million (2006: £140 million).

Calculation of fair values

Fair values of equity instruments at date of grant are calculated using a binomial lattice model methodology that is based on the underlying assumptions of the Black-Scholes model. When modelling options/share awards with vesting dependent on the Group's Total Shareholder Return over a period, these performance targets are incorporated into the model using Monte-Carlo simulation. The expected life of options depends on the behaviour of option holders, which is incorporated into the option model consistent with historic observable data. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the model used.

The significant weighted average assumptions used to estimate the fair value of the options granted in 2007 were as follows:

	1-year Savings-Related Share Option Schemes	3-year Savings-Related Share Option Schemes	5-year Savings-Related Share Option Schemes	The HSBC Share Plan
Risk-free interest rate[1] (%)	5.6	5.5	5.4	–
Expected life[2] (years)	1.0	3.0	5.0	–
Expected volatility[3] (%)	17.0	17.0	17.0	–

1 *The risk-free rate was determined from the UK gilts yield curve for Group Share Option Plan awards and UK Savings-Related Share Option Schemes. A similar yield curve was used for the Overseas Savings-Related Share Option Schemes.*
2 *Expected life is not a single input parameter but a function of various behavioural assumptions.*
3 *Expected volatility is estimated by considering both historic average share price volatility and implied volatility derived from traded options over HSBC shares of similar maturity to those of the employee options.*

Expected dividends have been incorporated into the valuation model for options and shares, where applicable. Expected dividend growth was determined, denominated in US Dollars, to be 10 per cent for the first 3 years (2006: 9 per cent for first year) and 8 per cent thereafter (2006: 8 per cent), consistent with consensus analyst forecasts.

The average share price for 2007 was £9.03 (2006: £9.60). The high mid-market price for the year was £9.72 and the low mid-market price was £7.84 (2006: £10.28 and £9.14 respectively).

The significant weighted average assumptions used to estimate the fair value of the options granted in 2006 were as follows:

	Group Share Option Plan	3-year Savings-Related Share Option Schemes	5-year Savings-Related Share Option Schemes	The HSBC Share Plan
Risk-free interest rate[1] (%)	4.7	4.8	4.7	–
Expected life[2] (years)	1.0	3.0	5.0	–
Expected volatility[3] (%)	17.0	17.0	17.0	–

1 *The risk-free rate was determined from the UK gilts yield curve for Group Share Option Plan awards and UK Savings-Related Share Option Schemes. A similar yield curve was used for the Overseas Savings-Related Share Option Schemes.*
2 *Expected life is not a single input parameter but a function of various behavioural assumptions.*
3 *Expected volatility is estimated by considering both historic average share price volatility and implied volatility derived from traded options over HSBC shares of similar maturity to those of the employee options.*

HSBC Share Plan

The HSBC Share Plan was adopted by the Group in 2005. This plan comprises Performance share awards, Restricted share awards and Achievement share awards. The aim of the HSBC Share Plan is to align the interests of executives to the creation of shareholder value and recognise individual performance and potential. Awards are also made under this plan for recruitment and retention purposes.

Performance share awards

Performance share awards are made to senior executives taking into account individual performance in the prior year. Performance share awards are divided into two equal parts for testing attainment against pre-determined benchmarking. One half is subject to a Total Shareholder Return measure based on HSBC's ranking against a comparator group of 28 major banks. The other half of the award is subject to an Earnings per share target. For each element of the award shares would be released to the employee according to a sliding scale from 30 to 100 per cent, depending upon the scale of achievement against the benchmarks and providing that a threshold has been passed. If the threshold is not passed zero per cent will vest for that part of the award. Shares will be released after three years to the extent that the performance conditions are satisfied. These awards are forfeited in total if the Group performance fails to meet the threshold criteria.

	2007 Number (000)	2006[2] Number (000)
Outstanding at 1 January	1,966	962
Additions during the year	421	1,132
Releases during the year	(203)	(128)
Forfeited in the year	–	–
Outstanding at 31 December[1]	2,184	1,966

1 *The above table includes the bank employee awards of 1,735,782 (2006: 1,446,832)*
2 *Restated*

The weighted average fair value of shares awarded by the group for Performance Share Awards in 2007 was £8.96 (2006: £7.38).

Restricted Share awards

Restricted Share awards are made to eligible employees for recruitment and retention purposes or as part of deferral of annual bonus. The awards vest between one and three years from date of award.

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Notes on the Financial Statements (continued)

	2007 Number (000)	2006[2] Number (000)
Outstanding at 1 January	**13,333**	214
Additions during the year	**21,035**	13,570
Released during the year	**(2,454)**	(163)
Forfeited in the year	**(2,324)**	(288)
Outstanding at 31 December[1]	**29,590**	13,333

1 *The above table includes the bank employee shares of 11,448,342 granted during the year and 16,576,814 shares outstanding at 31 December 2007.*
2 *Restated*

The weighted average fair value of shares awarded by the group for Restricted Share Awards in 2007 was £8.96 (2006: £9.65).

Share options

Share options were granted under the rules of The HSBC Share Plan to employees in France based on their performance in the previous year. The share options are subject to the corporate Performance Condition, which consists of an absolute Earnings Per Share measure and a Total Shareholder Return measure, based on the Group's ranking against a comparator group of 28 major banks. The options vest after three years. Options granted in June 2005 are exercisable up to the fourth anniversary of the date of grant, after which they lapse. Options granted in September 2005 are exercisable up to the tenth anniversary of the grant, after which they lapse.

	2007		2006	
	Number (000)	Weighted average exercise price £	Number (000)	Weighted average exercise price £
Outstanding at 1 January	**628**	**8.84**	628	8.84
Granted in the year	–	–	–	–
Forfeited in the year	**(103)**	**8.79**	–	–
Outstanding at 31 December	**525**	**8.85**	628	8.84

No share options were granted in 2007 (fair value of options granted in 2006: nil). The remaining contractual life of options outstanding at the balance sheet date is 2.39 years. (2006: 3 years). The exercise price range of options outstanding at the balance sheet date is £8.794 - £9.17. None of these options are exercisable at the balance sheet date.

No share options were exercised in the year.

Savings-related share plans

The savings-related share option plans invite eligible employees to enter into savings contracts to save up to £250 per month, with the option to use the savings to acquire shares. The aim of the plan is to align the interests of all employees to the creation of shareholder value. The options are exercisable within six months following either the third or the fifth anniversary of the commencement of the savings contract depending on conditions set at grant. The exercise price is set at a 20 per cent (2006: 20 per cent) discount to the market value at the date of grant.

	2007		2006	
	Number (000)	Weighted average exercise price £	Number (000)	Weighted average exercise price £
Outstanding at 1 January	**37,053**	**6.46**	37,164	5.98
Granted in the year	**10,845**	**7.08**	7,890	8.89
Exercised in the year	**(3,623)**	**6.45**	(6,714)	5.63
Transferred in the year	**(1,242)**	**6.89**	134	5.90
Expired in the year	**(2,004)**	**6.76**	(1,421)	6.41
Outstanding at 31 December[1,2]	**41,029**	**6.59**	37,053	6.46

1 *The above table includes the bank employee options of 33,571,481 outstanding at 1 January 2007 (2006: 36,005,997), 8,269,034 options granted in the year (2006: 7,537,041) and 34,569,476 options outstanding at 31 December 2007 (2006: 33,571,481).*
2 *The weighted average exercise price for bank employees at 1 January 2007 was £6.44 (2006: £5.97) and at 31 December 2007 was £6.57.*

The weighted average fair value of options granted in the year as at the date of grant was £2.12 (2006 £2.50). The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2007	2006
Exercise price range (£)	**£5.35-£8.02**	£5.35-£8.02
Number (000)	**41,029**	37,053
Weighted average exercise price (£)	**6.59**	6.46
Weighted average remaining contractual life (years)	**1.77**	2.08
Of which exercisable:		
Number (000)	**154**	214
Weighted average exercise price (£)	**6.49**	5.35

The bank

	2007	2006
Exercise price range (£)	**£5.35-£8.02**	£5.35-£8.02
Number (000)	**34,569**	33,571
Weighted average exercise price (£)	**6.57**	6.44
Weighted average remaining contractual life (years)	**1.76**	2.24
Of which exercisable:		
Number (000)	**85**	186
Weighted average exercise price (£)	**6.49**	5.35

The weighted average share price at the dates the share options were exercised was £8.96 (2006: £9.54).

Restricted Share Plan 2000

Performance Share awards made under the HSBC Holdings Restricted Share Plan 2000

Performance Share awards under the Restricted Share Plan were granted to Senior Executives from 1996 to 2004. The aim of the plan was to align the interests of executives to the creation of shareholder value. This was achieved by setting certain Total Shareholder Return targets against a peer group of major banks, which must normally be attained in order for the awards to vest. No further awards will be made under this Plan following adoption of the HSBC Share Plan in 2005.

Notes on the Financial Statements (continued)

	2007 Number (000)	2006 Number (000)
Outstanding at 1 January	**1,977**	2,210
Additions during the year	**849**	80
Released in the year	**(1,750)**	(313)
Transferred in the year	**(24)**	–
Outstanding at 31 December[1]	**1,052**	1,977

1 *All the above awards relate to executives of HSBC Bank plc.*

The fair value of the shares at 31 December 2007 was £8.42 (2006: £9.31).

The weighted average remaining vesting period as at 31 December 2007 was 10 months (2006: 15 months).

Restricted share awards made under the HSBC Holdings Restricted Share Plan 2000 ('Achievement Shares')

Restricted shares were awarded to eligible employees after taking into account the employee's performance in the prior year, potential and retention requirements. Restricted shares are also awarded as part deferral of annual bonus or for recruitment purposes. Shares are awarded without corporate performance conditions and are generally released to employees between one and three years after the award was made, providing the employees have remained continuously employed by the Group for this period.

	2007 Number (000)	2006 Number (000)
Outstanding at 1 January	**12,867**	26,023
Released in the year	**(7,299)**	(13,960)
Additions during the year	**452**	1,139
Forfeited in the year	**(792)**	(439)
Transferred in the year	**883**	104
Outstanding at 31 December [1]	**6,111**	12,867

1 *The above table includes bank employee shares of 7,525,817 outstanding at 1 January 2007 (2006: 25,617,586), nil shares granted in the year (2006: 515,872) and 3,569,950 outstanding at 31 December 2007.*

No shares were awarded by the group for HSBC Holdings Restricted Share Plan 2000 in 2007 or 2006.

The weighted average remaining vesting period as at 31 December 2007 was 0.14 years (2006: 0.95 years)

Group Share Option Plan

The Group Share Option Plan was a long-term incentive plan available to certain group employees between 2000 and 2005. The aim of the plan was to align the interests of those higher performing employees to the creation of shareholder value. This was achieved by setting certain Total Shareholder Return targets which must normally be attained in order for the awards to vest. Options were granted at market value and are normally exercisable between the third and tenth anniversaries of the date of grant, subject to vesting conditions.

	2007		2006	
	Number (000)	Weighted average exercise price £	Number (000)	Weighted average exercise price £
Outstanding at 1 January	45,352	7.82	67,390	7.74
Granted in the year			–	–
Exercised in the year	(2,098)	6.96	(22,211)	7.45
Transferred in the year	1,141	7.72	282	7.67
Expired in the year	(2,173)	7.97	(109)	8.02
Outstanding at 31 December[1,2]	42,222	7.86	45,352	7.82

1 *The above includes the bank employee awards of 21,402,302 outstanding at 1 January 2007 (2006: 33,341,930), nil options granted in the year (2006: nil) and 21,270,293 options outstanding at 31 December 2007 (2006: 21,402,302).*
2 *The weighted average exercise price for bank employees at 1 January 2007 was £7.80 (2006: £7.61) and at 31 December 2007 was £7.83 (2006: £7.80).*
3 *A charge of £27.3 million was recognised in the income statement in 2006 arising from the waiver of the Total Shareholder Return performance condition in respect of the 2003 awards made under the Group Share Option Plan. The Group Remuneration Committee exercised its discretion, as permitted by the Plan, to waive this performance condition in light of the performance and shareholder returns over the three years covered by the 2003 awards. This was accounted for as a modification in accordance with IFRS 2, resulting in an additional charge to the income statement representing the additional fair value awarded as a result of the modification, calculated in accordance with the fair value methodology outlined above.*

No share options were awarded by the group for the Group Share Option Plan in 2007 (fair value of options granted in 2006: nil). The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2007		2006	
Exercise price range (£)	£6.00-£8.00	£8.01-£10.00	£6.00-£8.00	£8.01-£10.00
Number (000)	13,573	28,649	15,807	29,545
Weighted average exercise price (£)	6.91	8.30	6.91	8.31
Weighted average remaining contractual life (years)	–	0.06	–	0.52
Of which exercisable:				
Number (000)	13,573	23,383	15,807	188
Weighted average exercise price (£)	6.91	7.78	6.91	8.13

The bank

	2007		2006	
Exercise price range (£)	£6.00-£8.00	£8.01-£10.00	£6.00-£8.00	£8.01-£10.00
Number (000)	7,029	14,241	7,520	13,882
Weighted average exercise price (£)	6.91	8.29	6.91	8.28
Weighted average remaining contractual life (years)	–	0.002	–	0.22
Of which exercisable:				
Number (000)	7,029	14,143	7,520	108
Weighted average exercise price (£)	6.91	8.28	6.91	8.13

HSBC France and subsidiary company plans

HSBC France granted share purchase and subscription offers to certain executives of HSBC France, directors and officers, as well as to certain senior executives of subsidiaries.

Options granted between 1994 and 1999 vested upon announcement of the group's intent to acquire HSBC France and were therefore included in the valuation of HSBC France.

HSBC France granted 909,000 options in 2000 after the public announcement of the acquisition and these options did not vest as a result of the change in control. The options were subject to continued employment and vested on 1 January 2002. The HSBC France shares obtained on exercise of the options are exchangeable for HSBC's ordinary

Notes on the Financial Statements (continued)

shares of US$0.50 each in the same ratio as the Exchange Offer for Crédit Commercial de France shares (13 ordinary shares of US$0.50 for each HSBC France share). Options are granted at market value and are exercisable within 10 years of the vesting date.

	2007		2006	
	Number (000)	Weighted average exercise price €	Number (000)	Weighted average exercise price €
Outstanding at 1 January	646	142.50	766	142.50
Exercised in the year	(44)	142.50	(120)	142.50
Outstanding and exercisable at 31 December	602	142.50	646	142.50

The weighted average remaining contractual life for options outstanding at the balance sheet date was 2.3 years (2006: 3.3 years).

The weighted average share price at the dates the share options were exercised was £9.03 (2006: £9.58)

At the date of its acquisition in 2000, certain of HSBC France's subsidiary companies also operated employee share option plans under which options could be granted over their respective shares. On exercise of certain of these options, the subsidiary shares are exchanged for HSBC ordinary shares. The total number of HSBC Holdings shares exchangeable under such arrangements was 113,240 shares during the year. (2006: 356,491).

Detailed below are the share-based payment awards made before the date of application of IFRS 2 on 7 November 2002 and therefore, are not accounted for within the balance sheet or income statement.

The Group Share Option Plan

	2007		2006	
	Number (000)	Weighted average exercise price £	Number (000)	Weighted average exercise price £
Outstanding at 1 January	35,798	8.17	46,654	8.10
Exercised in the year	(3,695)	7.87	(11,113)	7.90
Transferred in the year	2,552	8.22	320	7.83
Expired in the year	(244)	7.81	(63)	7.74
Outstanding at 31 December[1,2]	34,411	8.20	35,798	8.17

1 *The above includes the bank employee awards of 21,402,021 options outstanding at 1 January 2007 (2006: 30,424,672), and 20,236,879 options outstanding at 31 December 2007 (2006: 21,402,021).*
2 *The weighted average exercise price for bank employees was £7.97 at 1 January 2007 (2006: £7.93) and £8.02 at 31 December 2007 (2006: £7.97).*

The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2007		2006	
Exercise price range (£)	£6.38-£7.46	£7.47-£9.54	£6.38-£7.46	£7.47-£9.54
Number (000)	7,121	27,290	8,116	27,682
Weighted average exercise price (£)	6.85	8.56	6.84	8.56
Weighted average remaining contractual life (years)	–	–	–	–
Of which exercisable:				
– number (000)	7,121	27,290	8,116	27,682
– weighted average exercise price (£)	6.85	8.56	6.84	8.56

The bank

	2007		2006	
Exercise price range (£)	**£6.38-£7.46**	**£7.47-£9.54**	£6.38-£7.46	£7.47-£9.54
Number (000)	**6,281**	**13,956**	7,207	14,195
Weighted average exercise price (£)	**6.82**	**8.56**	6.81	8.56
Weighted average remaining contractual life (years)	–	–	–	–
Of which exercisable:				
– number (000)	**6,281**	**13,956**	7,207	14,195
– weighted average exercise price (£)	**6.82**	**8.56**	6.81	8.56

Savings Related Share Option Plan

	2007		2006	
	Number (000)	**Weighted average exercise price £**	Number (000)	Weighted average exercise price £
Outstanding at 1 January	**3,650**	**6.33**	7,347	6.51
Exercised in the year	**(3,465)**	**6.33**	(3,583)	6.70
Transferred in the year	**(24)**	**6.29**	11	6.36
Expired in the year	**(58)**	**6.46**	(125)	6.37
Outstanding at 31 December[1,2]	**103**	**6.32**	3,650	6.33

1 *The above table includes the bank employee options of 3,500,932 outstanding at 1 January 2007 (2006: 7,246,942) and 98,706 options outstanding at 31 December 2007 (2006: 3,500,932).*
2 *The weighted average exercise price for bank employees was £6.33 at 1 January 2007 (2006: £6.51) and £6.32 at 31 December 2007 (2006: £6.33).*

The number of options, weighted average exercise price, and the weighted average remaining contractual life for options outstanding at the balance sheet date, analysed by exercise price range, were as follows:

The group

	2007	2006
Exercise price range (£)	**£6.04-£6.75**	£6.04-£6.75
Number (000)	**103**	3,650
Weighted average exercise price (£)	**6.32**	6.33
Weighted average remaining contractual life (years)	–	0.33
Of which exercisable:		
– number (000)	**103**	82
– weighted average exercise price (£)	**6.32**	6.75

The bank

	2007	2006
Exercise price range (£)	**£6.04-£6.75**	£6.04-£6.75
Number (000)	**99**	3,501
Weighted average exercise price (£)	**6.32**	6.33
Weighted average remaining contractual life (years)	–	0.33
Of which exercisable:		
– number (000)	**99**	75
– weighted average exercise price (£)	**6.32**	6.75

Notes on the Financial Statements (continued)

11 Tax expense

	2007	2006
	£m	£m
Current taxation		
United Kingdom corporation tax charge – current year	661	466
United Kingdom corporation tax charge – adjustment in respect of prior years	7	(82)
Overseas tax – current year	331	370
Overseas tax – adjustment in respect of prior years	26	(6)
	1,025	748
Deferred taxation		
Origination and reversal of temporary differences	(220)	219
Effect of changes in the tax rates	(20)	–
Adjustment in respect of previous periods	(18)	11
	(258)	230
Tax expense	767	978

The bank and its subsidiary undertakings in the United Kingdom provided for UK corporation tax at 30 per cent (2006: 30 per cent). Other overseas subsidiary undertakings and overseas branches provided for taxation at the appropriate rates in the countries in which they operate.

The 2007 Finance Act reduction in the UK corporation tax rate from 30% to 28% and the reduction of the German federal tax rate, both enacted in 2007 but commencing in 2008, has resulted in a one off remeasurement of deferred tax assets and liabilities. This has given rise to a credit to the group's tax charge of £20 million.

	2007		2006	
	£m	Percentage of overall tax charge %	£m	Percentage of overall tax charge %
Analysis of overall tax charge				
Taxation at UK corporate tax rate of 30 per cent (2006: 30 per cent)	1,224	30.0	1,139	30.0
Impact of overseas profits in principal locations taxed at different rates	(61)	(1.5)	(65)	(1.7)
Tax-free gains	(253)	(6.2)	(19)	(0.5)
Impact of profits in associates and joint ventures	(12)	(0.3)	11	0.3
Previously unrecognised temporary differences	(53)	(1.3)	(24)	(0.6)
Release of deferred tax consequent on restructuring of group interest	(180)	(4.4)	-	-
Adjustments in respect of prior period liabilities	16	0.4	(80)	(2.1)
Other items	86	2.1	16	0.4
Overall tax charge	767	18.8	978	25.8

In addition to the amount charged to the income statement the aggregate amount of deferred taxation, relating to items that are taken directly to equity, was a £311 million reduction in equity (2006: £29 million increase in equity).

The group is subject to income taxes in many jurisdictions and significant judgement is required in estimating the group's provision for income taxes. There are many transactions and interpretations of tax law for which the final outcome will not be established until some time later. The group recognises liabilities for taxation based on estimates of whether additional taxes will be payable. The estimation process includes seeking expert advice where appropriate. Where the final liability for taxation is different from the amounts that were initially recorded, these differences will affect the income tax and deferred taxation provisions in the period in which the estimate is revised or the final liability is established.

Deferred taxation

The group

	2007			2006		
	Deferred tax asset £m	Deferred tax liability £m	Total £m	Deferred tax asset £m	Deferred tax liability £m	Total £m
Temporary differences:						
– retirement benefits	35	262	297	31	749	780
– provision for loan impairment charges	8	58	66	2	68	70
– assets leased to customers	(21)	(577)	(598)	(21)	(790)	(811)
– revaluation of property	(55)	(36)	(91)	(46)	(47)	(93)
– accelerated capital allowances	–	(49)	(49)	–	(60)	(60)
– other short term timing differences	83	(6)	77	63	(110)	(47)
Unused tax losses	–	46	46	–	48	48
	50	(302)	(252)	29	(142)	(113)

The amount of deferred tax assets for which no deferred tax is recognised in the balance sheet is £53 million (2006: £115 million). This amount is in respect of capital losses that have no expiry date where the recoverability of the potential benefits is not considered likely.

The bank

	2007			2006		
	Deferred tax asset £m	Deferred tax liability £m	Total £m	Deferred tax asset £m	Deferred tax liability £m	Total £m
Temporary differences:						
– retirement benefits	262	–	262	730	–	730
– provision for loan impairment charges	63	–	63	73	–	73
– revaluation of property	(21)	–	(21)	(29)	–	(29)
– accelerated capital allowances	(50)	–	(50)	(63)	–	(63)
– other short term timing differences	218	(2)	216	130	(49)	81
Unused tax losses	43	–	43	32	16	48
	515	(2)	513	873	(33)	840

The amount of temporary differences for which no deferred tax is recognised in the balance sheet is £46 million (2006: £107 million). This amount is in respect of capital losses that have no expiry date where the recoverability of the potential benefits is not considered likely.

Deferred tax is not recognised on temporary differences with investments in subsidiaries and branches because earnings are intended to be indefinitely reinvested in the case of subsidiaries and no further tax is expected to arise in the foreseeable future in respect of branches. The total amount of such relevant temporary differences amounted to £3,486 million (2006: £2,977 million).

Movements in deferred taxation during the year

	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Movements during the year:				
At 1 January	(113)	56	840	995
Charge/(credit) to income statement	258	(230)	52	(124)
Foreign exchange movements and other[1]	(73)	22	1	11
Movements through reserves	(324)	39	(380)	(42)
At 31 December	(252)	(113)	513	840

1 *Included in the movement for 2007 are deferred tax liabilities of £68 million recognised from the acquisition of HSBC Assurances VIE (France) and HSBC Assurances IARD (France) during the year.*

Notes on the Financial Statements (continued)

12 Dividends

Dividends declared on ordinary share capital	2007 £ per share	2007 £m	2006 £ per share	2006 £m
Second interim dividend for previous year	1.05	840	0.88	700
First interim dividend for current year	1.03	825	1.12	891
	2.08	1,665	2.00	1,591

A dividend of £0.91 per share was paid in 2007 (2006: nil) on the HSBC Bank plc Non-cumulative third dollar preference shares. Total dividend paid was £32 million.

Interest of £9 million (2006: nil) was paid in 2007 (2006: nil) on HSBC Bank plc Perpetual subordinated debt.

13 Segment analysis

The allocation of earnings reflects the benefit of shareholders' funds to the extent that these costs are actually allocated to businesses in the segment by way of intra-group capital and funding structures.

By geographical region

Geographical information has been classified by the location of the principal operations of the subsidiary undertaking or, in the case of the bank, by the location of the branch responsible for reporting the results or for advancing the funds.

	United Kingdom £m	Continental Europe £m	Rest of the world £m	Intra-group £m	Total £m
2007					
Total operating income					
Net interest income	2,275	1,188	88	303	3,854
Net fee income	2,723	1,355	106	–	4,184
Net trading income	2,525	1,080	185	(303)	3,487
Net income from financial instruments designated at fair value	93	33	–	–	126
Gains less losses from financial investments	364	188	–	–	552
Dividend income	19	23	1	–	43
Net earned insurance premiums	693	1,228	–	–	1,921
Other operating income	191	106	15	(5)	307
Total operating income	8,883	5,201	395	(5)	14,474
Share of profits/losses in associates and joint ventures	(1)	49	(1)	–	47
Profit before tax	2,528	1,316	237	–	4,081
Profit attributable to shareholders	2,069	966	192	–	3,227
Depreciation and impairment of property, plant and equipment	(338)	(84)	–	–	(422)
Amortisation and impairment of intangible assets and impairment of goodwill	(122)	(19)	(1)	–	(142)
Loan impairment charges and other credit risk provisions	(953)	(91)	1	–	(1,043)
Cost to acquire property, plant and equipment	(371)	(203)	(4)	–	(578)
Cost to acquire intangibles	(97)	(25)	–	–	(122)
Total assets	440,411	218,927	14,333	(51,391)	622,280
Total liabilities	430,604	203,830	14,238	(51,391)	597,281

	United Kingdom £m	Continental Europe £m	Rest of the world £m	Intra-group £m	Total £m
2006					
Total operating income					
Net interest income	3,083	985	41	87	4,196
Net fee income	2,379	1,285	78	–	3,742
Net trading income	1,686	847	180	(87)	2,626
Net income from financial instruments designated at fair value	54	5	–	–	59
Gains less losses from financial investments	105	130	4	–	239
Dividend income	19	31	–	–	50
Net earned insurance premiums	176	141	–	–	317
Other operating income	382	66	32	–	480
Total operating income	7,884	3,490	335	–	11,709
Share of profits/losses in associates and joint ventures	(53)	14	(1)	–	(40)
Profit before tax	2,473	1,133	190	–	3,796
Profit attributable to shareholders	1,819	737	166	–	2,722
Depreciation and impairment of property, plant and equipment	(332)	(77)	(1)	–	(410)
Amortisation and impairment of intangible assets and impairment of goodwill	(130)	(21)	–	–	(151)
Loan impairment charges	(906)	(32)	–	–	(938)
Cost to acquire property, plant and equipment	(525)	(101)	(2)	–	(628)
Cost to acquire intangibles	(93)	(16)	–	–	(109)
Total assets	309,778	138,092	13,166	(20,276)	440,760
Total liabilities	301,147	125,863	13,088	(20,276)	419,822

By class of business

The group's operations include a number of support services and head office functions. The costs of these functions are allocated to business lines, where it is appropriate, on a systematic and consistent basis.

	2007 £m	2006 £m
Net operating income before loan impairment charges		
UK Personal Financial Services	**3,745**	3,641
UK Commercial Banking	**2,207**	1,935
UK Corporate, Investment banking and Markets	**2,065**	1,905
UK Other	**106**	52
International Banking	**1,104**	871
France	**1,910**	1,733
Private Banking	**1,299**	1,153
HSBC Trinkaus & Burkhardt	**364**	328
	12,800	11,618

	2007 £m	2006 £m
Profit/(loss) on ordinary activities before tax		
UK Personal Financial Services	**740**	869
UK Commercial Banking	**1,004**	943
UK Corporate, Investment banking and Markets	**468**	482
UK Other	**155**	45
International Banking	**397**	305
France	**526**	488
Private Banking	**643**	555
HSBC Trinkaus & Burkhardt	**148**	109
	4,081	3,796
Total assets		
UK Personal Financial Services	**69,837**	73,723
UK Commercial Banking	**44,905**	34,105
UK Corporate, Investment banking and Markets	**273,791**	175,182
UK Other	-	-
International Banking	**22,190**	17,972
France	**156,533**	93,006
Private Banking	**40,900**	34,621
HSBC Trinkaus & Burkhardt	**14,124**	12,151
	622,280	440,760
Cost to acquire property, plant and equipment		
UK Personal Financial Services	**165**	222
UK Commercial Banking	**77**	92
UK Corporate, Investment banking and Markets	**130**	210
UK Other	-	-
International Banking	**62**	43
France	**42**	40
Private Banking	**13**	13
HSBC Trinkaus & Burkhardt	**89**	8
	578	628
Cost to acquire other intangibles		
UK Personal Financial Services	**51**	44
UK Commercial Banking	**26**	33
UK Corporate, Investment banking and Markets	**25**	23
UK Other	-	-
International Banking	**4**	1
France	**12**	4
Private Banking	-	1
HSBC Trinkaus & Burkhardt	**4**	3
	122	109

14 Analysis of financial assets and liabilities by measurement basis

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the balance sheet by the class of financial instrument to which they are assigned, and therefore by the measurement basis:

The group

2007	Held for trading £m	Designated at fair value £m	Held-to-maturity securities £m	Loans and receivables £m	Available-for-sale securities £m	Financial assets and liabilities at amortised cost £m	Derivatives designated as fair value hedging instruments £m	Derivatives designated as cash flow hedging instruments £m	Total £m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	7,146	–	–	7,146
Items in the course of collection from other banks	–	–	–	–	–	2,434	–	–	2,434
Trading assets	153,206	–	–	–	–	–	–	–	153,206
Financial assets designated at fair value	–	14,969	–	–	–	–	–	–	14,969
Derivatives	60,103		–	–	–	–	–	367	60,470
Loans and advances to banks	–	–	–	60,764	–	–	–	–	60,764
Loans and advances to customers	–	–	–	227,687	–	–	–	–	227,687
Financial investments	–	–	38	–	69,490	–	–	–	69,528
Other assets	–	–	–	–	–	4,385	–	–	4,385
Accrued income	–	–	–	–	–	5,647	–	–	5,647
Total financial assets	213,309	14,969	38	288,451	69,490	19,612	–	367	606,236
Total non-financial assets									16,044
Total assets									622,280
Financial liabilities									
Deposits by banks	– –	–	–	–	–	48,786	–	–	48,786
Customer accounts	–	–	–	–	–	268,269	–	–	268,269
Items in the course of transmission to other banks	–	–	–	–	–	1,975	–	–	1,975
Trading liabilities	117,454	–	–	–	–	–	–	–	117,454
Financial liabilities designated at fair value	–	15,659	–	–	–	–	–	–	15,659
Derivatives	60,908	–	–	–	–	–	138	493	61,539
Debt securities in issue	–	–	–	–	–	50,921	–	–	50,921
Other liabilities	–	–	–	–	–	6,332	–	–	6,332
Accruals	–	–	–	–	–	5,726	–	–	5,726
Subordinated liabilities	–	–	–	–	–	5,205	–	–	5,205
Total financial liabilities	178,362	15,659	–	–	–	387,214	138	493	581,866
Total non-financial liabilities									15,415
Total liabilities									597,281

Notes on the Financial Statements (continued)

The group

2006	Held for trading £m	Designated at fair value £m	Held-to-maturity securities £m	Loans and receivables £m	Available-for-sale securities £m	Financial assets and liabilities at amortised cost £m	Derivatives designated as fair value hedging instruments £m	Derivatives designated as cash flow hedging instruments £m	Total £m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	3,618	–	–	3,618
Items in the course of collection from other banks	–	–	–	–	–	2,937	–	–	2,937
Trading assets	85,994	–	–	–	–	–	–	–	85,994
Financial assets designated at fair value	–	5,985	–	–	–	–	–	–	5,985
Derivatives	31,646	–	–	–	–	–	41	403	32,090
Loans and advances to banks	–	–	–	44,428	–	–	–	–	44,428
Loans and advances to customers	–	–	–	200,416	–	–	–	–	200,416
Financial investments	–	–	76	–	42,304	–	–	–	42,380
Other assets	–	–	–	–	–	3,478	–	–	3,478
Accrued income	–	–	–	–	–	3,533	–	–	3,533
Total financial assets	117,640	5,985	76	244,844	42,304	13,566	41	403	424,859
Total non-financial assets									15,901
Total assets									440,760
Financial liabilities									
Deposits by banks	–	–	–	–	–	38,513	–	–	38,513
Customer accounts	–	–	–	–	–	227,350	–	–	227,350
Items in the course of transmission to other banks	–	–	–	–	–	2,428	–	–	2,428
Trading liabilities	52,080	–	–	–	–	–	–	–	52,080
Financial liabilities designated at fair value	–	9,460	–	–	–	–	–	–	9,460
Derivatives	32,247	–	–	–	–	–	37	459	32,743
Debt securities in issue	–	–	–	–	–	38,090	–	–	38,090
Other liabilities	–	–	–	–	–	4,141	–	–	4,141
Accruals	–	–	–	–	–	3,812	–	–	3,812
Subordinated liabilities	–	–	–	–	–	5,380	–	–	5,380
Total financial liabilities	84,327	9,460	–	–	–	319,714	37	459	413,997
Total non-financial liabilities									5,825
Total liabilities									419,822

The bank

2007	Held for trading £m	Designated at fair value £m	Held-to-maturity securities £m	Loans and receivables £m	Available-for-sale securities £m	Financial assets and liabilities at amortised cost £m	Derivatives designated as fair value hedging instruments £m	Derivatives designated as cash flow hedging instruments £m	Total £m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	3,677	–	–	3,677
Items in the course of collection from other banks	–	–	–	–	–	1,377	–	–	1,377
Trading assets	149,102	–	–	–	–	–	–	–	149,102
Financial assets designated at fair value	–	3,439	–	–	–	–	–	–	3,439
Derivatives	46,093	–	–	–	–	–	–	232	46,325
Loans and advances to banks	–	–	–	32,028	–	–	–	–	32,028
Loans and advances to customers	–	–	–	150,649	–	–	–	–	150,649
Financial investments	–	–	–	–	13,822	–	–	–	13,822
Accrued income	–	–	–	–	–	3,477	–	–	3,477
Other assets	–	–	–	–	–	1,372	–	–	1,372
Total financial assets	195,195	3,439	–	182,677	13,822	9,903	–	232	405,268
Total non-financial assets									18,761
Total assets									424,029
Financial liabilities									
Deposits by banks	–	–	–	–	–	41,061	–	–	41,061
Customer accounts	–	–	–	–	–	184,899	–	–	184,899
Items in the course of transmission to other banks	–	–	–	–	–	1,056	–	–	1,056
Trading liabilities	99,755	–	–	–	–	–	–	–	99,755
Financial liabilities designated at fair value	–	8,082	–	–	–	–	–	–	8,082
Derivatives	47,339	–	–	–	–	–	–	197	47,536
Debt securities in issue	–	–	–	–	–	8,117	–	–	8,117
Other liabilities	–	–	–	–	–	2,767	–	–	2,767
Accruals	–	–	–	–	–	3,745	–	–	3,745
Subordinated liabilities	–	–	–	–	–	4,744	–	–	4,744
Total financial liabilities	147,094	8,082	–	–	–	246,389	–	197	401,762
Total non-financial liabilities									1,490
Total liabilities									403,252

Notes on the Financial Statements (continued)

The bank

2006	Held for trading $m	Designated at fair value $m	Held-to-maturity securities $m	Loans and receivables $m	Available-for-sale securities $m	Financial assets and liabilities at amortised cost $m	Derivatives designated as fair value hedging instruments $m	Derivatives designated as cash flow hedging instruments $m	Total $m
Financial assets									
Cash and balances at central banks	–	–	–	–	–	2,496	–	–	2,496
Items in the course of collection from other banks	–	–	–	–	–	1,367	–	–	1,367
Trading assets	62,729	–	–	–	–	–	–	–	62,729
Financial assets designated at fair value	–	–	–	–	–	–	–	–	–
Derivatives	24,270	–	–	–	–	–	–	91	24,361
Loans and advances to banks	–	–	–	25,121	–	–	–	–	25,121
Loans and advances to customers	–	–	–	143,964	–	–	–	–	143,964
Financial investments	–	–	–	–	12,135	–	–	–	12,135
Other assets	–	–	–	–	–	1,818	–	–	1,818
Accrued income	–	–	–	–	–	1,974	–	–	1,974
Total financial assets	86,999	–	–	169,085	12,135	7,655	–	91	275,965
Total non-financial assets									18,121
Total assets									294,086
Financial liabilities									
Deposits by banks	–	–	–	–	–	29,182	–	–	29,182
Customer accounts	–	–	–	–	–	164,054	–	–	164,054
Items in the course of transmission to other banks	–	–	–	–	–	1,019	–	–	1,019
Trading liabilities	35,215	–	–	–	–	–	–	–	35,215
Financial liabilities designated at fair value	–	4,736	–	–	–	–	–	–	4,736
Derivatives	24,878	–	–	–	–	–	–	89	24,967
Debt securities in issue	–	–	–	–	–	5,408	–	–	5,408
Other liabilities	–	–	–	–	–	2,320	–	–	2,320
Accruals	–	–	–	–	–	2,429	–	–	2,429
Subordinated liabilities	–	–	–	–	–	4,999	–	–	4,999
Total financial liabilities	60,093	4,736	–	–	–	209,411	–	89	274,329
Total non-financial liabilities									2,550
Total liabilities									276,879

15 Trading assets

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Trading assets:				
– which may be repledged or resold by counterparties	**57,912**	22,215	**37,040**	8,811
– not subject to repledge or resale by counterparties	**95,294**	63,779	**112,062**	53,918
	153,206	85,994	**149,102**	62,729
Treasury and other eligible bills	**445**	197	**437**	165
Debt securities	**58,741**	47,101	**37,902**	25,260
Equity securities	**22,419**	10,836	**13,095**	7,279
Loans and advances to banks	**37,020**	10,233	**59,451**	13,560
Loans and advances to customers	**34,581**	17,627	**38,217**	16,465
	153,206	85,994	**149,102**	62,729

16 Financial assets designated at fair value through profit or loss

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Financial assets designated at fair value:				
– not subject to repledge or resale by counterparties	**14,969**	5,985	**3,439**	–

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Treasury and other eligible bills	**25**	28	–	–
Debt securities	**7,822**	2,361	**3,439**	–
Equity securities	**7,033**	3,476	–	–
Loans and advances to banks	**89**	120	–	–
	14,969	5,985	**3,439**	–

17 Derivatives

Fair values of derivatives open positions by product contract type held by the group

	At 31 December 2007					
	Assets			Liabilities		
	Trading	**Hedging**	**Total**	**Trading**	**Hedging**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Exchange rate	**17,279**	–	**17,279**	**(17,757)**	**(30)**	**(17,787)**
Interest rate	**31,397**	**367**	**31,764**	**(31,393)**	**(601)**	**(31,994)**
Equities	**7,014**	–	**7,014**	**(6,719)**	–	**(6,719)**
Credit derivatives	**3,629**	–	**3,629**	**(4,294)**	–	**(4,294)**
Commodity and other	**784**	–	**784**	**(745)**	–	**(745)**
Gross total fair values	**60,103**	**367**	**60,470**	**(60,908)**	**(631)**	**(61,539)**
Total			**60,470**			**(61,539)**

	At 31 December 2006					
	Assets			Liabilities		
	Trading	Hedging	Total	Trading	Hedging	Total
	£m	£m	£m	£m	£m	£m
Exchange rate	10,298	87	10,385	(10,572)	(89)	(10,661)
Interest rate	18,141	357	18,498	(17,985)	(404)	(18,389)
Equities	3,728	–	3,728	(4,063)	(3)	(4,066)
Credit derivatives	1,442	–	1,442	(1,585)	–	(1,585)
Commodity and other	7	–	7	(12)	–	(12)
Gross total fair values	33,616	444	34,060	(34,217)	(496)	(34,713)
Netting			(1,970)			1,970
Total			32,090			(32,743)

Fair values of derivatives open positions by product contract type held by the bank

	At 31 December 2007					
	Assets			**Liabilities**		
	Trading	**Hedging**	**Total**	**Trading**	**Hedging**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Exchange rate	**17,428**	–	**17,428**	**(17,493)**	–	**(17,493)**
Interest rate	**22,240**	**232**	**22,472**	**(23,005)**	**(197)**	**(23,202)**
Equities	**2,036**	–	**2,036**	**(1,825)**	–	**(1,825)**
Credit derivatives	**3,607**	–	**3,607**	**(4,276)**	–	**(4,276)**
Commodity and other	**782**	–	**782**	**(740)**	–	**(740)**
Total	**46,093**	**232**	**46,325**	**(47,339)**	**(197)**	**(47,536)**

	At 31 December 2006					
	Assets			Liabilities		
	Trading	Hedging	Total	Trading	Hedging	Total
	£m	£m	£m	£m	£m	£m
Exchange rate	10,864	–	10,864	(10,910)	–	(10,910)
Interest rate	11,031	91	11,122	(11,021)	(89)	(11,110)
Equities	965	–	965	(1,390)	–	(1,390)
Credit derivatives	1,407	–	1,407	(1,549)	–	(1,549)
Commodity and other	3	–	3	(8)	–	(8)
Total	24,270	91	24,361	(24,878)	(89)	(24,967)

Derivatives are financial instruments that derive their value from the price of an underlying item such as equities, bonds, interest rates, foreign exchange, credit spreads, commodities and equity or other indices. Derivatives enable users to increase, reduce or alter exposure to credit or market risks. The group makes markets in derivatives for its customers and uses derivatives to manage its exposure to credit and market risks.

Derivatives are carried at fair value and shown in the balance sheet as separate totals of assets and liabilities. Asset values represent the cost to the group of replacing all transactions with a fair value in the group's favour assuming that all the group's relevant counterparties default at the same time, and that transactions can be replaced instantaneously. Liability values represent the cost to the group counterparties of replacing all their transactions with the group with a fair value in their favour if the group were to default. Derivative assets and liabilities on different transactions are only netted if the transactions are with the same counterparty, a legal right of set-off exists and the cash flows are intended to be settled on a net basis.

Use of derivatives

The group transacts derivatives for three primary purposes: to create risk management solutions for clients, for proprietary trading purposes, and to manage and hedge the group's own risks. Derivatives (except for derivatives which are designated as effective hedging instruments as defined in IAS 39) are held for trading. The held for trading classification includes two types of derivatives: those used in sales and trading activities, and those used for risk management purposes but which for various reasons do not meet the qualifying criteria for hedge accounting. The second category includes derivatives managed in conjunction with financial instruments designated at fair value. These activities are described more fully below.

The group's derivative activities give rise to significant open positions in portfolios of derivatives. These positions are managed constantly to ensure that they remain within acceptable risk levels, with matching deals being utilised to achieve this where necessary. When entering into derivative transactions, the group employs the same credit risk management procedures to assess and approve potential credit exposures that are used for traditional lending.

Trading derivatives

Most of the group's derivative transactions relate to sales and trading activities. Sales activities include the structuring and marketing of derivative products to customers to enable them to take, transfer, modify or reduce current or expected risks. Trading activities in derivatives are entered into principally for the purpose of generating profits from short-term fluctuations in price or margin. Positions may be traded actively or be held over a period of time to benefit from expected changes in currency rates, interest rates, equity prices or other market parameters. Trading includes market-making, positioning and arbitrage activities. Market-making entails quoting bid and offer prices to other market participants for the purpose of generating revenues based on spread and volume; positioning means managing market risk positions in the expectation of benefiting from favourable movements in prices, rates or indices; arbitrage involves identifying and profiting from price differentials between markets and products.

As mentioned above, other derivatives classified as held-for-trading include non-qualifying hedging derivatives, ineffective hedging derivatives and the components of hedging derivatives that are excluded from assessing hedge effectiveness. Non-qualifying hedging derivatives are entered into for risk management purposes but do not meet the criteria for hedge accounting. These include derivatives managed in conjunction with financial instruments designated at fair value.

Gains and losses from changes in the fair value of derivatives that do not qualify for hedge accounting are reported in 'Net trading income', except for derivatives managed in conjunction with financial instruments designated at fair value, where gains and losses are reported in 'Net income from financial instruments designated at fair value', together with the gains and losses on the hedged items. Changes in the fair values of trading derivatives are inclusive of contractual interest. Changes in the fair value of derivatives managed in conjunction with financial instruments designated at fair value are included in 'Net income from financial instruments designated at fair value' inclusive of contractual interest unless the derivatives are managed with debt securities in issue, in which case the contractual interest is shown in interest payable with the interest payable on the issued debt.

Notional contract amounts of derivatives held for trading purposes by product type

	Year ended 31 December			
	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
		restated		*restated*
Exchange rate	**1,027,254**	731,098	**996,917**	709,851
Interest rate	**4,089,512**	3,445,072	**2,815,793**	2,438,804
Equities	**119,493**	89,600	**31,186**	22,827
Credit derivatives	**485,976**	256,493	**482,397**	254,538
Commodity	**13,837**	859	**15,283**	668
Total derivatives	**5,736,072**	4,523,122	**4,341,576**	3,426,688

The notional or contractual amounts of these instruments indicate the nominal value of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

The contract amount of credit derivatives of £485,976 million (2006: £256,493 million) above consists of protection bought of £245,952 million (2006: £131,169 million) and protection sold of £240,024 million (2006: £125,324 million).

Derivatives valued using models with unobservable inputs

The amount that has yet to be recognised in the income statement relating to the difference between the fair value at initial recognition (the transaction price) and the amount that would have arisen had the market data available at inception been considered observable, less subsequent releases, is as follows:

Notes on the Financial Statements (continued)

	The group		The bank	
	2007	2006	2007	2006
	£m	£m	£m	£m
Unamortised balance at 1 January	84	63	66	37
Deferral on new transactions	102	118	46	87
Recognised in the income statement during the period:				
– amortisation	(26)	(15)	(9)	(5)
– subsequent to observability	(33)	(60)	(26)	(39)
– maturity or termination	(37)	(21)	(18)	(14)
– FX movements and other	–	(1)	–	–
Unamortised balance at 31 December	90	84	59	66

Hedging instruments

The group uses derivatives (principally interest rate swaps) for hedging purposes in the management of its own asset and liability portfolios and structural positions. This enables the group to optimise the overall cost to the group of accessing debt capital markets, and to mitigate the market risk which would otherwise arise from structural imbalances in the maturity and other profiles of its assets and liabilities.

The accounting treatment of hedge transactions varies according to the nature of the instrument hedged and the type of hedge transactions. Derivatives may qualify as hedges for accounting purposes if they are fair value hedges, or cash flow hedges. These are described under the relevant headings below.

Notional contract amounts of derivatives held for hedging purposes by product type

	The group			
	At 31 December 2007		At 31 December 2006	
	Cash flow hedge £m	Fair value hedge £m	Cash flow hedge £m as restated	Fair value hedge £m as restated
Exchange rate contracts	93	444	87	400
Interest rate contracts	69,323	9,065	56,277	3,222
Equities	–	12	-	-

	The bank			
	At 31 December 2007		At 31 December 2006	
	Cash flow hedge £m	Fair value hedge £m	Cash flow hedge £m as restated	Fair value hedge £m as restated
Exchange rate contracts	–	–	–	–
Interest rate contracts	21,001	3	18,083	9

The notional or contractual amounts of these instruments indicate the nominal value of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

Fair value hedges

The group's fair value hedges principally consist of interest rate swaps that are used to protect against changes in the fair value of fixed-rate long-term financial instruments due to movements in market interest rates. For qualifying fair value hedges, all changes in the fair value of the derivative and in the fair value of the item in relation to the risk being hedged are recognised in income. If the hedge relationship is terminated, the fair value adjustment to the hedged item continues to be reported as part of the basis of the item and is amortised to income as a yield adjustment over the remainder of the hedging period.

The fair values of outstanding derivatives designated as fair value hedges at 31 December 2007, were assets of nil and liabilities of £138 million (2006: assets of £41 million and liabilities of £37 million).

Gains or losses arising from the change in fair value of fair value hedges

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
(Losses)/ gains arising from the change in fair value of fair value hedges:				
– on hedging instruments	**(58)**	54	-	–
– on hedged items attributable to the hedged risk	**62**	(54)	-	–

The amount reported in the income statement in respect of the ineffectiveness of fair value hedges was insignificant in the year ended 31 December 2007.

Cash flow hedges

The group's cash flow hedges consist principally of interest rate and cross-currency swaps that are used to protect against exposures to variability in future interest cash flows on non-trading assets and liabilities which bear interest at variable rates or which are expected to be re-funded or reinvested in the future. The amounts and timing of future cash flows, representing both principal and interest flows, are projected for each portfolio of financial assets and liabilities on the basis of their contractual terms and other relevant factors, including estimates of prepayments and defaults. The aggregate principal balances and interest cash flows across all portfolios over time form the basis for identifying gains and losses on the effective portions of derivatives designated as cash flow hedges of forecast transactions. Gains and losses are initially recognised directly in equity, in the cash flow hedging reserve, and are transferred to the income statement when the forecast cash flows affect the income statement.

At 31 December 2007, the fair values of outstanding derivatives designated as cash flow hedges of forecast transactions were assets of £367 million (2006: £403 million) and liabilities of £493 million (2006: £459 million).

The schedule of forecast principal balances on which the expected interest cash flows arise as at 31 December 2007 is as follows:

The group				
At 31 December 2007	**3 months or less £m**	**More than 3 months but less than 1 year £m**	**5 years or less but more than 1 year £m**	**More than 5 years £m**
Assets	**22,133**	**24,583**	**16,648**	**13**
Liabilities	**(11,007)**	**(10,736)**	**(11,582)**	**(571)**
Net exposure	**11,126**	**13,847**	**5,066**	**(558)**

At 31 December 2006	3 months or less £m	More than 3 months but less than 1 year £m	5 years or less but more than 1 year £m	More than 5 years £m
Assets	15,940	14,032	9,362	197
Liabilities	(11,617)	(9,674)	(6,797)	–
Net exposure	4,323	4,358	2,565	197

The bank				
At 31 December 2007	**3 months or less £m**	**More than 3 months but less than 1 year £m**	**5 years or less but more than 1 year £m**	**More than 5 years £m**
Assets	**12,703**	**12,305**	**10,435**	**13**
Liabilities	**(7,516)**	**(7,516)**	**(8,955)**	**(181)**
Net exposure	**5,187**	**4,789**	**1,480**	**(168)**

Notes on the Financial Statements (continued)

At 31 December 2006	3 months or less £m	More than 3 months but less than 1 year £m	5 years or less but more than 1 year £m	More than 5 years £m
Assets	19,733	19,708	10,885	–
Liabilities	(15,930)	(15,861)	(12,002)	–
Net exposure	3,803	3,847	(1,117)	–

The gains and losses on ineffective portions of such derivatives are recognised immediately in the income statement. During the year to 31 December 2007, a loss of £1 million (2006: £2 million) was recognised due to hedge ineffectiveness.

18 Financial investments

	The group		The bank	
	2007 £m	2006 £m	**2007 £m**	2006 £m
Financial investments:				
– which may be pledged or resold by counterparties	**3,710**	2,276	**3,047**	1,171
– not subject to repledge or resale by counterparties	**65,818**	40,104	**10,774**	10,964
	69,528	42,380	**13,821**	12,135

The group

	2007		2006	
	Carrying value £m	**Fair value £m**	Carrying value £m	Fair value £m
Treasury and other eligible bills	**1,882**	**1,882**	3,199	3,199
– available-for-sale	**1,882**	**1,882**	3,199	3,199
– held-to-maturity	-	-	-	-
Debt securities	**64,594**	**64,594**	37,286	37,286
– available-for-sale	**64,556**	**64,556**	37,210	37,210
– held-to-maturity	**38**	**38**	76	76
Equity securities	**3,052**	**3,052**	1,895	1,895
– available-for-sale	**3,052**	**3,052**	1,895	1,895
Total financial investments	**69,528**	**69,528**	42,380	42,380

The bank

	2007		2006	
	Carrying value £m	**Fair value £m**	Carrying value £m	Fair value £m
Treasury and other eligible bills	**1,397**	**1,397**	2,826	2,826
– available-for-sale	**1,397**	**1,397**	2,826	2,826
– held-to-maturity	-	-	–	–
Debt securities	**11,497**	**11,497**	8,923	8,923
– available-for-sale	**11,497**	**11,497**	8,923	8,923
– held-to-maturity	-	-	–	–
Equity securities	**927**	**927**	386	386
– available-for-sale	**927**	**927**	386	386
Total financial investments	**13,821**	**13,821**	12,135	12,135

19 Securitisations and other structured transactions

The group enters into transactions in the normal course of business by which it transfers recognised financial assets directly to third parties or to special purpose entities. These transfers may give rise to the full or partial derecognition of the financial assets concerned.

(i) Full derecognition occurs when the group transfers its contractual right to receive cash flows from the financial assets and substantially all the risks and rewards of ownership. The risks include credit, interest rate, currency, prepayment and other price risks. In addition, full derecognition occurs where, inter alia, the contractual rights to receive the cash flows of the financial assets are retained but a contractual obligation to pay the cash flows to one or more recipients is assumed without material delay.

(ii) Partial derecognition occurs when the group sells or otherwise transfers financial assets in such a way that some but not substantially all of the risks and rewards of ownership are transferred but control is retained. These financial assets are recognised on the balance sheet to the extent of the group's continuing involvement.

The majority of transferred financial assets that do not qualify for derecognition are (i) debt securities held by counterparties as collateral under repurchase agreements or (ii) equity securities lent under securities lending agreements. The following table analyses the carrying amount of financial assets as at 31 December that did not qualify for derecognition during the year and their associated financial liabilities:

The group

	2007		2006	
	Carrying amount of assets £m	Carrying amount of associated liabilities £m	Carrying amount of assets £m	Carrying amount of associated liabilities £m
Nature of transaction				
Repurchase agreements	**50,868**	**51,338**	18,313	18,168
Securities lending agreements	**10,818**	**10,813**	6,178	5,952
Total	**61,686**	**62,151**	24,491	24,120

The bank

	2007		2006	
	Carrying amount of assets £m	Carrying amount of associated liabilities £m	Carrying amount of assets £m	Carrying amount of associated liabilities £m
Nature of transaction				
Repurchase agreements	**29,376**	**29,942**	4,002	3,871
Securities lending agreements	**10,713**	**10,713**	5,980	5,951
Total	**40,089**	**40,655**	9,982	9,822

A small proportion of financial assets that do not qualify for derecognition relate to loans, credit cards, debt securities and trade receivables that have been securitised under arrangements by which the group retains a continuing involvement in such transferred assets. Continuing involvement may entail retaining the rights to future cash flows arising from the assets after investors have received their contractual terms (for example, interest rate strips); providing subordinated interest; continuing to service the underlying asset; or entering into derivative transactions with the securitisation vehicles. As such, the group continues to be exposed to risks and rewards associated with these transactions.

The rights and obligations that the group retains from its continuing involvement in securitisations are initially recorded as an allocation of the fair value of the financial asset between the part that is derecognised and the part that continues to be recognised on the date of transfer. The following is an analysis of the carrying amount of financial assets to the extent of the group's continuing involvement, that qualified for partial derecognition during the year, and their associated liabilities:

Notes on the Financial Statements (continued)

	Securitisations at 31 December	
	2007[1] £m	2006 £m
Carrying amount of assets (original)	–	2,035
Carrying amount of assets (currently recognised)	–	42
Carrying amount of associated liabilities	–	24

1 *As a result of consolidating Cullinan Finance Limited, the securitised assets are reported on-balance sheet at 31 December 2007.*

20 Interests in associates and joint ventures

Principal associates of the group

	At 31 December 2007		
	Country of incorporation	The group's interest in equity capital	Issued equity capital
VocaLink	England	13.95%	100,000

The above investment is owned by HSBC Bank plc. Although the group owns less than 20% of the voting rights in VocaLink, it is an associate of the group by virtue of the group's influence exerted via board representation.

During 2007, the group's interests in AEA Investors (Cayman) I LP, HSBC PE European No. 2 LP, Private Equity Portfolio (Investment) LP Inc and Montague III LP were restructured. As a result, the group no longer has significant influence over these partnerships and they have ceased to be associates of the group. At 31 December 2007, the group's interests in these partnerships were accounted for as financial investments.

As a result of acquiring additional shares, the group obtained control of HSBC Assurances VIE (France) (previously 'Erisa LIFE') and HSBC Assurances IARD (previously 'Erisa IARD') during 2007 and these entities ceased to be associates of the group. Further information can be seen in Note 23 'Investments'.

Summarised aggregate financial information on associates

	2007 £m	2006 £m
Assets	**46**	10,539
Liabilities	**41**	10,210
Net income	**56**	30

Interests in joint ventures

	At 31 December 2007		
	Principal activity	HSBC's interest in equity capital	Issued equity capital
International Transaction Services GmbH	Outsourcing support	51%	£5m
Vaultex (UK) Limited	Cash management	50%	£10m
Holnwoods Termtime Credit	Investment Holdings and management	50%	£1
HSBC Yen Investment Partners	Yen investments	50%	–[1]

1 *HSBC Yen Investment Partners is a partnership and hence has no issued equity capital.*

Although the group owns more than 50 per cent of the equity capital of International Transaction Services GmbH, the agreement with the other shareholder means joint control is exercised over the entity with strategic, financial and operating decisions requiring joint consent.

Summarised aggregate financial information on joint ventures

	2007 £m	2006 £m
Assets	**268**	52
Liabilities	**207**	54
Net income	**4**	2

21 Goodwill and intangible assets

Goodwill and intangible assets include goodwill arising on business combinations, the present value of in-force long-term assurance business, and other intangible assets. The carrying amounts of these assets at 31 December was as follows:

	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Goodwill	**8,974**	8,395	**291**	331
Present value of in-force long-term assurance business ('PVIF')	**444**	407	–	–
Other intangible assets	**459**	449	**249**	226
	9,877	9,251	**540**	557

Goodwill

The group

	2007 £m	2006 £m
Cost		
At 1 January	**8,395**	8,664
Additions[1,2]	**1**	38
Disposals	**–**	–
Exchange translation differences	**585**	(312)
Amounts written off[4]	**(33)**	–
Other changes[3]	**26**	5
At 31 December	**8,974**	8,395
Accumulated impairment losses		
At 1 January	**–**	–
Impairment loss recognised[4]	**(33)**	–
Amounts written off[4]	**33**	–
At 31 December	**–**	–
Net book value at 31 December	**8,974**	8,395

1 *2007 additions include goodwill arising on the acquisition of an increased stake in Elysée Forêts of £0.3 million.*
2 *2006 additions include goodwill arising on the acquisition of the Czech, Slovak, and Hungary Consumer Finance Businesses of £15 million and the Alternative Fund Services Business also of £15 million.*
3 *2007 other changes include the transfer of goodwill of HSBC Insurance Brokers Holdings Ltd from HSBC Holdings to HSBC Bank plc.*
4 *The impairment charge for the year is recognised in the income statement under 'Amortisation and impairment of intangible assets and impairment of goodwill'. The impairment charge for 2007 of £33 million arose on reclassification of certain HFC cards portfolios to assets held for sale during the year. These portfolios were also sold during the year, resulting in the goodwill and related impairment allowance of £33 million being written off.*

Notes on the Financial Statements (continued)

The bank

	2007 £m	2006 £m
Cost		
At 1 January	331	321
Additions[1]	–	15
Exchange translation differences	1	(6)
Amounts written off[2]	(33)	–
Other changes	(8)	1
At 31 December	291	331
Accumulated impairment losses		
At 1 January	–	–
Impairment loss recognised[2]	(33)	–
Amounts written off[2]	33	–
At 31 December	–	–
Net book value at 31 December	291	331

1 *2006 additions include goodwill arising on the acquisition of the Alternative Fund Services Business of £15 million.*
2 *The impairment charge for the year is recognised in the income statement under 'Amortisation and impairment of intangible assets and impairment of goodwill'. The impairment charge for 2007 of £33 million arose on reclassification of certain HFC cards portfolios to assets held for sale during the year. These portfolios were also sold during the year, resulting in the goodwill and related impairment allowance of £33 million being written off.*

During 2007 goodwill impairment of £33 million was recognised (2006: £nil). Impairment testing of goodwill is performed annually by comparing the recoverable amount of cash generating units ('CGUs') determined at 1 July 2007 based on a value-in-use calculation. That calculation uses cash flow estimates based on management's cash flow projections, extrapolated in perpetuity using a nominal long-term growth rate based on current GDP and inflation for the countries within which the CGU operates. Cash flows are extrapolated in perpetuity due to the long-term perspective within the group of the business units making up the CGUs. The discount rate used is based on the cost of capital the group allocates to investments in the countries within which the CGU operates.

The cost of capital assigned to an individual CGU and used to discount its future cash flows can have a significant effect on its valuation. The cost of capital percentage is generally derived from an appropriate Capital Asset Pricing Model, which itself depends on inputs reflecting a number of financial and economic variables including the risk-free rate in the country concerned and a premium or discount to reflect the inherent risk of the business being evaluated. These variables are established on the basis of management judgement.

Management judgement is required in estimating the future cash flows of the cash-generating units. These values are sensitive to the cash flows projected for the periods for which detailed forecasts are available, and to assumptions regarding the long-term sustainable pattern of cash flows thereafter. While the acceptable range within which underlying assumptions can be applied is governed by the requirement for resulting forecasts to be compared with actual performance and verifiable economic data in future years, the cash flow forecasts necessarily and appropriately reflect management's view of future business prospects.

The following CGUs include in their carrying value goodwill that is a significant proportion of total goodwill reported by the group. These CGUs do not carry on their balance sheet any intangible assets with indefinite useful lives, other than goodwill.

Cash Generating Unit ('CGU')	Goodwill at 1 July 2007 £m	Discount rate %	Nominal growth rate beyond initial cash flow projections %
Private Banking	2,331	10.0	3.0
France	5,375	10.0	3.5
Total goodwill in the CGUs listed above	7,706		

There was no evidence of impairment arising from this review. In addition, during 2007 there was no impairment of the carrying amount of investments in subsidiaries in the bank's financial statements. A review of the net asset value of the subsidiaries against carrying value is performed on an annual basis to determine whether these investments are impaired.

The present value of in-force long-term assurance business ('PVIF')

The group

PVIF-specific assumptions

The key assumptions used in the computation of PVIF for the group's main insurance company are:

	2007 UK Life	2006 UK Life
Risk free rate	**4.30%**	4.30%
Risk discount rate	**8.00%**	8.00%
Expenses inflation	**3.40%**	3.40%

Movement on the PVIF

	2007 £m	2006 £m
At 1 January	**407**	463
Addition from current year new business	**67**	25
Movement from in-force business	**(50)**	(81)
Exchange and other adjustments	**20**	–
At 31 December	**444**	407

The calculation of the PVIF is based upon assumptions that take into account risk and uncertainty. To project these cash flows, a variety of assumptions regarding future experience is made by each insurance operation which reflect local market conditions and management's judgement of local future trends. The calculations are consistent in their objective of achieving a valuation that reflects the shareholder's interest in the in-force business of the life insurance operations. Some of the group's insurance operations incorporate risk margins separately into the projection assumptions for each product, while others incorporate risk margins into the overall discount rate. This is reflected in the wide range of risk discount rates applied. The use of different methodology is, *inter alia*, attributable to the differing nature of the products being valued and the constitution and structure of the local funds, but it represents a consistent application of the policy.

Notes on the Financial Statements (continued)

Other intangible assets

The analysis of the movement of intangible assets, excluding the present value of in-force long-term assurance business, for the year ended 31 December 2007 is as follows:

The group

	Trade names £m	Internally generated software £m	Purchased software £m	Customer/ merchant relation-ships £m	Other £m	Total[3] £m
Cost						
At 1 January 2007	**13**	**675**	**58**	**244**	**17**	**1,007**
Additions[1]	**–**	**103**	**15**	**–**	**4**	**122**
Disposals	**–**	**–**	**(2)**	**–**	**–**	**(2)**
Exchange translation differences	**2**	**9**	**7**	**–**	**1**	**19**
Other changes	**–**	**1**	**–**	**(40)**	**(10)**	**(49)**
At 31 December 2007	**15**	**788**	**78**	**204**	**12**	**1,097**
Accumulated amortisation and impairment						
At 1 January 2007	**(5)**	**(441)**	**(38)**	**(73)**	**(1)**	**(558)**
Amortisation charge for the year[2]	**(1)**	**(75)**	**(12)**	**(19)**	**(1)**	**(108)**
Impairment charge for the year[2]	**–**	**(1)**	**–**	**–**	**–**	**(1)**
Disposals	**–**	**–**	**3**	**–**	**–**	**3**
Exchange translation differences	**(1)**	**(9)**	**(4)**	**–**	**–**	**(14)**
Other changes	**–**	**–**	**–**	**40**	**–**	**40**
At 31 December 2007	**(7)**	**(526)**	**(51)**	**(52)**	**(2)**	**(638)**
Net book value at 31 December 2007	**8**	**262**	**27**	**152**	**10**	**459**
Cost						
At 1 January 2006	16	578	56	246	16	912
Additions[1]	–	101	7	–	1	109
Disposals	–	–	(6)	(3)	–	(9)
Exchange translation differences	(3)	(1)	–	(1)	–	(5)
Other changes	–	(3)	1	2	–	–
At 31 December 2006	13	675	58	244	17	1,007
Accumulated amortisation and impairment						
At 1 January 2006	(5)	(366)	(30)	(19)	(1)	(421)
Amortisation charge for the year[2]	(1)	(78)	(11)	(20)	–	(110)
Impairment charge for the year[2]	–	(3)	(1)	(37)	–	(41)
Disposals	–	–	6	3	–	9
Exchange translation differences	1	1	–	–	–	2
Other changes	–	5	(2)	–	–	3
At 31 December 2006	(5)	(441)	(38)	(73)	(1)	(558)
Net book value at 31 December 2006	8	234	20	171	16	449

1 *The group has £2 million (2006: nil) of contractual commitments on the acquisition of intangible assets in the year.*
2 *The amortisation and impairment charges for the year are recognised within the income statement under 'Amortisation and impairment of intangible assets and impairment of goodwill'. The impairment charge in 2006 arose due to customer delinquency on the HFC cards business which caused the recoverable amount of the intangible asset to be revised.*
3 *Included in the above are intangible assets relating to Marks and Spencer Retail Financial Services Holdings Limited with a net book value of £141 million (2006: £158 million), on which the amortisation charges for the year to 31 December 2007 was £17 million (2006: £16 million). The remaining amortisation period is 7 years.*

The bank

	Internally generated software £m	Customer/ merchant relationships[1] £m	Other £m	Total £m
Cost				
At 1 January 2007	**572**	**41**	**3**	**616**
Additions	**96**	–	–	**96**
Other changes	–	**(41)**	–	**(41)**
At 31 December 2007	**668**	–	**3**	**671**
Accumulated amortisation				
At 1 January 2007	**(348)**	**(41)**	**(1)**	**(390)**
Amortisation charge for the year[1]	**(72)**	–	**(1)**	**(73)**
Impairment charge for the year[1]	**(1)**	–	–	**(1)**
Other changes	**1**	**41**	–	**42**
At 31 December 2007	**(420)**	–	**(2)**	**(422)**
Net book value at 31 December 2007	**248**	–	**1**	**249**
Cost				
At 1 January 2006	479	41	2	522
Additions[1]	94	–	1	95
Other changes	(1)	–	–	(1)
At 31 December 2006	572	41	3	616
Accumulated amortization				
At 1 January 2006	(273)	(3)	–	(276)
Amortisation charge for the year[1]	(73)	(2)	(1)	(76)
Impairment charge for the year[1]	(3)	(36)	–	(39)
Other changes	1	–	–	1
At 31 December 2006	(348)	(41)	(1)	(390)
Net book value at 31 December 2006	224	–	2	226

1 *The amortisation and impairment charges for the year are recognised within the income statement under 'Amortisation and impairment of intangible assets and impairment of goodwill'. The impairment charge in 2006 arose due to customer delinquency on the HFC cards business which caused the recoverable amount of the intangible asset to be revised.*

22 Property, plant and equipment

The group

	Freehold land and Buildings £m	Long leasehold land and buildings £m	Short leasehold land and buildings £m	Equipment, fixtures and fittings[1] £m	Equipment on operating leases £m	Total[2] £m
Cost or fair value						
At 1 January 2007	966	362	275	2,657	3,004	7,264
Additions at cost[3]	104	3	84	321	66	578
Acquisition of subsidiaries	49	–	–	1	–	50
Fair value adjustments	13	–	–	–	–	13
Disposals[4]	(257)	(320)	(12)	(135)	(65)	(789)
Transfers	–	–	4	(1)	–	3
Exchange translation differences	55	–	4	69	–	128
Other changes	(6)	–	2	(9)	–	(13)
At 31 December 2007	924	45	357	2,903	3,005	7,234
Accumulated depreciation						
At 1 January 2007	(97)	(27)	(150)	(1,656)	(926)	(2,856)
Depreciation charge for the year	(22)	(3)	(22)	(281)	(100)	(428)
Disposals[4]	48	15	8	76	58	205
Transfers	–	–	(2)	–	–	(2)
Impairment losses recognised	–	–	–	–	–	–
Impairment losses reversed	6	–	–	–	–	6
Exchange translation differences	(4)	–	(2)	(39)	–	(45)
Other changes	(6)	–	(1)	12	–	5
At 31 December 2007	(75)	(15)	(169)	(1,888)	(968)	(3,115)
Net book value at 31 December 2007	849	30	188	1,015	2,037	4,119

1 *Includes assets held on finance leases with a net book value of £171 million (2006: £169 million), on which the accumulated depreciation as at 31 December 2007 was £1.5 million (2006: £20 million).*
2 *Includes assets with a net book value of £173 million (2006: £172 million) pledged as security for liabilities, on which the accumulated depreciation as at 31 December 2007 was £3 million (2006: £24 million).*
3 *At 31 December 2007, the group had £281 million (2006: £329 million) of contractual commitments to acquire property, plant and equipment.*
4 *Includes transfers to assets held for sale with a net book value of £517 million.*

	Freehold land and Buildings £m	Long leasehold land and buildings £m	Short leasehold land and buildings £m	Equipment, fixtures and fittings[1] £m	Equipment on operating leases £m	Total[2] £m
Cost or fair value						
At 1 January 2006	1,045	370	235	2,472	2,746	6,868
Additions at cost	42	2	57	378	149	628
Fair value adjustments	6	–	–	–	–	6
Disposals	(110)	(1)	(17)	(164)	(15)	(307)
Transfers	–	–	–	7	–	7
Exchange translation differences	(16)	–	(2)	(39)	–	(57)
Other changes	(1)	(9)	2	3	124	119
At 31 December 2006	966	362	275	2,657	3,004	7,264
Accumulated depreciation						
At 1 January 2006	(90)	(28)	(153)	(1,556)	(722)	(2,549)
Depreciation charge for the year	(24)	(9)	(15)	(268)	(94)	(410)
Disposals	14	–	18	149	14	195
Transfers	–	–	–	(7)	–	(7)
Exchange translation differences	2	–	–	27	–	29
Other changes	1	10	–	(1)	(124)	(114)
At 31 December 2006	(97)	(27)	(150)	(1,656)	(926)	(2,856)
Net book value at 31 December 2006	869	335	125	1,001	2,078	4,408

The bank

	Freehold land and buildings £m	**Long leasehold land and buildings £m**	**Short leasehold land and buildings £m**	**Equipment, fixtures and fittings £m**	**Total £m**
Cost or fair value					
At 1 January 2007	**397**	**368**	**240**	**2,105**	**3,110**
Additions at cost[1]	**18**	**2**	**78**	**209**	**307**
Acquisition of subsidiaries	–	–	–	–	–
Disposals[2]	**(191)**	**(320)**	**(9)**	**(109)**	**(629)**
Transfers	–	–	–	**(1)**	**(1)**
Exchange differences	–	–	**1**	**2**	**3**
Other changes	**(3)**	–	**1**	–	**(2)**
At 31 December 2007	**221**	**50**	**311**	**2,206**	**2,788**
Accumulated depreciation					
At 1 January 2007	**(59)**	**(27)**	**(136)**	**(1,367)**	**(1,589)**
Depreciation charge for the year	**(11)**	**(3)**	**(18)**	**(201)**	**(233)**
Disposals[2]	**35**	**15**	7	**56**	**113**
Transfers	–	–	–	–	–
Impairment losses recognised	–	–	–	–	–
Impairment losses reversed	–	–	–	–	–
Exchange differences	–	–	–	**(1)**	**(1)**
Other changes	–	–	–	–	–
At 31 December 2007	**(35)**	**(15)**	**(147)**	**(1,513)**	**(1,710)**
Net book value at 31 December 2007	**186**	**35**	**164**	**693**	**1,078**

1 *At 31 December 2007, the bank had £103 million (2006: £111 million) of contractual commitments to acquire property, plant and equipment.*

2 *Includes transfers to assets held for sale with a net book value of £457 million.*

Notes on the Financial Statements (continued)

	Freehold land and buildings £m	Long leasehold land and buildings £m	Short leasehold land and buildings £m	Equipment, fixtures and fittings £m	Total £m
Cost or fair value					
At 1 January 2006	454	376	208	1,922	2,960
Additions at cost[1]	37	2	54	280	373
Disposals	(89)	(1)	(22)	(105)	(217)
Transfers	–	–	–	9	9
Other changes	(5)	(9)	–	(1)	(15)
At 31 December 2006	397	368	240	2,105	3,110
Accumulated depreciation					
At 1 January 2006	(62)	(28)	(147)	(1,254)	(1,491)
Depreciation charge for the year	(13)	(9)	(12)	(199)	(233)
Disposals	11	–	23	95	129
Transfers	–	–	–	(9)	(9)
Other changes	5	10	–	–	15
At 31 December 2006	(59)	(27)	(136)	(1,367)	(1,589)
Net book value at 31 December 2006	338	341	104	738	1,521

Included within 'Short leasehold land and buildings' are the following amounts in respect of assets classed as improvements to buildings, which are carried at depreciated historical cost:

	The group		The bank	
	2007 £m	2006 £m	**2007 £m**	2006 £m
Cost				
At 1 January	**264**	231	**239**	207
Additions	**84**	56	**78**	54
Disposals	**(12)**	(22)	**(9)**	(22)
Transfers	**3**	–	–	–
Exchange translation differences	**3**	(2)	–	–
Other changes	**3**	1	**1**	–
At 31 December	**345**	264	**309**	239
Accumulated depreciation				
At 1 January	**(145)**	(150)	**(137)**	(150)
Depreciation charge for the year	**(19)**	(13)	**(17)**	(11)
Disposals	**8**	24	7	24
Transfers	–	–	–	–
Exchange translation differences	**(1)**	–	–	–
Other changes	**(1)**	(6)	–	–
At 31 December	**(158)**	(145)	**(147)**	(137)
Net book value at 31 December	**187**	119	**162**	102

Investment properties

The composition of the investment properties at fair value in the year was as follows:

	Freehold land and buildings[1] £m
Fair value	
At 1 January 2007	**31**
Additions at cost	**82**
Acquisition of subsidiaries	**49**
Reclassified as held for sale	**(30)**
Fair value adjustments	**13**
Other changes	7
At 31 December 2007	**152**
Fair value	
At 1 January 2006	27
Disposals	(1)
Fair value adjustments	6
Other changes	(1)
At 31 December 2006	**31**

1 *Included in Property, plant and equipment on page 98*

Investment properties are valued on an open market value basis as at 31 December each year by independent professional valuers who have recent experience in the location and type of properties. A surplus of £13 million (2006: surplus of £6 million) was credited to the income statement for the year ended 31 December 2007.

Included within 'Other operating income' was rental income of £2 million (2006: £2 million) earned by the group on its investment properties. Direct operating expenses of £ nil (2006: nil) incurred in respect of the investment properties during the year were recognised in 'General and administrative expenses'.

Group properties leased to customers

The group properties leased to customers, none of which was held by the group, included £4 million at 31 December 2007 (2006: £25 million) let under operating leases, net of accumulated depreciation of £5 million (2006: £20 million).

Notes on the Financial Statements (continued)

23 Investments

Principal subsidiary undertakings of HSBC Bank plc

	Country of incorporation or registration	HSBC Bank plc's interest in equity capital %
HSBC France	France	99.99
HSBC Asset Finance (UK) Limited	England	100
HSBC Bank A.S.	Turkey	100
HSBC Bank International Limited	Jersey	99.93
HSBC Bank Malta p.l.c.	Malta	68.19
HSBC Guyerzeller Bank AG	Switzerland	99.93
HSBC Invoice Finance (UK) Limited	England	100
HSBC Life (UK) Limited	England	100
HSBC Rail (UK) Limited	England	100
HSBC Private Bank (Guernsey) Limited	Guernsey	99.93
HSBC Private Bank (Suisse) S.A.	Switzerland	99.49
HSBC Private Bank (UK) Limited	England	99.93
HSBC Trinkaus & Burkhardt AG	Germany	78.60
HSBC Trust Company (UK) Limited	England	100
Marks and Spencer Retail Financial Services Holdings Limited	England	100

SPEs consolidated where HSBC Bank plc owns less than 50 per cent of the voting rights

	Carrying value of total consolidated assets £bn	Nature of SPE
Asscher Finance Limited	3.7	Structured investment vehicle
Bryant Park Funding LLC	2.6	Conduit
Cullinan Finance Limited	16.6	Structured investment vehicle
Regency Assets Limited	4.5	Conduit
Solitaire Funding Limited	10.8	Conduit

All the above make their financial statements up to 31 December.

Acquisitions

HSBC Bank plc made the following acquisitions of subsidiary undertakings or business operations in 2007, which were accounted for by applying the purchase method:

- On 1 January 2007 HSBC Bank plc acquired 100% of the share capital of HSBC Insurance Brokers Holdings Limited for a cash consideration of £115m. No goodwill arose on the acquisition. Details of the net assets acquired are as follows:

	Fair value	Carrying value immediately prior to acquisition
	£m	£m
Cash and cash equivalents	329	329
Trade and other receivables	639	639
Intangible assets	35	35
Property, plant and equipment	4	4
Other investments	126	126
Trade and other payables	(1,018)	(1,018)
Net assets acquired	115	115

The acquired business contributed total operating income of £338 million and net profit of £36 million to the group in 2007.

- On 26 March 2007 HSBC Bank plc, through its subsidiary HSBC France, acquired 50.01% of the shares in HSBC Assurances VIE (France) (previously 'Erisa LIFE') and HSBC Assurances IARD (France) (previously 'Erisa IARD') not already owned, taking the total holding in each entity up to 100%.

The group paid cash consideration of £156 million in respect of this acquisition. The fair value of the assets acquired exceeded the cash consideration by £9 million. This excess has been recognized within 'Other operating income' in the income statement.

The fair values of the assets and liabilities and contingent liabilities arising from the acquisition, determined provisionally, were as follows:	Fair value	Carrying value immediately prior to acquisition
	£m	£m
Financial assets designated at fair value	3,926	3,926
Derivative assets	25	25
Loans and advances to banks	48	48
Financial investments	5,728	5,728
Intangible assets	199	199
Property, plant and equipment	48	48
Prepayments and accrued income	131	131
Other asset categories	41	41
Financial liabilities designated at fair value	(37)	(37)
Derivative liabilities	(7)	(7)
Liabilities under insurance contracts issued	(8,929)	(8,929)
Other liability categories	($44)	($44)
Net assets acquired	329	329

The acquired business contributed total operating income of £1,205 million and net profit of £35 million to the group in 2007. If the acquisition had occurred on 1 January 2007, the group total operating income would have been £15,020 million and profit for the year would have been £3,396 million. These amounts have been calculated using the group's accounting policies.

HSBC Bank plc made the following acquisitions of subsidiary undertakings or business operations in 2006, which were accounted for by applying the purchase method:

- On 2 March 2006, the group increased its stake in HSBC Trinkaus & Burkhardt AG by 0.709 per cent for a cash consideration of £10.85 million. Goodwill of £6.88 million arose on the increase in stake.
- On 9 November 2006, the group, through its Dutch holding company HSBC Europe (Netherlands) BV, acquired two consumer finance subsidiaries Beneficial Zrt in Hungary and Beneficial Finance a.s. in the Czech Republic and Slovakia. Both companies were wholly owned subsidiaries of Household International Europe Limited, owned by HSBC Finance Corporation for consideration of £24.4 million. Goodwill of £14.5 million arose on the acquisition.

24 Other assets

	The group		The bank	
	2007	2006	2007	2006
	£m	£m	£m	£m
Bullion	147	233	70	180
Assets held for sale	626	22	555	16
Assets of disposal groups held for sale[1]	78	–	78	–
Reinsurance assets	528	633	–	–
Current taxation recoverable	67	33	1	–
Endorsements and acceptances	375	353	251	238
Other accounts	4,115	3,180	1,122	1,580
	5,936	4,454	2,077	2,014

1 *At 31 December 2007, assets of HFC cards portfolios with a carrying amount of £78 million (2006: nil) were classified as disposal groups held for sale.*

Assets held for sale

	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Non-current assets held for sale				
Property, plant and equipment	586	16	555	16
Investment Properties	31	–	–	–
Financial Assets	7	–	–	–
Receivables	2	6	–	–
Total assets classified as held for sale	626	22	555	16

On 31 May 2007, the bank entered into a contract for the sale and leaseback of the property and long leasehold land comprising 8 Canada Square, London to Metrovacesa, S.A. ('Metrovacesa') for £1,090 million. Under the terms of this arrangement, the bank has leased the building back from Metrovacesa for a period of 20 years at an annual rent of £43.5 million, with annual upward-only rent reviews linked to the Retail Price Index (all items) and subject to an annual maximum and minimum increase of 6 per cent and 2.5 per cent respectively. In the normal course of business, the bank has provided finance to Metrovacesa in respect of the debt element of this transaction at arm's length market rates in the form of a bridging loan of £810 million secured by a charge on the property. The bridging loan had a maturity of 30 November 2007 and was extended through a new facility provided by the bank with a maturity of 30 November 2008. The equity portion of £280 million was settled in cash by Metrovacesa on 31 May 2007.

The sale has not been recognised in the financial statements at 31 December 2007 because the bank has retained a significant interest by virtue of the loan provided to part-finance the purchase of the building. Accordingly, 8 Canada Square is presented within property, plant and equipment as a non-current asset held for sale with a carrying value of £432 million and the equity portion received from Metrovacesa is presented in the balance sheet as deferred income. It is expected that the sale will be recognised when the bridging loan is repaid.

Also included within property, plant and equipment classified as held for sale are other properties the group intends to dispose of through sale and leaseback transactions and repossessed property that had been pledged as collateral by customers.

25 Trading liabilities

	Carrying amount			
	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Deposits by banks	39,382	8,672	48,390	10,497
Customer accounts	21,999	9,791	17,636	8,610
Other debt securities in issue	14,353	9,863	10,597	5,972
Other liabilities – net short positions	41,720	23,754	23,132	10,136
	117,454	52,080	99,755	35,215

26 Financial liabilities designated at fair value

	The group		The bank	
	2007 £m	2006 £m	2007 £m	2006 £m
Deposits by banks	3,635	108	3,513	72
Liabilities to customers under investment contracts	5,842	4,553	–	–
Debt securities in issue	2,820	1,141	1,204	1,003
Subordinated liabilities	3,084	3,353	3,365	3,661
Preference shares	278	305	–	–
	15,659	9,460	8,082	4,736

The carrying amount at 31 December 2007 of financial liabilities designated at fair value was £37 million lower (2006:£111 million higher) (the bank: 2007: £19 million lower; 2006:£113 million higher) than the contractual amount at maturity. At 31 December 2007, the accumulated amount of change in fair value attributable to changes in credit risk was a gain of £165 million (2006: £48 million loss) (the bank: 2007: £163 million gain; 2006: £47million loss).

27 Other liabilities

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Amounts due to investors in funds consolidated by the group	**1,225**	396	**–**	–
Share-based payments	**184**	140	**105**	89
Obligations under finance leases	**327**	327	**–**	–
Endorsements and acceptances	**375**	353	**251**	238
Other liabilities	**4,732**	3,398	**2,518**	2,087
	6,843	4,614	**2,874**	2,414
Obligations under finance leases falling due:				
– less than 1 year	**–**	1	**–**	–
– between 1 and 5 years	**–**	3	**–**	–
– over 5 years	**327**	323	**–**	–
	327	327	**–**	–

28 Liabilities under insurance contracts issued

	2007		
	Gross	Reinsurance	Net
	£m	**£m**	**£m**
Non-life insurance liabilities			
Unearned premium provision	**387**	**(48)**	**339**
Notified claims	**301**	**(129)**	**172**
Claims incurred but not reported	**112**	**(15)**	**97**
Other	**18**	**(18)**	**–**
	818	**(210)**	**608**
Policyholder liabilities			
Life (non-linked)	**1,128**	**(290)**	**838**
Investment contracts with discretionary participation features	**9,447**	**–**	**9,447**
Life (linked)	**858**	**(28)**	**830**
	11,433	**(318)**	**11,115**
Total liabilities under insurance contracts[1]	**12,251**	**(528)**	**11,723**

1 *Though investment contracts with discretionary participation features are financial instruments, the group continued to treat them as insurance contracts as permitted by IFRS 4.*

	2006		
	Gross	Reinsurance	Net
	£m	£m	£m
Non-life insurance provisions			
Unearned premium reserve	286	(27)	259
Notified claims	75	(32)	43
Claims incurred but not reported	41	(20)	21
Other			
	402	(79)	323
Policyholder liabilities			
Life (non-linked)	837	(525)	312
Investment contracts with discretionary participation features			
Life (linked)	647	(29)	618
	1,484	(554)	930
Total liabilities under insurance contracts[1]	1,886	(633)	1,253

1 *Though investment contracts with discretionary participation features are financial instruments, the group continued to treat them as insurance contracts as permitted by IFRS 4.*

The movement of liabilities under insurance contracts was as follows:

Notes on the Financial Statements (continued)

Non-life insurance liabilities

	Year ended 31 December 2007		
	Gross	Reinsurance	Net
	£m	£m	£m
Unearned premium reserve ('UPR')			
At 1 January	**286**	**(27)**	**259**
Changes in UPR recognised as (income)/expense			
– gross written premiums	**(372)**	**73**	**(299)**
– gross earned premiums	**378**	**(81)**	**297**
Foreign exchange and other movements	**95**	**(13)**	**82**
At 31 December	**387**	**(48)**	**339**
Notified and incurred but not reported			
At 1 January	**116**	**(52)**	**64**
– notified claims	**75**	**(32)**	**43**
– claims incurred but not reported	**41**	**(20)**	**21**
Claims paid in respect of current year	**(250)**	**65**	**(185)**
Current year notifications	**302**	**29**	**331**
Foreign exchange and other movements	**245**	**(186)**	**59**
At 31 December			
– notified claims	**301**	**(129)**	**172**
– claims incurred but not reported	**112**	**(15)**	**97**
At 31 December	**413**	**(144)**	**269**

	Year ended 31 December 2006		
	Gross	Reinsurance	Net
	£m	£m	£m
UPR			
At 1 January	313	(23)	290
Changes in UPR recognised as (income)/ expense			
– gross written premiums	(131)	63	(68)
– gross earned premiums	153	(59)	94
Foreign exchange and other movements	(49)	(8)	(57)
At 31 December	286	(27)	259
Notified and incurred but not reported			
At 1 January	121	(57)	64
– notified claims	89	(39)	50
– claims incurred but not reported	32	(18)	14
Claims paid in respect of current year	(83)	36	(47)
Current year notifications	78	(29)	49
Foreign exchange and other movements	–	(2)	(2)
At 31 December			
– notified claims	75	(32)	43
– claims incurred but not reported	41	(20)	21
At 31 December	116	(52)	64

The above tables each include an insignificant amount in respect of the development of prior year claims. For this reason, no detailed table of claims development has been provided. This is because a significant amount of the non-life insurance business claims are settled within a short period of time.

Life insurance policyholder liabilities

	Year ended 31 December 2007		
	Gross	Reinsurance	Net
	£m	£m	£m
Life (non-linked)			
At 1 January	**837**	**(525)**	**312**
Benefits paid	**(132)**	**73**	**(59)**
Increase in policyholder liabilities	**9**	**190**	**199**
Foreign exchange and other movements	**414**	**(28)**	**386**
At 31 December	**1,128**	**(290)**	**838**
Investment contracts with discretionary participation features			
At 1 January	**–**	**–**	**–**
Benefits paid	**(537)**	**–**	**(537)**
Increase in policyholder liabilities	**1,073**	**–**	**1,073**
Foreign exchange and other movements[1]	**8,911**	**–**	**8,911**
At 31 December	**9,447**	**–**	**9,447**
Life (linked)			
At 1 January	**647**	**(29)**	**618**
Benefits paid	**(139)**	**8**	**(131)**
Increase in policyholder liabilities	**158**	**(6)**	**152**
Foreign exchange and other movements	**192**	**(1)**	**191**
At 31 December	**858**	**(28)**	**830**
Total policyholder liabilities	**11,433**	**(318)**	**11,115**

1 *As a result of obtaining control of HSBC Assurances VIE (France) and HSBC Assurances IARD (France) during the year, £8,929 million of liabilities under insurance contracts issued were recognised by the group (further information on this acquisition can be found in Note 23).*

	Year ended 31 December 2006		
	Gross	Reinsurance	Net
	£m	£m	£m
Life (non-linked)			
At 1 January	847	(474)	373
Benefits paid	(103)	69	(34)
Increase in policyholder liabilities	71	(104)	(33)
Foreign exchange and other movements	22	(16)	6
At 31 December	837	(525)	312
Life (linked)			
At 1 January	697	(40)	657
Benefits paid	(119)	5	(114)
Increase in policyholder liabilities	69	6	75
At 31 December	647	(29)	618
Total policyholder liabilities	1,484	(554)	930

The increase in liabilities to policyholders represents the aggregate of all events giving rise to additional policyholder liabilities in the year. These include death claims, surrenders, lapses, the setting up of liability to policyholders at the initial inception of the policy, the declaration of bonuses and other amounts attributable to policyholders.

29 Provisions

The group

	Provisions	
	2007	2006
	£m	£m
At 1 January	402	384
Additional provisions/increase in provisions[1]	406	206
Provisions utilised	(317)	(124)
Amounts reversed	(86)	(72)
Exchange and other movements	22	8
At 31 December	427	402

1 *Includes unwinding of discounts of £1 million (2006: £5 million) in relation to vacant space provisions.*

Included above is a provision of £60 million (2006: £58 million) for the possible cost of redress relating to the sale of certain personal pension plans and mortgage endowment policies and a provision for indemnity clawbacks. The provision is based on an actuarial calculation extrapolated from a sample of cases. The timing of the expenditure depends on settlement of individual claims.

The bank

	Provisions	
	2007	2006
	£m	£m
At 1 January	105	124
Additional provisions/increase in provisions[1]	251	46
Provisions utilised	(172)	(43)
Amounts reversed	(29)	(23)
Exchange and other movements	8	1
At 31 December	163	105

1 *Includes unwinding of discounts of £1 million (2006: £5 million) in relation to vacant space provisions.*

Included in the above are:

(i) Provisions for onerous property contracts of £28 million (2006: £54 million), of which £7 million (2006: £13 million) relates to discounted future costs associated with leasehold properties that became vacant as a consequence of the bank's move to Canary Wharf in 2002. The provisions cover rent voids while finding new tenants, shortfalls in expected rent receivable compared with rent payable, and the cost of refurbishing the buildings to attract tenants. Uncertainties arise from movements in market rents, delays in finding new tenants and the timing of rental reviews.

(ii) Provisions of £85 million (2006: £nil) for the estimated cost of redress in relation to provision of services to a number of trusts by a subsidiary of the bank. The bank has undertaken to reimburse the subsidiary in respect of the initial estimated cost of redress. The total provision is based on a calculation extrapolated from a sample of cases. Uncertainties arise from factors affecting the timing of notifying and reimbursing those affected.

29 Subordinated liabilities

	The group		The bank	
	2007	2006	2007	2006
	£m	£m	£m	£m
Subordinated liabilities:				
– At amortised cost	5,205	5,380	4,744	4,999
Subordinated liabilities	3,111	2,960	4,744	4,553
Preference shares	2,094	2,420	–	446
– Designated at fair value	3,362	3,658	3,365	3,661
Subordinated liabilities	3,084	3,353	3,365	3,661
Preference shares	278	305	–	–
	8,567	9,038	8,109	8,660

Subordinated borrowings of the group

		Book value 2007 £m	2006 £m
US$300m	6.95% Subordinated Notes 2011	162	166
€250m	Floating Rate Subordinated Loan 2015	183	168
€600m	4.25% Callable Subordinated Notes 2016[1]	439	408
€800m	Callable Subordinated Floating Rate Notes 2016	586	536
£350m	Callable Subordinated Variable Coupon Notes 2017[2]	355	344
€1,000m	Floating Rate Subordinated Loan 2017	734	671
£500m	4.75% Callable Subordinated Notes 2020[3]	464	480
€500m	Callable Subordinated Floating Rate Notes 2020	337	335
£350m	5% Callable Subordinated Notes 2023[4]	335	350
£300m	6.5% Subordinated Notes 2023	298	298
US$300m	7.65% Subordinated Notes 2025	179	190
£350m	5.375% Callable Subordinated Step-up Notes 2030[5]	325	357
£500m	5.375% Subordinated Notes 2033	474	531
€900m	7.75% Non-cumulative Subordinated Notes 2040	660	604
£225m	6.25% Subordinated Notes 2041	223	223
£600m	4.75% Subordinated Notes 2046	591	591
£700m	5.844% Non-cumulative Step-up Perpetual Preferred Securities[6]	700	700
£300m	5.862% Non-cumulative Step-up Perpetual Preferred Securities[7]	278	305
US$750m	Undated Floating Rate Primary Capital Notes	374	382
US$500m	Undated Floating Rate Primary Capital Notes	249	255
US$300m	Undated Floating Rate Primary Capital Notes (Series 3)	150	153
£150m	8.625% Undated Subordinated Step-up Notes	–	155
US$875m	Non-cumulative Third US$ Preference Shares[8]	–	446
	Other subordinated liabilities less than £50m	471	390
		8,567	9,038

1 *The interest rate on the 4.25% Callable Subordinated Notes 2016 changes in March 2011 to three month EURIBOR plus 1.05%.*
2 *The interest rate on the Callable Subordinated Variable Coupon Notes 2017 is fixed at 5.75% until June 2012. Thereafter, the rate per annum is the sum of the gross redemption yield of the then prevailing five year UK gilt plus 1.70%.*
3 *The interest rate on the 4.75% Callable Subordinated Notes 2020 changes in September 2015 to three month sterling LIBOR plus 0.82%.*
4 *The interest rate on the 5% Callable Subordinated Notes 2023 changes in March 2018 to become the rate per annum which is the sum of the gross redemption yield of the then prevailing five year UK gilt plus 1.80%.*
5 *The interest rate on the 5.375% Callable Subordinated Step-up Notes 2030 changes in November 2025 to three month sterling LIBOR plus 1.50%.*
6 *The distribution rate on the 5.844% Non-cumulative Step-up Perpetual Preferred Securities changes in November 2031 to six month sterling LIBOR plus 1.76%.*
7 *The distribution rate on the 5.862% Non-cumulative Step-up Perpetual Preferred Securities changes in April 2020 to six month sterling LIBOR plus 1.85%.*
8 *The terms and conditions of the Non-cumulative Third US$ Preference Shares were changed on 31 July 2007, resulting in their extinguishment as a financial liability of the bank and recognition as equity from that date*

Footnotes 1 to 7 all relate to notes that are repayable at the option of the borrower on the date of the change of the interest rate, and at subsequent interest rate reset dates and interest payment dates in some cases, subject to the prior non-objection of the Financial Services Authority.

31 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments measured at fair value on an ongoing basis include trading assets and liabilities, instruments designated at fair value through profit or loss, derivatives, and financial instruments classified as available-for-sale (including treasury and other eligible bills, debt securities and equity securities).

Control framework

Fair values are subject to a control framework that aims to ensure that they are either determined, or validated, by a function independent of the risk taker. To this end, ultimate responsibility for the determination of fair values lies with Finance, which reports functionally to the Group Finance Director. Finance establishes the accounting policies and procedures governing valuation, and is responsible for ensuring that these comply with all relevant accounting standards.

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For fair values determined using a valuation model, the control framework may include, as applicable, independent development or validation of valuation models, independent determination or validation of valuation model inputs, independent determination or validation of any adjustments required outside of the valuation model, and, where possible, independent validation of model outputs. For fair values determined without a valuation model, there is independent price determination or validation. The results of independent validation processes are reported to senior management, and adjustments to the fair values made as appropriate.

Determination of fair value of financial instruments carried at fair value

Financial instruments measured at fair value on an ongoing basis include trading assets and liabilities, instruments designated at fair value through profit or loss, derivatives, and financial investments classified as available-for-sale (including treasury and other eligible bills, debt securities, and equity securities).

The reliability of the fair value measurement for financial instruments reported on the group's consolidated balance sheet at fair value is assessed according to how the fair values have been determined, as follows:

(a) *Quoted market price*

Financial instruments with quoted prices for identical instruments in active markets.

(b) *Valuation technique using observable inputs*

Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

(c) *Valuation technique with significant non-observable inputs*

Financial instruments valued using models where one or more significant inputs are not observable.

The best evidence of fair value is a quoted price in an actively traded market. In the event that the market for a financial instrument is not active, a valuation technique is used. The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial instruments are valued on the basis of valuation techniques that feature one or more significant market inputs that are not observable. For these instruments, the fair value measurement derived is more judgemental. 'Not observable' in this context means that there is little or no current market data available from which to determine the level at which an arm's length transaction would likely occur, but it generally does not mean that there is absolutely no market data available upon which to base a determination of fair value (historical data may, for example, be used). Furthermore, the assessment of hierarchy level is based on the lowest level of input that is significant to the fair value of the financial instrument. Consequently, the level of uncertainty in the determination of the unobservable inputs will generally give rise to valuation uncertainty that is less than the fair value itself.

In certain circumstances, the group applies the fair value option to own debt in issue. Where available, the fair value will be based upon quoted prices in an active market for the specific instrument concerned. Where not available, the fair value will either be based upon quoted prices in an inactive market for the specific instrument concerned, or estimated by comparison with quoted prices in an active market for similar instruments. The fair value of these instruments therefore includes the effect of own credit spread. Gains and losses arising from changes in the credit spread of liabilities issued by the group reverse over the contractual life of the debt.

Issued structured notes and certain other hybrid instrument liabilities are included within trading liabilities, and marked at fair value. The credit spread applied to these instruments is derived from the spreads at which the group issues structured notes. These market spreads are significantly tighter than credit spreads observed in vanilla debt or credit default swap markets.

All net positions in non-derivative financial instruments, and all derivative portfolios, are valued at bid or offer as appropriate. Long positions are marked at bid; short positions are marked at offer.

The fair values of large holdings of non-derivative financial instruments are based on a multiple of the value of a single instrument, and do not include block adjustments for the size of the holding.

The valuation models used where quoted market prices are not available incorporate certain assumptions that the group anticipates would be used by a market participant to establish fair value. Where the group anticipates that there are additional considerations not included within the valuation model, adjustments may be adopted outside the model.

Examples of such adjustments are:

- **Credit risk adjustment**: an adjustment to reflect the credit worthiness of over-the-counter derivative counterparties.
- **Market data/model uncertainty**: an adjustment to reflect uncertainties in fair values based on uncertain market data inputs (e.g. as a result of illiquidity) or in areas where the choice of valuation model is particularly subjective.
- **Inception profit ('day 1 P&L reserves')**: for financial instruments valued, at inception, on the basis of one or more significant unobservable inputs, the difference between transaction price and model value (as adjusted) at inception is not recognised in the consolidated income statement, but is deferred and included as part of the fair value.

Transaction costs are not included in the fair value calculation. Trade origination costs such as brokerage, fee expense, and post-trade costs are included in operating expenses. The future cost of administering the over-the-counter derivative portfolio is also not included in fair value, but is expensed as incurred.

- Loans

  Loans are valued from broker quotes and/or market data consensus providers where available. Where unavailable, fair value will be determined based on an appropriate credit spread derived from other market instruments issued by the same or comparable entities.

- Debt securities, Treasury and other eligible bills, and Equities

  These instruments are valued based on quoted market prices from an exchange, dealer, broker, industry group or pricing service, where available. Where unavailable, fair value is determined by reference to quoted market prices for similar instruments or, in the case of certain mortgage-backed securities and unquoted equities, valuation techniques using inputs determined from observable and unobservable market data.

- Derivatives

  Over-the-counter (i.e. non-exchange traded) derivatives are valued using valuation models. Valuation models calculate the present value of expected future cash flows, based upon 'no-arbitrage' principles. For many vanilla derivative products, such as interest rate swaps and European options, the modelling approaches used are standard across the industry. For more complex derivative products, there may be some divergence in practice. Inputs to valuation models are determined from observable market data wherever possible, including prices available from exchanges, dealers, brokers or providers of consensus pricing. Certain inputs may not be observable in the market directly, but can be determined from observable prices via model calibration procedures. Finally, some inputs are not observable, but can generally be estimated from historic data or other sources. Examples of inputs that are generally observable include foreign exchange spot and forward rates, benchmark interest rate curves and volatility surfaces for commonly traded option products. Examples of inputs that may be unobservable include volatility surfaces, in whole or in part, for less commonly traded option products, and correlations between market factors.

- Private equity

  The group's private equity positions are generally classified as available for sale and are not traded in an active market. In the absence of an active market for the investment, fair value is estimated based upon an analysis of the investee's financial position and results, risk profile, prospects and other factors as well as reference to market valuations for similar entities quoted in an active market, or the price at which similar companies have changed ownership. The exercise of judgement is required and because of uncertainties inherent in estimating fair value for private equity investments, it is not until realisation of the investment that subjective valuation factors are removed.

The following table provides an analysis of the basis for the valuation of financial assets and financial liabilities measured at fair value in the consolidated financial statements:

Notes on the Financial Statements (continued)

The group

	Quoted market price £m	Valuation techniques: using observable inputs £m	Valuation techniques: with significant non-observable inputs £m	Third Party Total £m	Amounts with HSBC entities £m	Total £m
At 31 December 2007						
Assets						
Trading assets	**80,256**	**61,878**	**3,603**	**145,737**	**7,469**	**153,206**
Financial assets designated at fair value	**10,615**	**4,330**	**-**	**14,945**	**24**	**14,969**
Derivatives	**3,019**	**49,199**	**807**	**53,025**	**7,445**	**60,470**
Financial investments	**17,757**	**42,229**	**3,314**	**63,300**	**6,190**	**69,490**
Liabilities						
Trading liabilities	**56,494**	**41,237**	**2,366**	**100,097**	**17,357**	**117,454**
Financial liabilities designated at fair value	**9,481**	**6,178**	**-**	**15,659**	**-**	**15,659**
Derivatives	**2,871**	**48,808**	**842**	**52,521**	**9,018**	**61,539**
At 31 December 2006						
Assets						
Trading assets	55,947	25,312	569	81,828	4,166	85,994
Financial assets designated at fair value	5,665	191	-	5,856	129	5,985
Derivatives	1,808	25,142	480	27,430	4,660	32,090
Financial investments	11,811	21,380	2,548	35,739	6,565	42,304
Liabilities						
Trading liabilities	35,426	11,893	914	48,233	3,847	52,080
Financial liabilities designated at fair value	8,368	889	-	9,257	203	9,460
Derivatives	2,767	23,149	526	26,442	6,301	32,743

The bank

	Quoted market price £m	Valuation techniques: using observable inputs £m	with significant non-observable inputs £m	Third Party Total £m	Amounts with HSBC entities £m	Total £m
At 31 December 2007						
Assets						
Trading assets	**39,935**	**58,777**	**3,603**	**102,315**	**46,787**	**149,102**
Financial assets designated at fair value	**-**	**3,439**	**-**	**3,439**	**-**	**3,439**
Derivatives	**57**	**32,185**	**287**	**32,529**	**13,796**	**46,325**
Financial investments	**6,749**	**5,843**	**1,026**	**13,618**	**(13)**	**13,605**
Liabilities						
Trading liabilities	**33,285**	**34,301**	**2,319**	**69,905**	**29,850**	**99,755**
Financial liabilities designated at fair value	**4,278**	**3,804**	**-**	**8,082**	**-**	**8,082**
Derivatives	**186**	**32,622**	**249**	**33,057**	**14,479**	**47,536**
At 31 December 2006						
Assets						
Trading assets	31,707	22,075	569	54,351	8,378	62,729
Financial assets designated at fair value	-	-	-	-	-	-
Derivatives	-	16,670	241	16,911	7,450	24,361
Financial investments	7,832	3,635	234	11,701	434	12,135
Liabilities						
Trading liabilities	20,600	7,347	914	28,861	6,354	35,215
Financial liabilities designated at fair value	4,254	70	-	4,324	412	4,736
Derivatives	1,108	15,111	175	16,394	8,573	24,967

Movements in unobservable assumptions in fair value valuation models

As discussed above the fair value of financial instruments are, in certain circumstances, measured using valuation models that incorporate assumptions that are not supported by prices from observable current market transactions in the same instrument and are not based on observable market data. The following table shows the sensitivity of fair values reasonably possible alternative assumptions.

The group

	Reflected in profit/(loss)		Reflected in equity	
	Favourable Changes £m	Unfavourable Changes £m	Favourable Changes £m	Unfavourable Changes £m
At 31 December 2007				
Derivatives/trading assets/trading liabilities[1]	**150**	**(93)**	–	–
Financial assets/liabilities designated at fair value	–	–	–	–
Financial investments: available-for-sale	–	–	**171**	**(202)**
At 31 December 2006				
Derivatives/trading assets/trading liabilities	127	(132)]	–	–
Financial assets/liabilities designated at fair value	–	–	–	–
Financial investments: available-for-sale	–	–	28	(28)

The bank

	Reflected in profit/(loss)		Reflected in equity	
	Favourable Changes £m	Unfavourable Changes £m	Favourable Changes £m	Unfavourable Changes £m
At 31 December 2007				
Derivatives/trading assets/trading liabilities[1]	**135**	**(107)**	–	–
Financial assets/liabilities designated at fair value	–	–	–	–
Financial investments: available-for-sale	–	–	**87**	**(87)**
At 31 December 2006				
Derivatives/trading assets/trading liabilities	90	94	–	–
Financial assets/liabilities designated at fair value	–	–	–	–
Financial investments: available-for-sale	–	–	23	(23)

1 *Derivatives, trading assets and trading liabilities are presented as one category to reflect the manner in which these financial instruments are risk-managed.*

Changes in fair value recorded in the income statement

The following table details changes in fair values recognised in profit or loss during the period, where the fair value is estimated using valuation techniques that incorporate significant assumptions that are not supported by prices from observable current market transactions in the same instrument, and are not based on observable market data:

- the table details the total change in fair value of these instruments; it does not isolate that component of the change that is attributable to the non-observable component;
- instruments valued with significant non-observable inputs are frequently dynamically hedged with instruments valued using observable inputs; the table does not include any changes in fair value of these hedges; and
- there were significant assets and liabilities valued using observable inputs at 31 December 2006 that became valued with significant unobservable inputs during 2007; the table reflects the full change in fair value of those instruments during 2007, not just that element arising following the category change.

The group

	Amounts recognised in the income statement in:	
	2007 £m	2006 £m
Derivatives/trading assets/trading liabilities	**92**	-

The bank

	Amounts recognised in the income statement in:	
	2007 £m	2006 £m
Derivatives/trading assets/trading liabilities	**(27)**	-

Fair value of financial instruments not carried at fair value

The fair values of financial instruments that are not recognised at fair value on the balance sheet are calculated as described below.

The calculation of fair value incorporates the group's estimate of the amount at which financial assets could be exchanged, or financial liabilities settled, between knowledgeable, willing parties in an arm's length transaction. It does not reflect the economic benefits and costs that the group expects to flow from the instruments' cash flows over their expected future lives. Other reporting entities may use different valuation methodologies and assumptions in determining fair values for which no observable market prices are available,

so comparisons of fair values between entities may not be meaningful and users are advised to exercise caution when using this data.

The following types of financial instruments are measured at amortised cost unless they are held for trading or designated at fair value through profit or loss. Where assets or liabilities are hedged by derivatives designated and qualifying as fair value hedges, the carrying value of the assets or liabilities so hedged includes a fair value adjustment for the hedged risk only. Fair values at the balance sheet date of the assets and liabilities set out below are estimated for the purpose of disclosure as follows:

(i) Loans and advances to banks and customers

The fair value of loans and advances is based on observable market transactions, where available. In the absence of observable market transactions, fair value is estimated using discounted cash flow models. Performing loans are grouped, as far as possible, into homogeneous pools segregated by amount, customer type, currency, facility grade, maturity and coupon rates. In general, contractual cash flows are discounted using the group's estimate of the discount rate that a market participant would use in valuing instruments with similar maturity, repricing and credit risk characteristics. For maturity buckets where there is no recent price information, a linear trend is assumed between known points.

For loans and deposits, the fair value of the amounts repayable on demand is estimated as the carrying value at the balance sheet date.

The fair value of a loan portfolio reflects both loan impairments at the balance sheet date and estimates of market participants' expectations of credit losses over the life of the loans.

For impaired loans, fair value is estimated by discounting the future cash flows over the time period they are expected to be recovered.

(ii) Financial investments

The fair values of listed financial investments are determined using bid market prices. The fair values of unlisted financial investments are determined using valuation techniques that take into consideration either the prices of, or future earnings streams of, equivalent quoted securities.

(iii) Deposits by banks and customer accounts

For the purposes of estimating fair value, deposits by banks and customer accounts are grouped by residual maturity. Fair values are estimated using discounted cash flows, applying current rates offered for deposits of similar remaining maturities. The fair value of a deposit repayable on demand is assumed to be the amount payable on demand at the balance sheet date.

(iv) Debt securities in issue and subordinated liabilities

Fair values are determined using quoted market prices at the balance sheet date where available, or by reference to quoted market prices for similar instruments.

The fair values in this note are stated at a specific date and may be significantly different from the amounts that will actually be paid on the maturity or settlement dates of the instruments. In many cases, it would not be possible to realise immediately the estimated fair values given the size of the portfolios measured. Accordingly, these fair values do not represent the value of these financial instruments to the group as a going concern.

For all classes of financial instruments, fair value represents the product of the value of a single instrument, multiplied by the number of instruments held. No block discount or premium adjustments are made.

The fair values of intangible assets, such as values placed on portfolios of core deposits, credit card and customer relationships, are not included above because they are not financial instruments.

The following table lists those financial instruments for which their carrying amount is a reasonable approximation of fair value because, for example, they are short term in nature or reprice to current market rates frequently:

Assets	Liabilities
Cash and balances at central banks	Items in the course of transmission to other banks
Items in the course of collection from other banks	Endorsements and acceptances
Endorsements and acceptances	Short-term payables within 'Other liabilities'
Short-term receivables within 'Other assets'	Accruals
Accrued income	

The following table provides an analysis of the fair value of financial instruments not measured at fair value in the balance sheet. For all other instruments the fair value is equal to the carrying value:

The group	2007		2006	
	Carrying value £m	**Fair value £m**	Carrying value £m	Fair Value £m
Assets				
Loans and advances to banks	**60,764**	**60,764**	44,428	44,428
Loans and advances to customers	**227,687**	**226,572**	200,416	200,416
Financial investments: debt securities	**254**	**254**	76	76
Liabilities				
Deposits by banks	**48,786**	**48,783**	38,513	38,510
Customer accounts	**268,269**	**268,059**	227,350	227,358
Debt securities in issue	**50,921**	**50,620**	38,090	38,178
Subordinated liabilities	**5,205**	**4,921**	5,380	5,338

The bank	2007		2006	
	Carrying value £m	**Fair value £m**	Carrying value £m	Fair Value £m
Assets				
Loans and advances to banks	**32,028**	**32,028**	25,121	25,121
Loans and advances to customers	**150,649**	**149,876**	143,964	143,964
Liabilities				
Deposits by banks	**41,061**	**41,061**	29,182	29,182
Customer accounts	**184,899**	**184,899**	164,054	164,185
Debt securities in issue	**8,117**	**8,194**	5,408	5,421
Subordinated liabilities	**4,744**	**4,469**	4,999	4,959

32 Maturity analysis of assets and liabilities

The following is an analysis of undiscounted cash flows payable under financial liabilities by remaining contractual maturities at the balance sheet date.

Trading liabilities and trading derivatives have been included in the 'On demand' time bucket and not by contractual maturity, because trading liabilities are typically held for short periods of time. The undiscounted cash flows on hedging derivative liabilities are classified according to their contractual maturity.

The group	On demand £m	Due within 3 months £m	Due between 3 and 12 months £m	Due between 1 and 5 years £m	Due after 5 years £m	Total £m
Deposits by banks	**11,564**	**34,031**	**4,375**	**1,561**	**3,043**	**54,574**
Customer accounts	**173,902**	**90,818**	**7,720**	**2,232**	**1,255**	**275,927**
Trading liabilities	**117,454**	**–**	**–**	**–**	**–**	**117,454**
Financial liabilities designated at fair value	**5,828**	**408**	**1,345**	**2,716**	**8,134**	**18,431**
Derivatives	**60,908**	**4**	**246**	**483**	**104**	**61,745**
Debt securities in issue	**316**	**32,903**	**8,741**	**11,527**	**2,962**	**56,449**
Subordinated liabilities	**–**	**36**	**190**	**782**	**7,121**	**8,129**
Other financial liabilities	**2,567**	**6,152**	**861**	**253**	**585**	**10,418**
Loan commitments	**36,914**	**58,332**	**8,610**	**23,791**	**11,497**	**139,144**
Total at 31 December 2007	**409,453**	**222,684**	**32,088**	**43,345**	**34,701**	**742,271**

	On demand £m	Due within 3 months £m	Due between 3 and 12 months £m	Due between 1 and 5 years £m	Due after 5 years £m	Total £m
Deposits by banks	8,562	25,134	2,706	2,546	2,089	41,037
Customer accounts	159,604	68,152	5,606	2,486	1,753	237,601
Trading liabilities	52,080	–	–	–	–	52,080
Financial liabilities designated at fair value	4,540	72	193	2,600	4,460	11,865
Derivatives	34,217	77	27	310	52	34,683
Debt securities in issue	275	26,392	2,165	9,539	2,272	40,643
Subordinated liabilities	–	62	181	1,430	7,068	8,741
Other financial liabilities	649	4,794	68	71	357	5,939
Loan commitments	42,454	50,090	5,306	17,132	13,931	128,913
Total at 31 December 2006	302,381	174,773	16,252	36,114	31,982	561,502

The bank	On demand £m	Due within 3 months £m	Due between 3 and 12 months £m	Due between 1 and 5 years £m	Due after 5 years £m	Total £m
Deposits by banks	**9,626**	**29,888**	**1,496**	**137**	**112**	**41,259**
Customer accounts	**141,788**	**35,584**	**2,648**	**5,094**	**1,334**	**186,448**
Trading liabilities	**99,755**	**–**	**–**	**–**	**–**	**99,755**
Financial liabilities designated at fair value	**–**	**54**	**161**	**2,401**	**7,769**	**10,385**
Derivatives	**47,339**	**(41)**	**66**	**229**	**5**	**47,598**
Debt securities in issue	**3**	**5,408**	**2,029**	**506**	**1,121**	**9,067**
Subordinated liabilities	**–**	**34**	**102**	**1,894**	**4,542**	**6,572**
Other financial liabilities	**–**	**4,639**	**64**	**15**	**1**	**4,719**
Loan commitments	**16,538**	**55,765**	**1,787**	**14,418**	**8,340**	**96,848**
Total at 31 December 2007	**315,049**	**131,331**	**8,353**	**24,694**	**23,224**	**502,651**

Notes on the Financial Statements (continued)

	On demand £m	Due within 3 months £m	Due between 3 and 12 months £m	Due between 1 and 5 years £m	Due after 5 years £m	Total £m
Deposits by banks	7,002	20,590	1,432	175	106	29,305
Customer accounts	128,767	26,196	1,856	4,226	3,769	164,814
Trading liabilities	35,215	–	–	–	–	35,215
Financial liabilities designated at fair value	–	43	174	2,435	4,197	6,849
Derivatives	24,878	1	27	64	52	25,022
Debt securities in issue	275	3,175	427	1,195	1,052	6,124
Subordinated liabilities	–	41	795	1,785	4,631	7,252
Other financial liabilities	202	3,108	16	–	–	3,326
Loan commitments	22,500	48,321	1,475	10,761	8,896	91,953
Total at 31 December 2006	218,839	101,475	6,202	20,641	22,703	369,860

The following is an analysis, by remaining contractual maturities at the balance sheet date, of assets and liability line items that combine amounts expected to be recovered or settled in under one year, and after one year.

Contractual maturity is considered to be a reasonable approximation of expected maturity for the assets and liabilities analysed below. However, for items such as demand deposits and overdrafts, the contractual maturities could differ from expected maturities.

Trading assets, trading liabilities and derivatives are expected to be recovered or settled no more than twelve months after the balance sheet date, and therefore are excluded from this analysis.

The group

	At 31 December 2007		
	Due within one year £m	**Due after more than one year £m**	**Total £m**
Assets			
Financial assets designated at fair value	**2,267**	**12,702**	**14,969**
Loans and advances to banks	**55,163**	**5,601**	**60,764**
Loans and advances to customers	**119,052**	**108,635**	**227,687**
Financial investments	**16,467**	**53,061**	**69,528**
Other financial assets	**4,330**	**413**	**4,743**
	197,279	**180,412**	**377,691**
Liabilities			
Deposits by banks	**44,422**	**4,364**	**48,786**
Customer accounts	**264,976**	**3,293**	**268,269**
Financial liabilities designated at fair value	**4,750**	**10,909**	**15,659**
Debt securities in issue	**39,675**	**11,246**	**50,921**
Other financial liabilities	**6,332**	**358**	**6,690**
Subordinated liabilities	–	**5,205**	**5,205**
	360,155	**35,375**	**395,530**

	At 31 December 2006		
	Due within one year £m	Due after more than one year £m	Total £m
Assets			
Financial assets designated at fair value	794	5,191	5,985
Loans and advances to banks	43,176	1,252	44,428
Loans and advances to customers	100,933	99,483	200,416
Financial investments	18,631	23,749	42,380
Other financial assets	3,119	719	3,838
	166,653	130,394	297,047
Liabilities			
Deposits by banks	34,175	4,338	38,513
Customer accounts	223,932	3,418	227,350
Financial liabilities designated at fair value	342	9,118	9,460
Debt securities in issue	28,053	10,037	38,090
Other financial liabilities	922	860	1,782
Subordinated liabilities	123	5,257	5,380
	287,547	33,028	320,575

The bank

	At 31 December 2007		
	Due within one year £m	**Due after more than one year £m**	**Total £m**
Assets			
Financial assets designated at fair value	**–**	**3,439**	**3,439**
Loans and advances to banks	**28,479**	**3,549**	**32,028**
Loans and advances to customers	**71,543**	**79,106**	**150,649**
Financial investments	**8,467**	**5,354**	**13,821**
Other financial assets	**1,485**	**154**	**1,639**
	109,974	**91,602**	**201,576**
Liabilities			
Deposits by banks	**38,854**	**2,207**	**41,061**
Customer accounts	**181,340**	**3,559**	**184,899**
Financial liabilities designated at fair value	**3,366**	**4,716**	**8,082**
Debt securities in issue	**7,282**	**835**	**8,117**
Other financial liabilities	**2,793**	–	**2,793**
Subordinated liabilities	–	**4,744**	**4,744**
	233,635	**16,061**	**249,696**

	At 31 December 2006		
	Due within one year £m	Due after more than one year £m	Total £m
Assets			
Financial assets designated at fair value	–	–	–
Loans and advances to banks	24,528	593	25,121
Loans and advances to customers	68,943	75,021	143,964
Financial investments	9,665	2,470	12,135
Other financial assets	1,734	206	1,940
	104,870	78,290	183,160
Liabilities			
Deposits by banks	28,929	253	29,182
Customer accounts	156,578	7,476	164,054
Financial liabilities designated at fair value	190	4,546	4,736
Debt securities in issue	3,756	1,652	5,408
Other financial liabilities	317	155	472
Subordinated liabilities	671	4,328	4,999
	190,441	18,410	208,851

Notes on the Financial Statements (continued)

Further discussion of the group's liquidity and funding management can be found in Note 38 'Risk management'.

33 Foreign exchange exposures

Structural foreign exchange exposures

The group's structural foreign currency exposure is represented by the net asset value of its foreign currency equity and subordinated debt investments in subsidiary undertakings, branches, joint ventures and associates. Gains or losses on structural foreign currency exposures are taken to reserves.

The group's management of structural foreign currency exposures is discussed in Note 38.

Net structural currency exposures

Currency of structural exposure	2007 £m	2006 £m
Euros	10,449	9,433
US dollars	558	818
Swiss francs	1,324	1,271
Turkish lira	895	494
Maltese lira	135	137
Others, less than £100 million	189	145
Total	13,550	12,298

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

Financial assets pledged to secure liabilities are as follows:

	Group assets pledged at		Bank assets pledged at	
	2007 £m	2006 £m	2007 £m	2006 £m
Treasury bills and other eligible securities	1,410	213	1,404	213
Loans and advances to banks	5,402	347	1,113	347
Loans and advances to customers	24,664	11,213	3,408	11,213
Debt securities	100,750	47,188	38,696	32,446
Equity shares	9,366	5,887	9,300	5,767
	141,592	64,848	53,921	49,986

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

Collateral accepted as security for assets

The fair value of financial assets accepted as collateral that the group is permitted to sell or repledge in the absence of default is £104,506 million (2006: £46,794 million).

The fair value of financial assets accepted as collateral that have been sold or repledged is £59,668 million (2006: £24,729 million). The group is obliged to return these assets.

These transactions are conducted under terms that are usual and customary to standard stock borrowing and lending activities.

35 Called up share capital

Authorised

The authorised ordinary share capital of HSBC Bank plc at 31 December 2007 and 2006 was £1,000 million divided into 999,999,999 ordinary shares of £1 each and 1 preferred ordinary share of £1.

At 31 December 2007 and 2006, the authorised preference share capital of HSBC Bank plc was £150 million non-cumulative preference shares of £1 each and US$2.44 million non-cumulative preference shares of US$0.01 each.

Issued

HSBC Bank plc Ordinary shares

	Number	£m
At 1 January 2007	796,969,101	797
Shares issued	1	
At 31 December 2007	**796,969,102**	**797**
At 1 January 2006	796,969,099	797
Shares issued	2	-
At 31 December 2006	796,969,101	797

HSBC Bank plc Non-cumulative third dollar preference shares

	Number	£'000
At 1 January 2007	–	–
Recognised during the year	35,000,000	172
At 31 December 2007	**35,000,000**	**172**

On 31 July 2007, the terms and conditions of the HSBC Bank plc non-cumulative third dollar preference shares were changed. As a result, the preference shares were extinguished as financial liabilities of the bank and recognised as equity from that date with a related credit to share premium of £431 million. The bank has no obligation to redeem the preference shares but may redeem them in part or in whole at any time, with the prior non-objection of the FSA. Dividends on the preference shares are paid annually at the sole and absolute discretion of the Board of Directors. The Board of Directors will not declare a dividend on the preference shares if payment of the dividend would cause the bank not to meet the capital adequacy requirements of the FSA or the profit of the bank available for distribution as dividends are not sufficient to enable the bank to pay in full both dividends on the preference shares and dividends on any other shares that are scheduled to be paid on the same date and have an equal right to dividends or if payment of the dividend is prohibited by the rights attached to any class of shares in the capital of the bank, excluding ordinary shares. The preference shares carry no rights to conversion into ordinary shares of the bank. Holders of the preference shares will be able to attend any general meetings of shareholders of the bank and to vote on any resolution proposed to vary or abrogate any of the rights attaching to the preference shares or any resolution proposed to reduce the paid up capital of the preference shares. If the dividend payable on the preference shares has not been paid in full for the most recent dividend period or any resolution is proposed for the winding-up of the bank or the sale of its entire business then, in such circumstances, holders of preference shares will be entitled to vote on all matters put to general meetings. In the case of unpaid dividends the holders of preference shares will be entitled to attend and vote at any general meetings until such time as dividends on the preference shares have been paid in full, or a sum set aside for such payment in full, in respect of one dividend period.

HSBC Bank plc Perpetual subordinated debt

	£m
At 1 January 2007	–
Issued during the year	1,000
At 31 December 2007	**1,000**

Interest on HSBC Bank plc perpetual subordinated debt is paid quarterly at the sole and absolute discretion of the Board of Directors. The perpetual subordinated debt may only be redeemed at the option of the bank and carries no rights to conversion into ordinary shares of the bank.

Notes on the Financial Statements (continued)

36 Equity

The group

	2007											
				Other reserves								
	Called up share capital	Share premium	Retained earnings	Available-for-sale fair value reserve	Cash flow hedging reserve	Foreign exchange reserve	Share-based payment reserve	Associates and joint ventures	Total shareholders' equity	Minority interests	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January	797	14,558	4,966	523	(32)	(737)	199	125	20,399	539	20,938
New share capital subscribed, net of costs	1,000	510	–	–	–	–	–	–	1,510	2	1,512
Preference shares recognised in the year[1]	–	431	–	–	–	–	–	–	431	–	431
Profit for the year attributable to shareholders	–	–	3,227	–	–	–	–	–	3,227	–	3,227
Dividends to shareholders of the parent company	–	–	(1,706)	–	–	–	–	–	(1,706)	–	(1,706)
Actuarial gains on defined benefit plans	–	–	1,267	–	–	–	–	–	1,267	3	1,270
Fair value (losses)/ gains taken to equity	–	–	–	(964)	(71)	–	–	101	(934)	–	(934)
Amounts transferred to the income statement	–	–	–	(501)	33	–	–	(122)	(590)	–	(590)
Charge to the income statement in respect of equity settled share-based payment transactions	–	–	–	–	–	–	40	–	40	–	40
Tax on items taken directly to or transferred from equity	–	–	(382)	61	10	–	–	–	(311)	–	(311)
Transfer to minority interest	–	–	–	3	–	–	–	–	3	(3)	–
Profit attributable to minority interests	–	–	–	–	–	–	–	–	–	87	87
Dividends to minority interests	–	–	(7)	–	–	–	–	–	(7)	(67)	(74)
Transfers from Associates	–	–	(16)	120	–	–	–	(104)	–	–	–
Exchange differences	–	–	–	–	–	1,094	–	–	1,094	15	1,109
Other	–	–	(1)	1	–	–	–	–	–	–	–
At 31 December	**1,797**	**15,499**	**7,348**	**(757)**	**(60)**	**357**	**239**	**–**	**24,423**	**576**	**24,999**

1 *Share premium arising on the bank's Non-cumulative third dollar preference shares recognised as equity instruments during the year. Further information is provided in Note 35.*

2006

	Called up share capital £m	Share premium £m	Retained earnings £m	Other reserves: Available-for-sale fair value reserve £m	Other reserves: Cash flow hedging reserve £m	Other reserves: Foreign exchange reserve £m	Other reserves: Share-based payment reserve £m	Other reserves: Associates and joint ventures £m	Total shareholders' equity £m	Minority interests £m	Total equity £m
At 1 January	797	13,883	3,880	433	86	(141)	111	42	19,091	543	19,634
New share capital subscribed, net of costs	–	675	–	–	–	–	–	–	675	–	675
Profit for the year attributable to shareholders	–	–	2,722	–	–	–	–	–	2,722	–	2,722
Dividends to shareholders of the parent company	–	–	(1,591)	–	–	–	–	–	(1,591)	–	(1,591)
Actuarial gains on defined benefit plans	–	–	8	–	–	–	–	–	8	1	9
Fair value gains/ (losses) taken to equity	–	–	–	258	(64)	–	–	137	331	–	331
Amounts transferred to the income statement	–	–	–	(179)	(118)	–	–	(54)	(351)	–	(351)
Charge to the income statement in respect of equity settled share-based payment transactions	–	–	–	–	–	–	77	–	77	–	77
Tax on items taken directly to or transferred from equity	–	–	(31)	(4)	64	–	–	–	29	–	29
Transfer to minority interest	–	–	–	15	–	–	–	–	15	(15)	–
Profit attributable to minority interests	–	–	–	–	–	–	–	–	–	96	96
Dividends to minority interests	–	–	(9)	–	–	–	–	–	(9)	(65)	(74)
Exchange differences	–	–	–	–	–	(596)	–	–	(596)	(21)	(617)
Other	–	–	(13)	–	–	–	11	–	(2)	–	(2)
At 31 December	797	14,558	4,966	523	(32)	(737)	199	125	20,399	539	20,938

Notes on the Financial Statements (continued)

The bank

2007	Other reserves								
	Called up share capital £m	Share premium £m	Retained earnings £m	Available-for-sale fair value reserve £m	Cash flow hedging reserve £m	Foreign exchange reserve £m	Share-based payment reserve £m	Associates and joint ventures £m	Total equity £m
At 1 January	797	14,558	1,650	91	(8)	(2)	121	–	17,207
New share capital subscribed, net of costs	1,000	510	–	–	–	–	–	–	1,510
Preference shares recognised in the year[1]	–	431	–	–	–	–	–	–	431
Profit for the year attributable to shareholders	–	–	2,351	–	–	–	–	–	2,351
Dividends to shareholders of the parent company	–	–	(1,706)	–	–	–	–	–	(1,706)
Actuarial gains on defined benefit plans	–	–	1,231	–	–	–	–	–	1,231
Fair value gains taken to equity	–	–	–	238	10	–	–	–	248
Amounts transferred to the income statement	–	–	–	(167)	19	–	–	–	(148)
Charge to the income statement in respect of equity settled share-based payment transactions	–	–	–	–	–	–	26	–	26
Tax on items taken directly to or transferred from equity	–	–	(372)	16	(8)	–	–	–	(364)
Exchange differences	–	–	–	–	–	(10)	–	–	(10)
Other	–	–	–	1	–	–	–	–	1
At 31 December	**1,797**	**15,499**	**3,154**	**179**	**13**	**(12)**	**147**	**–**	**20,777**

1 *Share premium arising on the bank's Non-cumulative third dollar preference shares recognised as equity instruments during the year. Further information is provided in Note 33.*

	2006								
				Other reserves					
	Called up share capital £m	Share premium £m	Retained earnings £m	Available-for-sale fair value reserve £m	Cash flow hedging reserve £m	Foreign exchange reserve £m	Share-based payment reserve £m	Associates and joint ventures £m	Total equity £m
At 1 January	797	13,883	1,384	36	(22)	(1)	69	–	16,146
New share capital subscribed, net of costs	–	675	–	–	–	–	–	–	675
Profit for the year attributable to shareholders	–	–	1,896	–	–	–	–	–	1,896
Dividends to shareholders of the parent company	–	–	(1,591)	–	–	–	–	–	(1,591)
Actuarial losses on defined benefit plans	–	–	(10)	–	–	–	–	–	(10)
Fair value gains taken to equity	–	–	–	63	56	–	–	–	119
Amounts transferred to the income statement	–	–	–	2	(35)	–	–	–	(33)
Charge to the income statement in respect of equity settled share-based payment transactions	–	–	–	–	–	–	52	–	52
Tax on items taken directly to or transferred from equity	–	–	(25)	(10)	(7)	–	–	–	(42)
Exchange differences	–	–	–	–	–	(1)	–	–	(1)
Other	–	–	(4)	–	–	–	–	–	(4)
At 31 December	797	14,558	1,650	91	(8)	(2)	121	–	17,207

Notes on the Financial Statements (continued)

37 Notes on the cash flow statement

Non-cash items included in profit before tax

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Depreciation, amortisation and impairment	**564**	561	**340**	348
Loan impairment losses gross of recoveries	**1,043**	938	**825**	798
Provisions raised	**342**	140	**230**	22
Impairment of financial investments	**–**	(4)	**–**	–
Charge for defined benefit pension schemes	**240**	203	**245**	182
Accretion of discounts and amortisation of premiums	**(166)**	23	**(33)**	(83)
	2,023	1,861	**1,607**	1,267

Change in operating assets

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Change in prepayments and accrued income	**(2,129)**	(836)	**(1,454)**	(657)
Change in net trading securities and net derivatives	**(6,299)**	(6,018)	**(25,811)**	(5,775)
Change in loans and advances to banks	**(10,421)**	(547)	**(7,371)**	2,238
Change in loans and advances to customers	**(27,302)**	(17,669)	**(6,616)**	(9,126)
Change in financial assets designated at fair value	**(8,984)**	(640)	**(3,439)**	16
Change in other assets	**(1,482)**	(342)	**(63)**	(508)
	(56,617)	(26,052)	**(44,754)**	(13,812)

Change in operating liabilities

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Change in accruals and deferred income	**2,313**	748	**1,642**	721
Change in deposits by banks	**10,273**	4,315	**11,879**	1,183
Change in customer accounts	**40,919**	21,875	**20,845**	22,293
Change in debt securities in issue	**12,831**	11,289	**2,709**	(2,804)
Change in financial liabilities designated at fair value	**6,199**	1,275	**3,346**	415
Change in other liabilities	**11,016**	(200)	**(1,058)**	(362)
	83,551	39,302	**39,363**	21,446

Cash and cash equivalents comprise

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Cash and balances at central banks	**7,146**	3,618	**3,677**	2,496
Items in the course of collection from other banks	**2,434**	2,937	**1,377**	1,367
Loans and advances to banks of one month or less	**37,751**	31,838	**13,205**	13,669
Treasury bills, other bills and certificates of deposit less than three months	**5,879**	10,756	**5,389**	9,972
Less: items in the course of transmission to other banks	**(1,975)**	(2,428)	**(1,056)**	(1,019)
Total cash and cash equivalents[1]	**51,235**	46,721	**22,592**	26,485

1 *Total cash and cash equivalents include the following amounts that are not available for use by the group: £18 million held by foreign subsidiaries and subject to foreign exchange control restrictions (2006: £65.6 million); and £3,098 million subject to other restrictions (2006: £942 million)*

Total interest paid by the group during the year was £13,318 million (2006: £11,176 million). Total interest received by the group during the year was £14,632million (2006: £16,312 million). Total dividends received by the group during the year was £715 million (2006: £635 million).

38 Risk management

All the group's activities involve analysis, evaluation, acceptance and management of some degree of risk or combination of risks.

The most important types of risk arising from financial instruments are credit risk (which includes country and cross-border risk), liquidity risk, market risk, and insurance risk. Market risk includes foreign exchange, interest rate and equity price risk. In addition, risk also arises from transactions with special purpose entities, both on and off-balance sheet, and other types of off-balance sheet arrangement, including financial guarantees, letters of credit and commitments to lend.

The management of all risks that are significant to the group is discussed below.

Credit risk management

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. It arises principally from lending, trade finance, treasury and leasing business. Credit risk also arises where assets are held in the form of debt securities, the value of which may fall. The group has standards, policies and procedures dedicated to monitoring and managing risk from all such activities.

HSBC Holdings plc is responsible for the formulation of high-level credit risk policies and provides high-level centralised oversight and management of credit risk for its subsidiaries worldwide. In addition, its responsibilities include:

- controlling exposures to sovereign entities, banks and other financial institutions. HSBC's credit and settlement risk limits to counterparties in these sectors are approved and managed by Group Credit Risk, to optimise the use of credit availability and avoid excessive risk concentration.
- monitoring intra-Group exposures to ensure they are maintained within regulatory limits.
- controlling cross-border exposures, through the imposition of country limits with sub-limits by maturity and type of business. Country limits are determined by taking into account economic and political factors, and applying local business knowledge. Transactions with countries deemed to be higher risk are considered on a case by case basis.

Within the group, the Credit Risk function is headed by the Head of Credit Risk and reports to the Chief Operating Officer. Its responsibilities include:

- formulating and recording in instruction manuals detailed credit policies and procedures, consistent with HSBC policy.
- issuing policy guidelines to subsidiaries and offices on appetite for credit risk exposure to specified market sectors, activities and banking products.
- undertaking independent review and objective assessment of risk. Credit Risk approves all commercial non-bank credit facilities and exposures – including those embedded in derivatives – that are originated or renewed by subsidiaries and offices over designated limits.
- monitoring the performance and management of retail portfolios.
- maintaining policy on large credit exposures, ensuring that concentrations of exposure by counterparty, sector or geography do not become excessive in relation to the group's capital base and remain within internal and regulatory limits.
- maintaining and developing the governance and operation of HSBC's risk rating framework and systems, to classify exposures.

- reporting to senior executives on aspects of the group's credit risk portfolio. These executives, as well as the Executive Risk Management Committee, Audit Committee and the Board of Directors of the bank receive a variety of regular and ad hoc reports covering:
  - risk concentrations;
  - retail portfolio performance;
  - specific higher-risk portfolio segments, e.g. real estate, banks, and automotive sector;
  - individual large impaired accounts, and impairment allowances/charges for all customer segments;
  - country limits, cross-border exposures and related impairment allowances;
  - portfolio and analytical model performance data, employing Basel 2 metrics; and
  - stress testing results and recommendations.
- where appropriate, establishing specialist units to provide intensive management and control to maximise recoveries of doubtful debts.
- managing and directing credit risk management systems initiatives.
- providing advice and guidance to offices and subsidiaries, to promote best practice on credit-related matters such as:
  - regulatory developments;
  - risk modelling;
  - collective impairment allowances; and
  - new products and credit risk reporting.
- acting on behalf of the group as the primary interface, for credit-related issues, with external parties including the Bank of England, the FSA, rating agencies, corporate analysts, trade associations and counterparts.

Maximum exposure to credit risk

The following table presents the maximum exposure to credit risk of balance sheet and off-balance sheet financial instruments, before taking account of any collateral held or other credit enhancements unless such credit enhancements meets offsetting requirements as set out in Note 2(m).

The group

	Maximum exposure At 31 December 2007 £m	Maximum exposure At 31 December 2006 £m
Items in course of collection from other banks	**2,434**	2,937
Trading assets	**130,787**	75,158
– treasury and other similar bills	**445**	197
– debt securities	**58,741**	47,101
– loans and advances	**71,601**	27,860
Financial assets designated at fair value	**7,936**	2,509
– treasury and other similar bills	**25**	28
– debt securities	**7,822**	2,361
– loans and advances	**89**	120
Derivatives	**60,470**	32,090
Loans and advances to banks	**60,764**	44,428
Loans and advances to customers	**227,687**	200,416
Financial investments	**66,476**	40,485
– treasury and other similar bills	**1,882**	3,199
– debt securities	**64,594**	37,286
Other assets		
– endorsements and acceptances	**375**	353
– other	**3,293**	2,762
Off-balance sheet		
– financial guarantees and other credit related contingent liabilities	**17,603**	22,938
– loan commitments and other credit related commitments	**146,019**	131,352
	723,844	555,428

The bank

	Maximum exposure At 31 December 2007 £m	Maximum exposure At 31 December 2006 £m
Items in course of collection from other banks	**1,377**	1,367
Trading assets	**136,007**	55,450
– treasury and other similar bills	**437**	165
– debt securities	**37,902**	25,260
– loans and advances	**97,668**	30,025
Financial assets designated at fair value	**3,439**	–
– treasury and other similar bills	**–**	–
– debt securities	**3,439**	–
– loans and advances	**–**	–
Derivatives	**46,325**	24,361
Loans and advances to banks	**32,028**	25,121
Loans and advances to customers	**150,649**	143,964
Financial investments	**12,894**	11,749
– treasury and other similar bills	**1,397**	2,826
– debt securities	**11,497**	8,923
Other assets		
– endorsements and acceptances	**251**	238
– other	**1,086**	1,482
Off-balance sheet		
– financial guarantees and other credit related contingent liabilities	**9,706**	16,129
– loan commitments and other credit related commitments	**102,326**	94,336
	496,088	374,197

Collateral and other credit enhancements

Loans and advances

It is the group's policy when making loans to establish that they are within the customer's capacity to repay, rather than rely excessively on security. Depending on the customer's standing and the type of product, facilities may be unsecured. Nevertheless, collateral can be an important mitigant of credit risk.

When appropriate, operating companies are required to implement guidelines on the acceptability of specific classes of collateral or credit risk mitigation, and determine suitable valuation parameters. Such parameters are expected to be conservative, reviewed regularly and supported by empirical evidence. Security structures and legal covenants are required to be subject to regular review to ensure that they continue to fulfil their intended purpose and remain in line with local market practice. The principal collateral types are as follows:

- in the personal sector, mortgages over residential properties;
- in the commercial and industrial sector, charges over business assets such as premises, stock and debtors;
- in the commercial real estate sector, charges over the properties being financed;
- in the financial sector, charges over financial instruments such as debt securities and equities in support of trading facilities; and
- credit derivatives are also used to manage credit risk in the group's loan portfolio, including its transfer into synthetic securitisation structures for sale to third party investors.

The group does not disclose the fair value of collateral held as security or other credit enhancements on loans and advances past due but not impaired or on individually assessed impaired loans and advances, as it is not practicable to do so.

Other financial assets

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured with the exception of asset-backed securities and similar instruments that are secured by pools of financial assets.

The ISDA Master Agreement is the group's preferred agreement for documenting derivatives activity. It provides the contractual framework within which dealing activity across a full range of over-the-counter products is conducted, and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement if either party defaults or other pre-agreed termination events occur. It is common, and the group's preferred practice, for the parties to execute a Credit Support Annex ('CSA') in conjunction with the ISDA Master Agreement. Under a CSA, collateral is passed between the parties to mitigate the market-contingent counterparty risk inherent in the outstanding positions.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the group's investment banking and markets transactions on any single day. Settlement risk on many transactions, particularly those involving securities and equities, is substantially mitigated through being effected via assured payment systems, or on a delivery versus payment basis.

Concentrations of exposure

The group

	2007 %	2006 %
United Kingdom	**42**	47
France	**18**	12
Germany	**5**	8
Rest of Continental Europe	**20**	21
Continental Europe	**43**	41
United States	**6**	5
Rest of world	**9**	7
	100	100

The bank

	2007 %	2006 %
United Kingdom	**56**	66
France	**5**	4
Germany	**3**	4
Rest of Continental Europe	**21**	18
Continental Europe	**29**	26
United States	**5**	3
Rest of world	**10**	5
	100	100

The group provides a diverse range of financial services both in the United Kingdom and internationally. As a result, its portfolio of financial instruments with credit risk is highly diversified with no exposures to individual industries or economic groupings totalling more than 10 per cent of consolidated total assets, except as follows:

- the bank's position as one of the principal UK clearing banks means that the majority of the group's exposure to credit risk is concentrated in the United Kingdom. Within the United Kingdom, the group's credit risk is diversified over a wide range of industrial and economic groupings; and
- the group's position as part of a major international banking group means that it has a significant concentration of exposure to banking counterparties. The majority of credit risk to the banking industry at 31 December 2007 and 31 December 2006 was concentrated in Europe (including the United Kingdom).

There are no special collateral requirements relating to industrial concentrations, with the exception of exposures to the property sector. The majority of exposures to the property and construction industry and the residential mortgage market are secured on the underlying property.

Credit quality

Loans and advances

The group

	At 31 December 2007		At 31 December 2006	
	Loans and advances to customers £m	**Loans and advances to banks £m**	Loans and advances to customers £m	Loans and advances to banks £m
Gross loans and advances:				
– neither past due nor impaired	**225,153**	**60,760**	197,999	44,426
– past due but not impaired	**1,375**	**–**	1,412	–
– impaired	**2,953**	**6**	2,767	6
	229,481	**60,766**	202,178	44,432

The bank

	At 31 December 2007		At 31 December 2006	
	Loans and advances to customers £m	Loans and advances to banks £m	Loans and advances to customers £m	Loans and advances to banks £m
Gross loans and advances:				
– neither past due nor impaired	148,837	32,025	142,156	25,118
– past due but not impaired	1,150	–	1,198	–
– impaired	1,496	6	1,513	6
	151,483	32,031	144,867	25,124

Distribution of loans and advances neither past due nor impaired

The credit quality of the portfolio of loans and advances that were neither past due nor impaired at 31 December 2007 can be assessed by reference to the group's legacy credit risk rating system which provides risk grades for unimpaired exposures on the basis of a "composite" assessment of probability of default and risk mitigation. The following information is based on that system:

The group

	At 31 December 2007		At 31 December 2006	
	Loans and advances to customers £m	Loans and advances to banks £m	Loans and advances to customers £m	Loans and advances to banks £m
Grade 1-3 – satisfactory risk	220,098	60,459	191,896	44,011
Grade 4 – watch list	3,755	82	4,088	415
Grade 5 – sub-standard but not impaired	1,300	219	2,015	–
	225,153	60,760	197,999	44,426

The bank

	At 31 December 2007		At 31 December 2006	
	Loans and advances to customers £m	Loans and advances to banks £m	Loans and advances to customers £m	Loans and advances to banks £m
Grade 1-3 – satisfactory risk	145,296	31,724	137,569	25,089
Grade 4 – watch list	2,762	82	3,042	29
Grade 5 – sub-standard but not impaired	779	219	1,545	–
	148,837	32,025	142,156	25,118

Grades 1 and 2 represent corporate facilities demonstrating financial condition, risk factors and capacity to repay that are good to excellent, residential mortgages with low to moderate loan to valuation ratios, and other retail accounts which are maintained within generally applicable product parameters.

Grade 3 represents satisfactory risk and includes corporate facilities that require closer monitoring, mortgages with higher loan to valuation ratios, credit card exposures and other retail exposures which operate outside generally applicable product parameters without being impaired.

Grades 4 and 5 include facilities that require varying degrees of special attention and all retail exposures that are progressively between 30 and 90 days past due.

Grades 6 or 7 represent impaired exposures.

Loans and advances which are individually assessed for impairment are identified on an individual basis, and classified as grades 6 or 7 when they are impaired. It is not practicable to individually identify impaired loans and

advances within portfolios of homogenous loans which are assessed on a collective basis for impairment. In practice such loans and advances are not individually identified as impaired until the time each impaired loan is written off. It is therefore necessary to estimate the carrying value of impaired loans and advances within these portfolios.

The approach adopted by the group to estimate the carrying value of impaired loans and advances within portfolios of homogenous loans that are collectively assessed for impairment, is to classify these loans and advances as impaired when the balances are 90 days or more past due. These loans and advances are classified as grades 6 and 7. All other collectively assessed loans and advances, including those which are less than 90 days past due, are classified as not impaired, and reported within grades 1 to 5. Collective impairment allowances are recognised in relation to losses that are likely to have been incurred at the balance sheet date on loans which are collectively assessed for impairment and classified in grades 1 to 5, representing a small percentage of the total loans and advances in these grades.

This historical seven grade risk rating system is being phased out and superseded by a more sophisticated and granular methodology based on the probability of default and loss estimates calculated in accordance with the Basel 2 Framework. This is now in use throughout the group for the credit assessment of individually significant customers. Within the group's retail portfolios, risk is assessed and managed using a wide range of risk and pricing models, and while the quality of retail assets has been reported by reference to the group's legacy risk rating scale described above, it will in future be based on the probability of default and expected loss parameters applied to homogenous segments of retail portfolios. The integration of such parameters into reporting structures at all levels will enable Board and regulatory reporting on the new basis in 2008 in accordance with the group's obligations under its advanced IRB permission from the FSA.

Loans and advances which were past due but not impaired

Loans and advances that were past due but not impaired at 31 December 2007 were as follows:

The group

	Loans and advances to customers	
	2007	2006
	£m	£m
Past due up to 29 days	756	776
Past due 30 – 59 days	308	310
Past due 60 – 89 days	210	205
	1,274	1,291
Past due 90 – 179 days	96	105
Past due over 180 days but less than 1 year	3	14
Past due more than 1 year	2	2
	1,375	1,412

The bank

	Loans and advances to customers	
	2007	2006
	£m	£m
Past due up to 29 days	594	635
Past due 30 – 59 days	274	276
Past due 60 – 89 days	188	183
	1,056	1,094
Past due 90 – 179 days	93	102
Past due over 180 days but less than 1 year	1	1
Past due more than 1 year	–	1
	1,150	1,198

The past due ageing analysis includes loans and advances less than 90 days past due that have collective impairment allowances set aside to cover credit losses on loans which are in the early stages of arrears.

There are a variety of reasons why certain loans designated as 'past due' are not regarded as impaired. Unless other information is available to indicate to the contrary, all loans less than 90 days past due are not considered impaired. It is also not unusual for short-term trade finance facilities to extend beyond 90 days past due for reasons that do not reflect any concern on the creditworthiness of the counterparty, such as delays in documentation. In addition, past due loans secured in full by cash collateral are not considered impaired and, where appropriate, neither are residential mortgages in arrears by more than 90 days where the value of collateral is sufficient to repay both the debt and all potential interest for at least one year.

Loans and advances to customers and to banks – net total credit risk

Loans and advances against which the group had legally enforceable rights to offset with financial liabilities were as follows:

The group

	At 31 December 2007		
	Book value £m	**Amount for which the group has has a legally enforceable right to off-set[1] £m**	**Net total credit risk[2] £m**
Loans and advances to customers	**227,687**	**(31,816)**	**195,871**
Loans and advances to banks	**60,764**	**(135)**	**60,629**
	288,451	**(31,951)**	**256,500**

	At 31 December 2006		
	Book value £m	Amount for which the group has a legally enforceable right to offset[1] £m	Net total credit risk[2] £m
Loans and advances to customers	200,416	(33,254)	167,162
Loans and advances to banks	44,428	(229)	44,199
	244,844	(33,483)	211,361

The bank

	At 31 December 2007		
	Book value £m	**Amount for which the group has a legally enforceable right to offset[1] £m**	**Net total credit risk[2] £m**
Loans and advances to customers	**150,649**	**(29,974)**	**120,675**
Loans and advances to banks	**32,028**	**–**	**32,028**
	182,677	**(29,974)**	**152,703**

1 *Against financial liabilities with the same counterparty.*
2 *Excluding the value of any collateral or security held.*

	At 31 December 2006		
	Book value £m	Amount for which the group has a legally enforceable right to offset[1] £m	Net total credit risk[2] £m
Loans and advances to customers	143,964	(31,138)	112,826
Loans and advances to banks	25,121	–	25,121
	169,085	(31,138)	137,947

1 *Against financial liabilities with the same counterparty.*
2 *Excluding the value of any collateral or security held.*

Other securities

Debt securities and other bills by rating agency designation

The following table presents an analysis of debt and similar securities, other than loans, by rating agency designation, based on Standard and Poor's ('S&P') ratings or their equivalent:

The group

	At 31 December 2007			
	Treasury bills £m	Other eligible bills £m	Debt securities £m	Total £m
AAA	562	114	69,783	70,459
AA – to AA +	1,043	59	25,308	26,410
A – to A +	85	–	12,487	12,572
Lower than A –	465	–	3,658	4,123
Unrated	–	–	17,046	17,046
Supporting linked insurance and investment contracts	24	–	2,875	2,899
Total	2,179	173	131,157	133,509
Of which issued by:				
– governments	2,042	–	36,511	38,553
– local authorities	134	–	495	629
– asset backed securities	–	–	41,942	41,942
– corporates and other	3	173	52,209	52,385
Total	2,179	173	131,157	133,509
Of which classified as:				
– financial instruments designated at fair value	25	–	7,822	7,847
– available-for-sale securities	1,709	173	64,556	66,438
– held-to-maturity investments	–	–	38	38
– held for trading	445	–	58,741	59,186
Total	2,179	173	131,157	133,509

Notes on the Financial Statements (continued)

	At 31 December 2006			
	Treasury bills £m	Other eligible bills £m	Debt securities £m	Total £m
AAA	2,800	144	41,447	44,391
AA – to AA +	54	111	16,930	17,095
A – to A +	41	–	12,797	12,838
Lower than A –	246	–	3,254	3,500
Unrated	–	–	10,727	10,727
Supporting linked insurance and investment contracts	28	–	1,593	1,621
Total	3,169	255	86,748	90,172
Of which issued by:				
– governments	2,935	–	28,793	31,728
– local authorities	41	–	341	382
– asset backed securities	–	–	12,649	12,649
– corporates and other	193	255	44,965	45,413
Total	3,169	255	86,748	90,172
Of which classified as:				
– financial instruments designated at fair value	28	–	2,361	2,389
– available-for-sale securities	2,944	255	37,210	40,409
– held-to-maturity investments	–	–	76	76
– held for trading	197	–	47,101	47,298
Total	3,169	255	86,748	90,172

Debt securities with short-term ratings are reported against the long-term rating of the issuer of the short-term debt securities. If major rating agencies have different ratings for the same debt securities, the securities are reported against the lower rating.

The bank

	At 31 December 2007			
	Treasury bills £m	**Other eligible bills £m**	**Debt securities £m**	**Total £m**
AAA	**350**	**–**	**17,809**	**18,159**
AA – to AA +	**1,031**	**–**	**9,199**	**10,230**
A – to A +	**17**	**–**	**8,617**	**8,634**
Lower than A –	**436**	**–**	**2,921**	**3,357**
Unrated	**–**	**–**	**14,292**	**14,292**
Supporting linked insurance and investment contracts	**–**	**–**	**–**	**–**
Total	**1,834**	**–**	**52,838**	**54,672**
Of which issued by:				
– governments	**1,813**	**–**	**9,078**	**10,891**
– local authorities	**21**	**–**	**147**	**168**
– asset backed securities	**–**	**–**	**12,572**	**12,572**
– corporates and other	**–**	**–**	**31,041**	**31,041**
Total	**1,834**	**–**	**52,838**	**54,672**
Of which classified as:				
– financial instruments designated at fair value	**–**	**–**	**3,439**	**3,439**
– available-for-sale securities	**1,397**	**–**	**11,497**	**12,894**
– held-to-maturity investments	**–**	**–**	**-**	**-**
– held for trading	**437**	**–**	**37,902**	**38,339**
Total	**1,834**	**–**	**52,838**	**54,672**

	At 31 December 2006			
	Treasury bills £m	Other eligible bills £m	Debt securities £m	Total £m
AAA	2,756	–	13,738	16,494
AA – to AA +	41	–	7,467	7,508
A – to A +	–	–	9,128	9,128
Lower than A –	194	–	2,782	2,976
Unrated	–	–	1,068	1,068
Supporting linked insurance and investment contracts	–	–	–	–
Total	2,991	–	34,183	37,174
Of which issued by:				
– governments	2,757	–	8,299	11,056
– local authorities	41	–	65	106
– asset backed securities	–	–	–	–
– corporates and other	193	–	25,819	26,012
Total	2,991	–	34,183	37,174
Of which classified as:				
– financial instruments designated at fair value	–	–	–	–
– available-for-sale securities	2,826	–	8,923	11,749
– held-to-maturity investments	–	–	–	–
– held for trading	165	–	25,260	25,425
Total	2,991	–	34,183	37,174

Debt securities and other bills – net total credit risk

Debt securities and other bills against which the group had legally enforceable rights to offset with financial liabilities were as follows:

The group

	At 31 December 2007		
	Book value £m	Amount for which the group has a legally enforceable right to offset[1] £m	Net total credit risk[2] £m
Trading assets:			
– treasury and other similar bills	445	–	445
– debt securities	58,741	–	58,741
– loans and advances to banks	37,020	–	37,020
– loans and advances to customers	34,581	(3,307)	31,274
	130,787	(3,307)	127,480
Financial assets designated at fair value:			
– treasury and other similar bills	25	–	25
– debt securities	7,822	–	7,822
– loans and advances to banks	89	–	89
– loans and advances to customers	–	–	–
	7,936	–	7,936
Derivatives	60,470	(30,452)	30,018
Financial investments:			
– treasury and other similar bills	1,882	–	1,882
– debt securities	64,594	–	64,594
	66,476	–	66,476
Other assets			
Acceptances and endorsements	375	(111)	264
	266,044	(33,870)	232,174

1 *Against financial liabilities with the same counterparty.*
2 *Excluding the value of any collateral or security held.*

	At 31 December 2006		
	Book value £m	Amount for which the group has a legally enforceable right to offset[1] £m	Net total credit risk[2] £m
Trading assets:			
– treasury and other similar bills	197	–	197
– debt securities	47,101	–	47,101
– loans and advances to banks	10,233	–	10,233
– loans and advances to customers	17,627	–	17,627
	75,158	–	75,158
Financial assets designated at fair value:			
– treasury and other similar bills	28	–	28
– debt securities	2,361	–	2,361
– loans and advances to banks	120	–	120
– loans and advances to customers	–	–	–
	2,509	–	2,509
Derivatives	32,090	(14,335)	17,755
Financial investments:			
– treasury and other similar bills	3,199	–	3,199
– debt securities	37,286	(1)	37,285
	40,485	(1)	40,484
Other assets			
Acceptances and endorsements	353	(95)	258
	150,595	(14,431)	136,164

1 *Against financial liabilities with the same counterparty.*
2 *Excluding the value of any collateral or security held.*

Notes on the Financial Statements (continued)

The bank

	At 31 December 2007		
	Book value £m	Amount for which the group has a legally enforceable right to offset[1] £m	Net total credit risk[2] £m
Trading assets:			
– treasury and other similar bills	437	–	437
– debt securities	37,902	–	37,902
– loans and advances to banks	59,451	–	59,451
– loans and advances to customers	38,217	(3,307)	34,910
	136,007	(3,307)	132,700
Financial assets designated at fair value:			
– debt securities	3,439	–	3,439
Derivatives	46,325	(17,813)	28,512
Financial investments:			
– treasury and other similar bills	1,397	–	1,397
– debt securities	11,497	–	11,497
	12,894	–	12,894
Other assets			
Acceptances and endorsements	251	–	251
	198,916	(21,120)	177,796

1 *Against financial liabilities with the same counterparty.*
2 *Excluding the value of any collateral or security held.*

	At 31 December 2006		
	Book value £m	Amount for which the group has a legally enforceable right to offset[1] £m	Net total credit risk[2] £m
Trading assets:			
– treasury and other similar bills	197	–	197
– debt securities	47,101	–	47,101
– loans and advances to banks	10,233	–	10,233
– loans and advances to customers	17,627	–	17,627
	75,158	–	75,158
Financial assets designated at fair value:			
– treasury and other similar bills	28	–	28
– debt securities	2,361	–	2,361
– loans and advances to banks	120	–	120
– loans and advances to customers	–	–	–
	2,509	–	2,509
Derivatives	32,090	(14,335)	17,755
Financial investments:			
– treasury and other similar bills	3,199	–	3,199
– debt securities	37,286	(1)	37,285
	40,485	(1)	40,484
Other assets			
Acceptances and endorsements	353	(95)	258
	150,595	(14,431)	136,164

1 *Against financial liabilities with the same counterparty.*
2 *Excluding the value of any collateral or security held.*

Impairment assessment

Management regularly evaluates the adequacy of the established allowances for impaired loans by conducting a detailed review of the loan portfolio, comparing performance and delinquency statistics with historical trends and assessing the impact of current economic conditions.

Two types of impairment allowance are in place: individually assessed and collectively assessed which are discussed below.

Individually assessed impairment allowances

These are determined by evaluating the exposure to loss, case by case, on all individually significant accounts and all ther accounts that do not qualify for the collective assessment approach outlined below.

In determining allowances on individually assessed accounts, the following factors are considered:

- aggregate exposure to the customer;
- the viability of the customer's business model and their capacity to trade successfully out of financial difficulties, generating sufficient cash flow to service debt obligations;
- the ability of the borrower to obtain, and make payments in, the currency of the loan if not denominated in local currency;
- the amount and timing of expected receipts and recoveries;
- the extent of other creditors' commitments ranking ahead of, or *pari passu* with, the group and the likelihood of other creditors continuing to support the company;
- the complexity of determining the aggregate amount and ranking of all creditor claims and the extent to which legal and insurance uncertainties are evident;
- the realisable value of security (or other credit mitigants) and likelihood of successful repossession;

- the likely dividend available on liquidation or bankruptcy;
- the likely deduction of any costs involved in recovering amounts outstanding, and
- when available, the secondary market price of the debt.

The group's policy requires the level of impairment allowances on individual facilities that are above materiality thresholds to be reviewed at least semi-annually, and more regularly when individual circumstances require. The review normally encompasses collateral held (including re-confirmation of its enforceability) and an assessment of actual and anticipated receipts. For significant commercial and corporate debts, specialised loan 'work-out' teams with experience in insolvency and specific market sectors are used to assess likely losses on significant individual exposures. Individually assessed impairment allowances are only reversed when the group has reasonable and objective evidence of a reduction in the established loss estimate.

Collectively assessed impairment allowances

Impairment is assessed on a collective basis in two circumstances:

- to cover losses which have been incurred but have not yet been identified on loans subject to individual assessment; and
- for homogeneous groups of loans that are not considered individually significant.

Incurred but not yet identified impairment

Individually assessed loans for which no evidence of impairment has been specifically identified on an individual basis are grouped together according to their credit risk characteristics. A collective loan loss allowance is calculated to reflect impairment losses incurred at the balance sheet date which will only be individually identified in the future.

The collective impairment allowance is determined having taken into account:

- historical loss experience in portfolios of similar credit risk characteristics (for example, by industry sector, risk rating or product segment);
- the estimated period between impairment occurring and the loss being identified and evidenced by the establishment of an appropriate allowance against the individual loan; and
- management's experienced judgement as to whether current economic and credit conditions are such that the actual level of inherent losses is likely to be greater or less than that suggested by historical experience.

The period between a loss occurring and its identification is estimated, on the basis of local experience, for each identified portfolio. In general, the periods used vary between four and twelve months.

Homogeneous groups of loans

Two methodologies are used to calculate impairment allowances where large numbers of relatively low-value assets are managed using a portfolio approach, typically:

- low-value, homogeneous small business accounts; and
- credit cards and other unsecured consumer lending products.

When appropriate empirical information is available, the group uses roll rate methodology. This employs a statistical analysis of historical trends of default and the amount of consequential loss, based on the delinquency of accounts within a portfolio of homogeneous accounts. Other historical data and current economic conditions are also evaluated when calculating the appropriate level of impairment allowance required to cover inherent loss. In certain highly developed markets, models also take into account behavioural and account management trends revealed in, for example, bankruptcy and rescheduling statistics.

When the portfolio size is small, or when information is insufficient or not reliable enough to adopt a roll rate methodology, a formulaic approach is used which allocates progressively higher percentage loss rates the longer a customer's loan is overdue. Loss rates reflect the discounted expected future cash flows for a portfolio.

In normal circumstances, historical experience is the most objective and relevant information from which to assess inherent loss within each portfolio. In circumstances where historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date – for example, where there have been changes in economic conditions or regulations – management considers the more recent trends in the portfolio risk factors which may not be adequately reflected in its statistical models and, subject to guidance from Group Finance and Group Credit Risk, adjusts impairment allowances accordingly.

Roll rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure they remain appropriate.

Collectively assessed allowances are generally calculated monthly and charges for new allowances, or reversals of existing allowances, are determined for each separately identified portfolio.

Impairment allowances

When impairment losses occur, the group reduces the carrying amount of loans and advances and held-to-maturity financial investments through the use of an allowance account. When impairment of available-for-sale financial assets occurs, the carrying amount of the asset is reduced directly.

If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The reversal is recognised in the income statement.

Assets acquired in exchange for loans

Non-financial assets acquired in exchange for loans as part of an orderly realisation are recorded as assets held for sale and reported in 'Other assets'. The asset acquired is recorded at the lower of its fair value (less costs to sell) and the carrying amount of the loan (net of impairment allowance) at the date of exchange. No depreciation is charged in respect of assets held for sale. Any subsequent write-down of the acquired asset to fair value less costs to sell is recognised in the income statement in 'Other operating income'. Any subsequent increase in the fair value less costs to sell, to the extent this does not exceed the cumulative write down, is also recognised in 'Other operating income', together with any realised gains or losses on disposal.

Loan write-offs

Loans, and the related impairment allowances, are normally written off, either partially or in full, in the case of that portion of the loan amount not covered by the value of security, when there is no realistic prospect of further recovery; and in the case of secured balances, after proceeds from the realisation of security have been received. Unsecured consumer facilities are normally written off between 150 and 210 days overdue.

Instances of write-off periods exceeding 360 days overdue are few, but can arise where certain consumer finance accounts are deemed collectible beyond this point or where, in a few countries, regulation or legislation constrain earlier write-off.

In the event of bankruptcy or analogous proceedings, write-off can occur earlier.

Impaired loans

Individually impaired loans by industry sector and by geographical region

The group

	Year to 31 December 2007				
	United Kingdom £m	**Continental Europe £m**	**Rest of the world £m**	**Gross loans and advances to customers £m**	**Gross loans by industry sector as a % of total gross loans %**
Personal	**253**	**282**	**–**	**535**	**24**
Commercial and corporate	**951**	**786**	**–**	**1,737**	**76**
Total impaired loans and advances to customers	**1,204**	**1,068**	**–**	**2,272**	**100**

	Year to 31 December 2006				
	United Kingdom £m	Continental Europe £m	Rest of the world £m	Gross loans and advances to customers £m	Gross loans by industry sector as a % of total gross loans %
Personal	295	200	–	495	24
Commercial and corporate	822	734	1	1,557	76
Total impaired loans and advances to customers	1,117	934	1	2,052	100

The bank

	Year to 31 December 2007				
	United Kingdom £m	**Continental Europe £m**	**Rest of the world £m**	**Gross loans and advances to customers £m**	**Gross loans by industry sector as a % of total gross loans %**
Personal	**236**	**–**	**–**	**236**	**20**
Commercial and corporate	**923**	**30**	**–**	**953**	**80**
Total impaired loans and advances to customers	**1,159**	**30**	**–**	**1,189**	**100**

	Year to 31 December 2006				
	United Kingdom £m	Continental Europe £m	Rest of the world £m	Gross loans and advances to customers £m	Gross loans by industry sector as a % of total gross loans %
Personal	272	–	–	272	25
Commercial and corporate	790	31	1	822	75
Total impaired loans and advances to customers	1,062	31	1	1,094	100

Impairment allowances

When impairment losses occur, the group reduces the carrying amount of loans and advances and held-to-maturity financial investments through the use of an allowance account. When impairment of available-for-sale financial assets occurs, the carrying amount of the asset is reduced directly.

Movement in allowance accounts for total loans and advances

The group

	Year ended 31 December 2007		
	Individually assessed £m	**Collectively assessed £m**	**Total £m**
At 1 January	**882**	**884**	**1,766**
Amounts written off	**(185)**	**(1,112)**	**(1,297)**
Release of allowances no longer required	**(194)**	**(113)**	**(307)**
Charge to income statement	**390**	**1,228**	**1,618**
Transfers	**–**	**–**	**–**
Exchange and other movements	**30**	**(14)**	**16**
At 31 December	**923**	**873**	**1,796**

	Year ended 31 December 2006		
	Individually assessed £m	Collectively assessed £m	Total £m
At 1 January	910	975	1,885
Amounts written off	(294)	(944)	(1,238)
Release of allowances no longer required	(240)	(109)	(349)
Charge to income statement	388	1,123	1,511
Transfers	149	(149)	–
Exchange and other movements	(31)	(12)	(43)
At 31 December	882	884	1,766

The bank

	Year ended 31 December 2007		
	Individually assessed £m	**Collectively assessed £m**	**Total £m**
At 1 January	**334**	**572**	**906**
Amounts written off	**(96)**	**(1,018)**	**(1,114)**
Release of allowances no longer required	**(78)**	**(46)**	**(124)**
Charge to income statement	**211**	**1,004**	**1,215**
Transfers	**–**	**–**	**–**
Exchange and other movements	**(12)**	**(34)**	**(46)**
At 31 December	**359**	**478**	**837**

	Year ended 31 December 2006		
	Individually assessed £m	Collectively assessed £m	Total £m
At 1 January	408	518	926
Amounts written off	(169)	(839)	(1,008)
Release of allowances no longer required	(100)	(47)	(147)
Charge to income statement	208	943	1,151
Exchange and other movements	(13)	(3)	(16)
At 31 December	334	572	906

Impairment allowances against loans and advances to customers

The group

	2007 %	2006 %
Total impairment allowances to gross lending[1]		
Individually assessed impairment allowances	**0.43**	0.45
Collectively assessed impairment allowances	**0.41**	0.45
Total	**0.84**	0.90

The bank

	2007 %	2006 %
Total impairment allowances to gross lending[1]		
Individually assessed impairment allowances	**0.24**	0.23
Collectively assessed impairment allowances	**0.32**	0.40
Total	**0.56**	0.63

1 Net of reverse repo transactions and settlement accounts.

Net impairment charge to income statement by geographical region

The group

	Year ended 31 December 2007			
	United Kingdom £m	Continental Europe £m	Rest of the world £m	Total £m
Individually assessed impairment allowances				
New allowances	**233**	**157**	**–**	**390**
Release of allowances no longer required	**(82)**	**(112)**	**–**	**(194)**
Recoveries of amounts previously written off	**(17)**	**(4)**	**–**	**(21)**
	134	**41**	**–**	**175**
Collectively assessed impairment allowances				
New allowances	**1,116**	**112**	**–**	**1,228**
Release of allowances no longer required	**(47)**	**(66)**	**–**	**(113)**
Recoveries of amounts previously written off	**(250)**	**3**	**–**	**(247)**
	819	**49**	**–**	**868**
Total charge for impairment losses	**953**	**90**	**–**	**1,043**
Bank	**–**	**–**	**–**	**–**
Customer	**953**	**90**	**–**	**1,043**
Other credit risk provisions	**–**	**–**	**–**	**–**
Loan impairment charges and other credit risk provisions	**953**	**90**	**–**	**1,043**
Customer charge for impairment losses as a percentage of closing gross loans and advances	**0.59**	**0.14**	**–**	**0.45**
31 December 2007				
Balances outstanding				
Non-performing loans	**1,789**	**1,170**	**–**	**2,959**
Impairment allowances	**1,075**	**721**	**–**	**1,796**
Gross loans and advances	**192,489**	**90,804**	**6,954**	**290,247**
Total allowances cover as a percentage of non-performing loans and advances	**60.09**	**61.62**	**–**	**60.70**

	Year ended 31 December 2006			
	United Kingdom £m	Continental Europe £m	Rest of the world £m	Total £m
Individually assessed impairment allowances				
New allowances	230	158	–	388
Release of allowances no longer required	(111)	(129)	–	(240)
Recoveries of amounts previously written off	(8)	(11)	–	(19)
	111	18	–	129
Collectively assessed impairment allowances				
New allowances	1,042	81	–	1,123
Release of allowances no longer required	(46)	(63)	–	(109)
Recoveries of amounts previously written off	(208)	–	–	(208)
	788	18	–	806
Total charge for impairment losses	899	36	–	935
Bank	–	–	–	–
Customer	899	36	–	935
Other credit risk provisions	5	(2)	–	3
Loan impairment charges and other credit risk provisions	904	34	–	938
Customer charge for impairment losses as a percentage of closing gross loans and advances	0.58	0.08	–	0.46
31 December 2006	£m	£m	£m	£m
Balances outstanding				
Non-performing loans	1,779	992	2	2,773
Impairment allowances	1,120	645	1	1,766
Gross loans and advances	175,120	66,181	5,309	246,610
Total allowances cover as a percentage of non-performing loans and advances	62.96	65.02	50.00	63.69

Notes on the Financial Statements (continued)

The bank

	Year ended 31 December 2007			
	United Kingdom £m	Continental Europe £m	Rest of the world £m	Total £m
Individually assessed impairment allowances				
New allowances	210	1	–	211
Release of allowances no longer required	(78)	–	–	(78)
Recoveries of amounts previously written off	(22)	–	–	(22)
	110	1	–	111
Collectively assessed impairment allowances				
New allowances	1,001	3	–	1,004
Release of allowances no longer required	(46)	–	–	(46)
Recoveries of amounts previously written off	(244)	–	–	(244)
	711	3	–	714
Total charge for impairment losses	821	4	–	825
Bank	–	–	–	–
Customer	821	4	–	825
Other credit risk provisions	–		–	–
Loan impairment charges and other credit risk provisions	821	4	–	825
Customer charge for impairment losses as a percentage of closing gross loans and advances	0.56	0.07	–	0.54
31 December 2007				
Balances outstanding				
Non-performing loans	1,470	32	–	1,502
Impairment allowances	822	15	–	837
Gross loans and advances	177,067	5,898	549	183,514
Total allowances cover as a percentage of non-performing loans and advances	55.92	43.75	–	55.73

	Year ended 31 December 2006			
	United Kingdom £m	Continental Europe £m	Rest of the world £m	Total £m
Individually assessed impairment allowances				
New allowances	204	4	–	208
Release of allowances no longer required	(99)	(1)	–	(100)
Recoveries of amounts previously written off	(7)	–	–	(7)
	98	3	–	101
Collectively assessed impairment allowances				
New allowances	941	2	–	943
Release of allowances no longer required	(46)	(1)	–	(47)
Recoveries of amounts previously written off	(198)	–	–	(198)
	697	1	–	698
Total charge for impairment losses	795	4	–	799
Bank	–	–	–	–
Customer	795	4	–	799
Other credit risk provisions	5	1	–	6
Loan impairment charges and other credit risk provisions	800	5	–	805
Customer charge for impairment losses as a percentage of closing gross loans and advances	0.57	0.09	–	0.55
31 December 2006	£m	£m	£m	£m
Balances outstanding				
Non-performing loans	1,486	32	1	1,519
Impairment allowances	893	12	1	906
Gross loans and advances	163,771	5,269	951	169,991
Total allowances cover as a percentage of non-performing loans and advances	60.09	37.50	100.00	59.64

Collateral and other credit enhancements obtained

During 2007, the group obtained assets by taking control of collateral accepted as security, or through other credit enhancements, as follows:

	Carrying value obtained in 2007		Carrying value obtained in 2006	
	The group £m	**The bank £m**	The group £m	The bank £m
Type of asset				
Residential property	67	65	20	19
Commercial and industrial property	–	–	1	–
Other assets	–	–	3	3
	67	65	24	22

Procedures for the disposal of assets not readily convertible into cash are established at operating company level, and depend on the nature of the asset concerned.

Renegotiated loans

Restructuring activity is designed to manage customer relationships, maximise collection opportunities and avoid foreclosure or repossession, if possible. Following restructuring, an overdue personal account will normally be reset from delinquent to current status. Restructuring policies and practices are based on indicators or criteria which, in the judgement of local management, evidence the probability that payment will continue. These policies are reviewed and their application varies depending upon the nature of the market, the product and the availability of empirically based data. Where empirical evidence indicates an increased propensity to default on restructured accounts, the use of roll rate methodologies for the calculation of impairment allowances results in the increased default propensity being reflected in impairment allowances.

Renegotiated loans that would otherwise be past due or impaired

The group

	2007 £m	2006 £m
Loans and advances to customers	813	813
Loans and advances to banks	–	–
	813	813

The bank

	2007 £m	2006 £m
Loans and advances to customers	642	705
Loans and advances to banks	–	–
	642	705

Liquidity and funding management

Liquidity risk is the risk that the group does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows. Funding risk (a form of liquidity risk) arises when the necessary liquidity to fund illiquid asset positions cannot be obtained at the expected terms and when required.

The objective of the group's liquidity and funding management is to ensure that all foreseeable funding commitments, including deposit withdrawals, can be met when due, and that wholesale market access is co-ordinated and disciplined. To this end, the group maintains a diversified and stable funding base comprising core retail and corporate customer deposits and institutional balances, augmented by wholesale funding and portfolios of highly liquid assets which are diversified by currency and maturity, in order to enable the group to respond quickly and smoothly to unforeseen liquidity requirements.

The group requires its operating entities to maintain a strong liquidity position and to manage the liquidity profile of their assets, liabilities and commitments so that the cash flows are appropriately balanced and funding obligations can be met when due.

Policies and procedures

The management of liquidity and funding is primarily carried out locally in the operating companies of the group in accordance with practice and limits set by the group Risk Management Meeting. These limits vary by local financial unit to take account of the depth and liquidity of the market in which the entity operates. It is the group's general policy that each banking entity should be self-sufficient with regard to funding its own operations. Exceptions are permitted to facilitate the efficient funding of certain short-term treasury requirements and start-up operations or branches which do not have access to local deposit markets, all of which are funded under strict internal and regulatory guidelines and limits from the group's largest banking operations. These internal and regulatory limits and guidelines serve to place formal limitations on the transfer of resources between group entities and are necessary to reflect the broad range of currencies, markets and time zones within which the group operates.

The group's liquidity and funding management policy requires:

- projecting cash flows by major currency under various stress scenarios and considering the level of liquid assets necessary in relation thereto;
- monitoring balance sheet liquidity ratios against internal and regulatory requirements;
- maintaining a diverse range of funding sources with adequate back-up facilities;
- managing the concentration and profile of debt maturities;
- managing contingent liquidity commitment exposures within predetermined caps;
- maintaining debt financing plans;

- monitoring depositor concentration in order to avoid undue reliance on large individual depositors and ensure a satisfactory overall funding mix; and
- maintaining liquidity and funding contingency plans. These plans must identify early indicators of stress conditions and describe actions to be taken in the event of difficulties arising from systemic or other crises while minimising adverse long-term implications for the business.

Primary sources of funding

Current accounts and savings deposits payable on demand or at short notice form a significant part of the group's funding. The group places considerable importance on maintaining the stability of these deposits.

The group accesses professional markets in order to provide funding for non-banking subsidiaries that do not accept deposits, to maintain a presence in local money markets and to optimise the funding of asset maturities not naturally matched by core deposit funding.

Of total liabilities of £597 billion at 31 December 2007, funding from customers amounted to £268 billion, of which £265 billion was contractually repayable within one year. However, although the contractual repayments of many customer accounts are on demand or at short notice, in practice short-term deposit balances remain stable as inflows and outflows broadly match.

An analysis of cash flows payable by the group and bank under financial liabilities by remaining contractual maturities at the balance sheet date is included in Note 32.

Assets available to meet these liabilities, and to cover outstanding commitments to lend (£622 billion), included cash, central bank balances, items in the course of collection and treasury and other bills (£12 billion); loans to banks (£61 billion, including £35 billion repayable within one year); and loans to customers (£228 billion, including £119 billion repayable within one year). In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, the group held debt securities marketable at a value of £131 billion. Of these assets, some £102 billion of debt securities and treasury and other bills have been pledged to secure liabilities.

As mentioned above, the group emphasises the importance of current accounts and savings accounts as a source of funds to finance lending to customers and discourages a reliance on short-term professional funding. To achieve this goal, limits are placed on group banking entities which restrict their ability to grow loans to customers without corresponding growth in core current accounts and savings accounts. This measure is referred to as the "Advances to Deposits" ratio and compares loans and advances to customers as a percentage of core customer current and savings accounts together with certain other reliable sources of funding, including loans from banks, non-bank professional funding and securities issued, with a remaining term to maturity in excess of one year. Deposits from customers deemed to be "professional" are excluded. The definition of a professional customer takes account of the size of the customer's total deposit balances by applying a tiering classification. Generally, any customer with funds deposited in excess of £1 million is regarded as professional. Due to the distinction between core and professional depositors, the group's measure of Advances to Deposits will be more restrictive than that which could be inferred from the published financial statements.

Advances to Deposits ratios

	The group		The bank	
	2007 %	2006 %	2007 %	2006 %
Year end	89.2	92.0	97.5	100.7
Maximum	92.2	102.8	101.7	104.3
Minimum	86.0	92.0	92.6	98.1
Average	89.1	98.4	97.1	102.0

Advances to Deposits ratio limits are set by the Risk Management Meeting.

The group would meet unexpected net cash outflows by selling securities and accessing additional funding sources such as interbank or asset-backed securities markets. In addition to the Advances to Deposits ratios outlined above, the group uses a range of other measures for managing liquidity risk. These measures include the ratio of net liquid assets to customer liabilities and projected cash flow scenario analysis.

Net liquid assets are liquid assets less all wholesale market funds, and all funds provided by customers deemed to be professional, maturing in the next 30 days. The group defines liquid assets for the purposes of the liquidity ratio as cash balances, short-term interbank deposits and highly-rated debt securities available for immediate sale and for which a deep and liquid market exists. As noted above, the definition of a professional customer takes account of the size of the customer's deposits.

Limits for the ratio of net liquid assets to customer liabilities are set for each bank operating entity.

The group uses a number of standard projected cash flow scenarios which are designed to model both group specific and market-wide liquidity crises. The scenarios vary the rate and timing of deposit withdrawals and drawdowns on committed lending facilities, and restrict access to interbank funding, term debt markets, and the ability to generate funds from asset portfolios. The scenarios are modelled by all group banking operations. The assumptions for each scenario are regularly reviewed for appropriateness. In addition to the group's standard projected cash flow scenarios, individual entities are required to design their own scenarios tailored to reflect specific local market conditions, products and funding bases.

Limits for cumulative net cash flows under stress scenarios are set for each banking entity.

Both ratio and cash flow limits reflect local market conditions, the diversity of funding sources available, and the concentration risk from large depositors. Compliance with entity level limits is monitored and reported regularly to the Risk Management Meeting and to local Asset and Liability Management Committees.

Ratio of net liquid assets to customer liabilities

	The group		The bank	
	2007	2006	2007	2006
	%	%	%	%
Year end	14.3	20.4	12.1	16.3
Maximum	22.1	21.8	21.5	19.1
Minimum	14.3	17.5	12.1	12.8
Average	19.0	19.3	15.6	15.1

Contingent liquidity risk

In the normal course of its business, the group provides committed facilities to customers; these facilities include committed back stop lines to conduit vehicles sponsored by the group. As noted above, the liquidity risk consequences of drawdowns on these committed loan facilities provided by group entities are reflected in projected cash flow scenario analyses where the level of drawdown is varied under different stress scenarios. The group also sets total notional limits by group entity for non-cancellable contingent funding commitments. The limits are set by the group's Risk Management Meeting after due consideration of the entity's ability to fund the commitments should the facilities be drawn in full. The limits are split according to the borrower, the liquidity of the underlying assets and the size of the committed line.

The group exposures under the contingent liquidity risk limit structures as at 31 December 2007 are set out in the following table:

	The group		The bank	
	2007 £bn	2006 £bn	2007 £bn	2006 £bn
Conduits – client originated assets[1]				
Total lines	4.5	3.0	3.2	2.0
Largest individual lines	0.8	0.8	0.5	0.5
Assets managed by the group[2]	12.9	13.2	12.9	13.2
Single issuer liquidity facilities				
Five largest[3]	5.0	5.5	2.3	3.0
Largest market sector[4]	5.8	4.9	4.2	3.4

1 *These vehicles provide funding to group customers by issuing debt secured by a diversified pool of customer originated assets.*
2 *These vehicles issue debt secured by highly rated asset-backed securities which are managed by the group.*
3 *These figures represent the 5 largest committed liquidity facilities provided to customers other than those facilities to conduits.*
4 *These figures represent the total of all committed liquidity facilities provided to the largest market sector.*

The exposures in the above table are on a contractual basis. The group recognises that in times of market stress it may choose to provide non-contractual liquidity support to certain non-group sponsored vehicles or group promoted products. Such potential support would not be included in the group's liquidity risk measures until such time as the support becomes legally binding, and would only be provided after careful consideration of the potential funding requirement and the impact on the entity's overall levels of liquidity.

Such was the case in November 2007 when the group announced plans to restructure two Structured Investment Vehicles ("SIVs") sponsored by the group, Cullinan Finance Limited and Asscher Finance Limited. Further information on these SIVs is provided below.

Market risk management

The objective of the group's market risk management is to manage and control market risk exposures in order to optimise return on risk while maintaining a market profile consistent with the group's status as a premier provider of financial products and services.

Market risk is the risk that movements in market risk factors, including foreign exchange rates, interest rates, credit spreads and equity and commodity prices will reduce the group's income or the value of its portfolios.

The group separates exposures to market risk into either trading or non-trading portfolios. Trading portfolios include those positions arising from market-making, proprietary position-taking and other marked-to-market positions so designated.

Non-trading portfolios include positions that arise from the interest rate management of the group's retail and commercial banking assets and liabilities, financial assets designated as available-for-sale and held-to-maturity, and exposures arising from the group's insurance operations.

The management of market risk is principally undertaken in Global Markets using risk limits approved by the Risk Management Meeting. Limits are set for portfolios, products and risk types, with market liquidity being a principal factor in determining the level of limits set. Traded Credit and Risk, an independent unit within the Group Management Office, develops the Group's market risk management policies and measurement techniques. Each major operating entity has an independent market risk function which is responsible for measuring market risk exposures in accordance with the policies defined by Traded Credit and Market Risk, and monitoring these exposures against the prescribed limits on a daily basis.

Each operating entity is required to assess the market risks which arise on each product in its business and to transfer these risks to either its local Global Markets unit for management, or to separate books managed under the auspices of the local Asset and Liability Management Committee ('ALCO'). The aim is to ensure that all market risks are consolidated within operations which have the necessary skills, tools, management and governance to manage such risks professionally.

The group uses a range of tools to monitor and limit market risk exposures. These tools include value at risk sensitivity analysis and stress testing. The following table provides an overview of the reporting of risks within this section:

	Portfolio	
	Trading	Non-trading
Risk Type		
Foreign Exchange	VAR	VAR
Interest Rate	VAR	VAR
Equity	VAR	Sensitivity
Credit Spread	VAR	VAR

Value at risk ('VAR')

VAR is a technique that estimates the potential losses that could occur on risk positions as a result of movements in market rates and prices over a specified time horizon and to a given level of confidence.

The VAR models used by the group are predominantly based on historical simulation. The historical simulation models derive plausible future scenarios from historical market rate and price time series, taking account of inter-relationships between different markets and rates, for example between interest rates and foreign exchange rates. The models also incorporate the impact of option features in the underlying exposures.

The historical simulation models used by the group incorporate the following features:

- potential market movements are calculated with reference to data from the last two years;
- historical market rates and prices are calculated with reference to foreign exchange rates and commodity prices, interest rates, equity prices and the associated volatilities;
- VAR is calculated to a 99 per cent confidence level; and
- VAR is calculated for a 1-day holding period.

The group routinely validates the accuracy of its VAR models by backtesting the actual daily profit and loss results, adjusted to remove non-modelled items such as fees and commissions, against the corresponding VAR numbers. Statistically, the group would expect to see losses in excess of VAR only one per cent of the time over a one-year period. The actual number of excesses over this period can therefore be used to gauge how well the models are performing.

The VAR model was extended to cover Specific Interest Rate Risk ("credit VAR") from 1 December 2006. As a result, the average, minimum and maximum VAR figures disclosed for 2006 exclude Credit VAR in view of the short period in 2006 when this element of the VAR model was used by the group.

Although a useful guide to risk, VAR should always be viewed in the context of its limitations. For example:

- the use of historical data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;
- the use of a 1-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a 1-day holding period may be insufficient to liquidate or hedge all positions fully;
- the use of a 99 per cent confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and
- VAR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

The group recognises these limitations by augmenting its VAR limits with other position and sensitivity limit structures. Additionally, the group applies a wide range of stress testing, both on individual portfolios and on the group's consolidated positions. The VAR, both trading and non-trading, for the group was as follows:

	£m
Total	
At 31 December 2007[1]	**32.0**
At 31 December 2006[2]	17.9

	Average £m	Minimum £m	Maximum £m
2007[2]	**20.7**	**14.3**	**34.8**
2006[3]	17.8	9.2	37.7

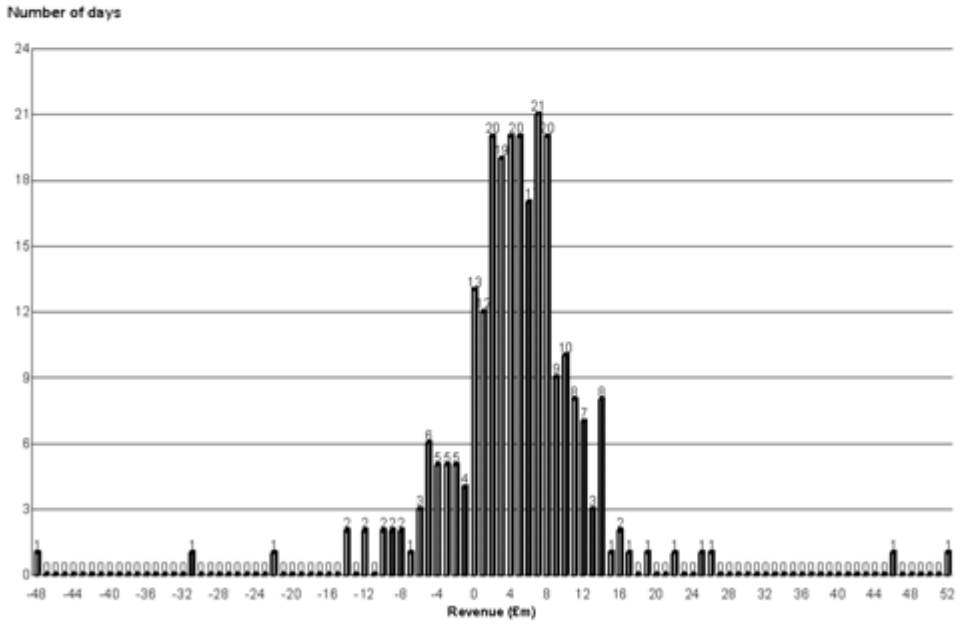
1 *Includes trading and non-trading credit VAR.*
2 *Excludes non- trading credit VAR.*
3 *Excludes trading and non- trading credit VAR.*

The major contributor to the trading and non-trading VAR for the group was Global Markets.

The histograms below illustrate the frequency of daily revenue arising from Global Markets' trading, balance sheet management and other trading activities. The average daily revenue earned therefrom in 2007 was £5 million, compared with £5.3 million in 2006. The standard deviation of these daily revenues was £8.4 million compared with £4.1 million for 2006. The standard deviation measures the variation of daily revenues about the mean value of those revenues.

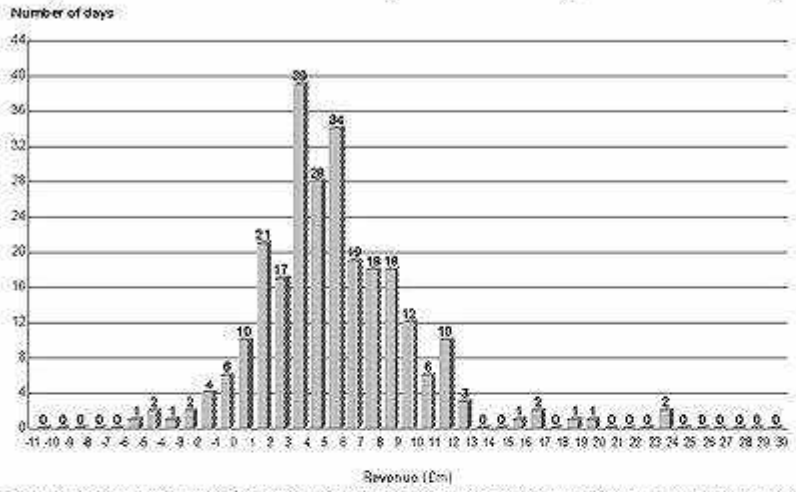
An analysis of the frequency distribution of daily revenue shows that there were 42 days with negative revenue during 2007 compared with 16 days in 2006.

Daily distribution of Global Markets' trading, balance sheet management and other trading revenues in 2007



The effect of any month end adjustments, not attributable to a specific daily market move, is spread evenly over the days in the month in question.

Daily distribution of Global Markets' trading, balance sheet management and other trading revenues in 2006



The effect of any month end adjustments, not attributable to a specific daily market move, is spread evenly over the days in the month in question.

Fair value and price verification control

Where certain financial instruments are carried on the group's balance sheet at fair values, it is the group policy that the valuation and the related price verification processes are subject to independent testing across the group. Financial instruments which are accounted for on a fair value basis include assets held in the trading portfolio, financial instruments designated at fair value, obligations related to securities sold short, all derivative financial instruments and available for sale securities.

The determination of fair values is therefore a significant element in the reporting of the group's Global Markets activities.

Responsibility for determining accounting policies and procedures governing valuation and validation ultimately rests with independent finance functions which report functionally to the Group Finance Director. All significant valuation policies, and any changes thereto, must be approved by senior HSBC finance management. The group's governance of financial reporting requires that financial control departments across the group are independent of the risk-taking businesses, with the finance functions having ultimate responsibility for the determination of fair values included in the financial statements, and for ensuring that the group's policies comply with all relevant accounting standards.

Trading portfolios

The group's control of market risk is based on a policy of restricting individual operations to trading within a list of permissible instruments authorised for each site by Traded Credit and Market Risk, of enforcing rigorous new product and approval procedures, and of restricting trade in the more complex derivative products only to offices with appropriate levels of product expertise and robust control systems.

In addition, at both portfolio and position levels, market risk in trading portfolios is monitored and controlled using a complementary set of techniques. These include VAR and, for interest rate risk, present value of a basis point movement in interest rates, together with stress and sensitivity testing and concentration limits. These techniques quantify the impact on capital of defined market movements.

Market making and proprietary position taking is undertaken within Global Markets. The VAR for such trading activity at 31 December 2007 was £24.4 million (2006: £14 million). This is analysed below by risk type:

Total trading VAR by risk type

	Foreign exchange £m	Interest rate trading £m	Equity £m	Credit[1] £m	Total £m
At 31 December 2007	4.6	18.7	8.2	14.4	24.4
At 31 December 2006	2.7	10.3	3.2	5.6	14.0
Average					
2007	4.9	12.5	5.0	7.3	16.5
2006	3.1	9.6	2.9	–	10.2
Minimum					
2007	1.9	7.6	2.9	3.1	11.3
2006	1.5	5.3	1.3	–	6.5
Maximum					
2007	12.2	19.6	8.9	17.5	26.6
2006	6.3	16.4	4.3	–	15.8

1 *The credit VAR model has been in use by the group since 1 December 2006 and hence is excluded from the average, minimum and maximum VAR figures disclosed for 2006. VAR figures for 2007 include trading credit VAR.*

Non-trading portfolios

The principal objective of market risk management of non-trading portfolios is to optimise net interest income.

Market risk in non-trading portfolios arises principally from mismatches between the future yield on assets and their funding cost as a result of interest rate changes. Analysis of this risk is complicated by having to make assumptions on optionality in certain product areas, for example, mortgage prepayments, and from behavioural assumptions regarding the economic duration of liabilities which are contractually repayable on demand, for example, current accounts. The prospective change in future net interest income from non-trading portfolios will be reflected in the current realisable value of these positions should they be sold or closed prior to maturity. In order to manage this risk optimally, market risk in non-trading portfolios is transferred to Global Markets or to separate books managed under the auspices of the local ALCO.

The transfer of market risk to trading books managed by Global Markets or ALCO is usually achieved by a series of internal deals between the business units and these trading books. When the behavioural characteristics of a product differ from its contractual characteristics, the behavioural characteristics are assessed to determine the true underlying interest rate risk. Local ALCOs regularly monitor all such behavioural assumptions and interest rate risk positions, to ensure they comply with interest rate risk limits established by the HSBC Group Management Board.

As noted above, in certain cases, the non-linear characteristics of products cannot be adequately captured by the risk transfer process. For example, both the flow from customer deposit accounts to alternative investment products and the precise prepayment speeds of mortgages will vary at different interest rate levels. In such circumstances simulation modelling is used to identify the impact of varying scenarios on valuations and net interest income.

Once market risk has been consolidated in Global Markets or ALCO-managed books, the net exposure is typically managed through the use of interest rate swaps within agreed limits. The VAR for these portfolios is included within the group VAR.

Fixed-rate securities

The principal non-trading risk which is not included in the VAR reported for Global Markets arises out of Fixed Rate Subordinated Notes issued during 2006. The VAR related to these instruments was £15.6 million at 31 December 2007 (2006: £8.5 million); whilst the average, minimum and maximum during the year was £10.3 million, £6.7 million and £18.1 million respectively (2006: £8.4 million, £7.6 million and £10.3 million).

Equity securities held as available-for-sale

Market risk arises on equity securities held as available-for-sale. The fair value of these securities at 31 December 2007 was £2,691 million (2006: £1,605 million) and included private equity holdings of £1,170 million (2006: £254

million). Investments in private equity are primarily made through managed funds. Potential new commitments are subject to risk appraisal to ensure that industry and geographical concentrations remain within acceptable levels for the portfolio as a whole. Regular reviews are performed to substantiate the valuation of the investments within the portfolio, and Finance is responsible for reviewing the carrying value of the investments. Money market funds represented £923 million (2006: £648 million) and typically related to funds held for short-term cash management. Investments held to facilitate ongoing business, such as holdings in government sponsored enterprises and local stock exchanges, represented £194 million (2006: £247 million). The fair value of the constituents of equity securities held as available-for-sale can fluctuate considerably. A 10 per cent reduction in the value of the available-for-sale equities at 31 December 2007 would have reduced equity by £269 million (2006: £161 million).

Defined benefit pension scheme

Market risk also arises within the group's defined benefit pension schemes to the extent that the obligations of the schemes are not fully matched by assets with determinable cash flows. This risk derives principally from the pension schemes holding equities against their future pension obligations. The risk is that market movements in equity prices could result in assets that are insufficient over time to cover the level of projected liabilities. Management, together with the trustees who act on behalf of the pension scheme beneficiaries, assess the level of this risk using reports prepared by independent external actuaries.

The present value of the group's defined benefit pension schemes' liabilities was £12 billion at 31 December 2007 compared with £13 billion at 31December 2006. Assets of the defined benefit schemes at 31 December 2007 comprised: equity investments 21 per cent (25 per cent at 31 December 2006); debt securities 66 per cent (59 per cent at 31 December 2006) and other (including property) 13 per cent (16 per cent at 31 December 2006).

Sensitivity of net interest income

A principal part of the group's management of market risk in non-trading portfolios is to monitor the sensitivity of projected net interest income under varying interest rate scenarios (simulation modelling). The group aims, through its management of market risk in non-trading portfolios, to mitigate the impact of prospective interest rate movements which could reduce future net interest income, while balancing the cost of hedging such activities on the current revenue stream.

For simulation modelling, businesses use a combination of scenarios relevant to local businesses and local markets and standard scenarios which are required throughout the group. The standard scenarios are consolidated to illustrate the combined proforma effect on the group's consolidated portfolio valuations and net interest income.

Structural foreign exchange exposures

Structural foreign exchange exposures represent net investments in subsidiaries, branches or associated undertakings, the functional currencies of which are currencies other than the sterling.

Exchange differences on structural exposures are recorded in the consolidated statement of recognised income and expense. The main operating (or functional) currencies of the group's subsidiaries are sterling, euros, US dollars, Swiss francs, Turkish lira and Maltese lira.

The group's policy is to hedge structural foreign currency exposures only in limited circumstances. The group's structural foreign currency exposures are required to be managed with the primary objective of ensuring, where practical, that the group's consolidated capital ratios and the capital ratios of individual banking subsidiaries are protected from the effect of changes in exchange rates. This is usually achieved by ensuring that, for each subsidiary bank, the ratio of structural exposures in a given currency to risk-weighted assets denominated in that currency is broadly equal to the capital ratio of the subsidiary in question.

In the second half of 2007, credit risk concerns emanating from the US sub-prime mortgage market led to a deterioration in the fair value of assets supported by sub-prime mortgages. However, there was a consequential impact beyond sub-prime related assets and, to a lesser degree, fair value deterioration occurred in US mortgage-related financial instruments generally, with financial instruments issued by non-US government-sponsored enterprises more significantly affected than sponsored financial instruments.

The following table shows the group's market risk exposure to US mortgage-backed securities ('MBSs'). MBSs include those represented by collateralised debt obligations.

	Principal[1] £m	Carrying amount £m	Unrealised gains and losses[2] £m	Realised gains and losses[2] £m	Impairment losses incurred[3] £m	Fair value movements recognised[4] £m
Year ended 31 December 2007						
US sub-prime mortgage-related assets[5]						
MBSs and MBS CDOs[6]	2,285	2,116	(75)	(1)	–	(92)
– high grade (AAA or AA rated)	2,240	2,082	(63)	–	–	(92)
– rated A to C	32	23	(8)	–	–	–
– not rated	13	11	(4)	–	–	–
Total	2,285	2,116	(75)	(1)	–	(92)
Other US mortgage-related assets						
MBSs and MBS CDOs[6]	10,965	10,369	(81)	23	–	(514)
– high grade (AAA or AA rated)	10,917	10,338	(63)	–	–	(514)
– rated A to C	48	31	(18)	–	–	–
– not rated	–	–	–	–	–	–
Total	10,965	10,369	(81)	23	–	(514)
Total US mortgage-related assets	13,250	12,485	(156)	22	–	(606)
Year ended 31 December 2006						
US sub-prime mortgage-related assets						
MBSs and MBS CDOs[6]	1,171	1,173	–	–	–	1
– high grade (AAA or AA rated)	1,101	1,103	–	–	–	1
– rated A to C	50	50	–	–	–	-
– not rated	20	20	–	–	–	-
Total	1,171	1,173	–	–	–	1
Other US mortgage-related assets						
MBSs and MBS CDOs[6]	4,096	4,101	–	1	–	(5)
– high grade (AAA or AA rated)	4,034	4,039	–	–	–	(5)
– rated A to C	60	60	–	–	–	–
– not rated	2	2	–	–	–	–
Total	4,096	4,101	–	1	–	(5)
Total US mortgage-related assets	5,267	5,274	–	1	–	(4)

1 *The principal is the redemption amount on maturity or, in the case of an amortising instrument, the sum of the future redemption amounts through the residual life of the security.*
2 *Recognised during the year in the income statement.*
3 *Impairment losses incurred during the year include both realised and unrealised losses.*
4 *Fair value gains and losses recognised during the year in equity.*
5 *The group has primarily utilised loan counterparty credit scores as the basis for determining whether an asset is classified as sub-prime.*
6 *Mortgage-backed securities ('MBSs') and collateralised debt obligations ('CDOs')*

In addition to the exposure detailed above, HSBC also holds long positions in MBSs with a carrying value of £336 million (2006: £32 million) and MBS CDOs with a carrying value of £19 million (2006: £126 million) where the exposure has been matched by specific credit derivatives with monolines and other financial institutions.

Notes on the Financial Statements (continued)

Insurance risk

Insurance risk is risk other than financial risk, transferred from the holder of a contract to the issuer. Within its service proposition, the group offers its personal customers a wide range of insurance products, many of which complement other bank products. The group's business focus is on life insurance and, accordingly, 86 per cent of the total insurance manufacturing liabilities relate to life insurance contracts. The nature of the contracts influences insurance liabilities. Non-life insurance liabilities are predominantly set based on claims notified to the insurer, claims incurred but not reported and typically reflect the one year period of cover. For life contracts, a liability is established at the inception of the contract to reflect the expected claims over the life of the contract, which can span several years.

The group's insurance businesses are exposed to a range of financial risks, including market risk, credit risk and liquidity risk. The nature and management of these risks is described below. The principal insurance risk faced by the group is that the cost of claims combined with acquisition and administration costs may exceed the aggregate amount of premiums received and investment income. Underwriting subsidiaries are exposed to financial risk, for example, when the proceeds from financial assets are not sufficient to fund the obligations arising from non-linked insurance and investment contracts.

Life insurance business

Life insurance contracts include term assurance and critical illness cover, income and payment protection, annuities, investment bonds, pensions and participating business such as endowments. The key contracts manufactured by the group are described below. For life insurance business, the insurance risk varies considerably depending on the type of business. The principal risks are in relation to mortality, morbidity, lapse and surrender, investment return and expense levels. In addition to the local underwriting, claims handling and expense control management functions, the product diversity of the group's life insurance business provides an effective mitigation of exposure to insurance risk.

In general terms, mortality and morbidity risks are mitigated through medical underwriting and the ability in a number of cases to amend the premium in the light of changes in experience. Market risk is generally mitigated through a combination of investment policy to match liabilities and the risk being shared with policyholders. In the case of unit linked business, market risk is borne by policyholders. In the case of life business with a discretionary participation feature, the risk is shared with policyholders through the management of bonuses.

The principal division of life business is between unit linked and non-linked. There are a number of major sub-categories of non-linked life assurance. Insurance contracts with discretionary participation features include with-profits business. Although *prima facie* this business entails significant market risk, this is managed in conjunction with other risks through the investment policy and adjustment to bonus rates. In practice this means that the majority of the market risk is borne by policyholders. The main risk associated with this product is the value of assigned assets falling below that required to support benefit payments. The group manages this risk by conducting regular actuarial investigations on the sustainability of the bonus rates.

Credit life insurance business is written in relation to banking and financial products and provides protection in the event of death or unemployment. The insurance risk relates to mortality and morbidity risk for the duration of the loans advanced. Claims experience is continuously monitored and premium rates adjusted accordingly. For much of this business, the average term of the credit risk exposure is for two to three years, which limits the insurance risk exposure.

Annuities are contracts providing income from capital investment paid in a stream of regular payments for either a fixed period or during the annuitant's lifetime. Deferred annuities are those where payments to the annuitant begin at a designated future date as opposed to immediate annuities where payments begin on inception. The principal risks in respect of annuity business relate to mortality and a market risk in relation to the need to match investments against the anticipated cash flow profile of the policies. These risks are substantially reinsured out of the group.

The major components of the 'Term assurance and other long-term contracts' category are term assurance income bonds, income protection and critical illness policies written in the UK. The principal risks are in respect of mortality and morbidity, and are managed through a combination of underwriting practices, premium adjustment in light of changes in experience and reinsurance.

Linked life insurance business pays benefits to the policyholder which is typically determined by reference to the value of the investments supporting the policy. For linked insurance business, market risk is generally borne by policyholders. The principal risk retained by the group relate to expenses incurred in managing these products, although mortality, disability and morbidity risks are also associated with these products and are managed through the application of the techniques set out above for non-linked lines of business.

Non-life insurance business

Non-life insurance contracts include motor, fire and other property damage. Motor insurance business covers vehicle damage and liability for personal injury. It includes a substantial book from prior years, which is in run-off. Reinsurance protection has been arranged where necessary to avoid excessive exposure to larger losses, particularly those relating to personal injury claims.

In fire and other damage business the predominant focus is insurance for homes and contents. All portfolios at risk from catastrophic losses are protected by reinsurance in accordance with information obtained from professional risk modelling organisations.

The key risks associated with non-life business are underwriting risk and claims experience risk. Underwriting risk is the risk that the group does not charge premiums appropriate for the cover provided and claims experience risk is the risk that portfolio experience is worse than expected. The group manages these risks through pricing (for example, imposing restrictions and deductibles in the policy terms and conditions), product design, risk selection, claims handling, investment strategy and reinsurance policy. All non-life insurance contracts are annually renewable and the underwriters have the right to refuse renewal or to change the terms and conditions of the contract at renewal.

Insurance risk

The group manages its insurance risks through the application of formal underwriting, reinsurance and claims procedures. These procedures are designed also to ensure compliance with regulations. The group's overall approach to insurance risk is to seek to maintain a good diversification of insurance business by type and to focus on risks that are straightforward to manage and frequently are directly related to the underlying banking activity.

A key feature of insurance business and life insurance in particular, is the importance of managing the assets, liabilities and risks in a co-ordinated fashion rather than individually. This reflects the greater interdependence of these three elements for life insurance than is generally the case for non-life insurance. Of particular importance for a number of lines of business is the need to match the expected pattern of cash flow, which in some cases (such as annuities) can run for many years.

Both life and non-life business insurance risks are controlled through a combination of local and central procedures and policies. These include a centralised approach to the authorisation to write certain classes of business. Use is also made of risk management committees in order to monitor risk exposures. Market risk limits are also applied centrally as an additional control over the extent of insurance risk that is retained.

As indicated in the specific comments relating to particular classes, use is also made of reinsurance as a means of further mitigating exposure.

The following tables provide an analysis of the insurance risk exposures by type of business. They demonstrate that there is diversification of risk. Separate tables are provided for life and non-life business, reflecting their very distinct risk characteristics. Life business tends to be longer term than non-life and also frequently involves an element of savings and investment in the contract. For this reason the life insurance risk table provides an analysis of the insurance liabilities as the best available overall measure of the insurance exposure. By contrast for non-life business, the table uses written premiums as representing the best available measure of risk exposure.

Notes on the Financial Statements (continued)

Analysis of life insurance risk – policyholder liabilities before reinsurance

	2007 £m	2006 £m
Life (non-linked)		
Insurance contracts with DPF[1]	469	100
Credit life	117	25
Annuities	205	138
Term assurance and other long-term contracts	337	573
Total life (non-linked)	1,128	836
Life (linked)	858	647
Life insurance policyholder liabilities	1,986	1,483

1 *Insurance contracts with discretionary participation features ('DPF') give policyholders a contractual right to receive, as a supplement to their guaranteed benefits, additional benefits that are likely to be a significant portion of the total contractual benefits and whose amount or timing is contractually at the discretion of the group. The additional benefits are contractually based on the performance of a specified pool of contracts or assets, or the profit of the company issuing the contracts.*

Analysis of non-life insurance risk – net written insurance premiums[1]

	2007 £m	2006 £m
Fire and other damage	64	28
Credit (non-life)	18	34
Accident and health	11	–
Motor	183	–
Other (non-life)	23	5
Total net written insurance premiums	299	67

1 *Net written insurance premiums represent gross written premiums less gross written premiums ceded to reinsurers.*

Financial risks

The group's insurance businesses are exposed to a range of financial risks, including market risk, credit risk and liquidity risk. The nature and management of these risks is described below.

The following table analyses the assets held in the group's insurance underwriting subsidiaries at 31 December 2007 by type of liability, and provides a view of the exposure to financial risk:

Financial assets held by insurance manufacturing operations

	At 31 December 2007				
	Life linked contracts £m	Life non-linked contracts £m	Non-life insurance £m	Other assets £m	Total £m
Financial assets designated at fair value					
Treasury bills	25	–	–	–	25
Debt securities	2,873	502	–	943	4,318
Equity securities	3,482	3,211	–	340	7,033
	6,380	3,713	–	1,283	11,376
Available-for-sale:					
Treasury bills	–	–	57	59	116
Other eligible bills	–	–	88	86	174
Debt securities	–	6,133	152	145	6,430
Equity securities	–	–	7	–	7
	–	6,133	304	290	6,727
Derivatives	150	39	–	15	204
Other financial assets	439	298	375	350	1,462
	6,969	10,183	679	1,938	19,769

	At 31 December 2006				
	Life linked Contracts £m	Life non-linked contracts £m	Non-life insurance £m	Other assets £m	Total £m
Financial assets designated at fair value					
Treasury bills	28	–	–	–	28
Debt securities	1,593	359	–	358	2,310
Equity securities	3,429	27	–	18	3,474
	5,050	386	–	376	5,812
Available-for-sale:					
Other eligible bills	–	–	181	73	254
Debt securities	–	–	99	8	107
	–	–	280	81	361
Derivatives	367	–	–	–	367
Other financial assets	97	1	77	33	208
	5,514	387	357	490	6,748

In life linked insurance, premium income less charges levied is invested in unit-linked funds. The group manages the financial risk of this product by holding appropriate assets in segregated funds or portfolios to which the liabilities are linked. This substantially transfers the financial risk to the policyholder. The assets held to support life linked liabilities represented 35 per cent of the total financial assets of the group's insurance underwriting subsidiaries at the end of 2007 (2006: 82 per cent).

Market risk

Market risk can be further sub-categorised into interest rate risk and equity risk. Each of these categories is discussed further below.

Interest rate risk

The group's insurance underwriting subsidiaries are exposed to interest rate risk when there is a mismatch in terms of duration or yields between the assets and liabilities.

The group manages the interest rate risk arising from its insurance underwriting subsidiaries by establishing limits centrally. These govern the sensitivity of the net present values of expected cash flows from subsidiaries' assets and liabilities to a one basis point parallel upward shift in the discount curve used to calculate values. Adherence to these limits is monitored by local ALCOs. Interest rate risk is also assessed by measuring the impact of defined movements in interest yield curves on the profits after tax and net assets of the insurance underwriting subsidiaries. An immediate and permanent movement in interest yield curves as at 31 December 2007 in all territories in which the group's insurance subsidiaries operate would have the following impact on the profit for the year and net assets at that date:

	2007		2006	
	Impact on profit for the year £m	Impact on net assets £m	Impact on profit for the year £m	Impact on net assets £m
+ 100 basis points shift in yield curves	(2)	(14)	(27)	(31)
– 100 basis points shift in yield curves	4	17	32	37

The interest rate sensitivities set out above are illustrative only and employ simplified scenarios. It should be noted that the effects may not be linear and therefore the results cannot be extrapolated. The sensitivities do not incorporate actions that could be taken by management to mitigate the effect of the interest rate movements, nor do they take account of any resultant changes in policyholder behaviour.

Equity risk

Equity risk is the risk of changes in the fair value of an equity instrument. The group manages the equity risk arising from its holdings of equity securities centrally by setting limits on the maximum market value of equities that each insurance underwriting subsidiary may hold. Equity risk is also monitored by estimating the effect of predetermined

movements in equity prices on the profit and total net assets of the insurance underwriting subsidiaries. The following table illustrates the impact on the aggregated profit for the year and net assets of a reasonably possible 10 per cent variance in equity prices:

	2007		2006	
	Impact on profit for the year £m	**Impact on net assets £m**	Impact on profit for the year £m	Impact on net assets £m
10 per cent increase in equity prices	**8**	**8**	8	8
10 per cent decrease in equity prices	**(7)**	**(7)**	(4)	(4)

These equity sensitivities are illustrative only and employ simplified scenarios. It should be noted that the effects may not be linear and therefore the results cannot be extrapolated. They do not allow for the effect of management actions which may mitigate the equity price decline, nor for any resultant changes, such as in policyholder behaviour, that might accompany such a fall.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. In the context of the group's insurance underwriting business, the exposure to credit risk arises primarily from the invested assets held and the reinsurance contracts. The group's insurance underwriting subsidiaries are exposed to credit risk in respect of their investment portfolios and their reinsurance transactions.

The group's underwriting insurance subsidiaries are responsible for the quality and performance of the investment portfolios. Investment guidelines are set at group level. Local subsidiary ALCOs set investment parameters appropriate to the local environment within the framework of the group guidelines and review investment performance and compliance with the guidelines. The assessment of the creditworthiness of issuers and counterparties is based primarily upon internationally recognised credit ratings and other publicly available information. In addition, to reduce the impact of individual entity or industry sector failures, centrally determined issuer and industry sector concentration limits are complied with. Investment credit exposures are aggregated and reported to HSBC's Group Credit and Risk function.

The following table presents the analysis of treasury bills, other eligible bills and debt securities within the group's insurance business by rating agency designation based on Standard and Poor's ratings or equivalent

	Treasury bills £m	Other eligible bills £m	Debt securities £m	Total £m
At 31 December 2007				
Supporting liabilities under non-linked insurance contracts				
AAA	57	33	3,943	4,033
AA– to AA+	–	56	2,105	2,161
A– to A+	–	–	1,152	1,152
Lower than A–	–	–	226	226
Unrated	–	–	122	122
	57	89	7,548	7,694
Supporting shareholders' funds[1]				
AAA	59	82	143	284
AA– to AA+	–	3	132	135
A– to A+	–	–	37	37
Lower than A–	–	–	1	1
Unrated	–	–	13	13
	59	85	326	470
Total				
AAA	116	115	4,086	4,317
AA– to AA+	–	59	2,237	2,296
A– to A+	–	–	1,189	1,189
Lower than A–	–	–	227	227
Unrated	–	–	135	135
	116	174	7,874	8,164
Of which issued by:				
– corporates and other	116	174	7,875	8,165
	116	174	7,875	8,165
Of which classified as:				
– financial instruments designated at fair value	–	–	1,444	1,444
– available-for-sale securities	116	174	6,431	6,721
	116	174	7,875	8,165

Notes on the Financial Statements (continued)

	Treasury bills £m	Other eligible bills £m	Debt securities £m	Total £m
At 31 December 2006				
Supporting liabilities under non-linked insurance contracts				
AAA	–	74	278	352
AA– to AA+	–	107	41	148
A– to A+	–	–	136	136
Unrated	–	–	3	3
	–	181	458	639
Supporting shareholders' funds[1]				
AAA	–	69	206	275
AA– to AA+	–	4	109	113
A– to A+	–	–	47	47
Lower than A–	–	–	1	1
Unrated	–	–	2	2
	–	73	365	438
Total[2]				
AAA	–	143	483	626
AA– to AA+	–	111	150	261
A– to A+	–	–	185	185
Lower than A–	–	–	1	1
Unrated	–	–	5	5
	–	254	824	1,078
Of which issued by:				
– corporates and other	–	254	824	1,078
	–	254	824	1,078
Of which classified as:				
– financial instruments designated at fair value	–	–	717	717
– available-for-sale securities	–	254	107	361
	–	254	824	1,078

1 Shareholders' funds comprise solvency and unencumbered assets.
2 Excludes treasury bills, other eligible bills and debt securities held by insurance manufacturing associate, HSBC Assurances.

Credit risk also arises when part of the insurance risk incurred by the group is assumed by reinsurers. The credit risk exposure for reinsurers is monitored centrally. The split of liabilities ceded to reinsurers and outstanding reinsurance recoveries, analysed by Standard and Poor's reinsurance credit rating data or their equivalent, was as follows:

	Reinsurers' share of liabilities under insurance contracts			
	Linked insurance contracts £m	**Non-linked insurance contracts £m**	**Total £m**	**Reinsurance debtors £m**
At 31 December 2007				
AAA	**3**	**9**	**12**	–
AA– to AA+	**14**	**105**	**119**	**7**
A– to A+	–	**284**	**284**	**2**
Lower than A–	**11**	**3**	**14**	–
Unrated	–	**97**	**97**	–
Total[f]	**28**	**498**	**526**	**9**
At 31 December 2006				
AAA	5	31	36	–
AA– to AA+	17	328	345	14
A– to A+	–	181	181	1
Lower than A–	8	10	18	–
Unrated	–	54	54	–
Total[2]	30	604	634	15

Liquidity risk

It is an inherent characteristic of almost all insurance contracts that there is uncertainty over the amount and the timing of settlement of claims liabilities that may arise, and this leads to liquidity risk. As part of the management of this exposure, estimates are prepared for most lines of insurance business of cash flows expected to arise from insurance funds at the balance sheet date. The estimates always include future renewal premiums and new business cash flows.

There is a greater spread of anticipated duration for the life business where, in a large proportion of cases, the liquidity risk is borne in conjunction with policyholders (wholly in the case of unit-linked business). To ensure adequate cash resources are available to meet short-term requirements that can arise as a consequence of large claims events, the insurance operations have an objective to manage liquidity on a prudent basis. The following table shows the expected maturity of insurance contract liabilities at 31 December 2007:

Expected maturity of insurance contract liabilities

	Expected cash flows (undiscounted)				
	Within 1 year £m	1-5 years £m	5-15 years £m	Over 15 years £m	Total £m
At 31 December 2007					
Non-life insurance	402	381	36	-	819
Life insurance (non-linked)	329	294	424	217	1,264
Life insurance (linked)	75	301	411	191	978
	806	976	871	408	3,061
At 31 December 2006					
Non-life insurance	360	362	14	-	736
Life insurance (non-linked)	38	69	153	928	1,188
Life insurance (linked)	75	257	281	36	649
	473	688	448	964	2,573

Remaining contractual maturity of investment contract liabilities

	Liabilities under investment contracts by insurance underwriting subsidiaries			
	Linked investment contracts £m	Non-linked investment contracts £m	Investment contracts with DPF £m	Total £m
At 31 December 2007				
Remaining contractual maturity:				
– due within 1 year	137	-	-	137
– due between 1 and 5 years	615	-	-	615
– due between 5 and 10 years	475	-	-	475
– due after 10 years	1,679	-	-	1,679
– undated	2,899	36	9,447	12,382
	5,805	36	9,447	15,288
At 31 December 2006				
Remaining contractual maturity:				
– due within 1 year	124	-	-	124
– due between 1 and 5 years	628	-	-	628
– due between 5 and 10 years	425	-	-	425
– due after 10 years	1,644	-	-	1,644
– undated	1,733	-	-	1,733
	4,554	-	-	4,554

Present value of in-force long-term insurance business (PVIF)

The group's life insurance business is accounted for using the embedded value approach, which, inter alia, provides a comprehensive framework for the evaluation of insurance and related risks. The value of the PVIF asset at 31 December 2007 was £444m (2006: £407m). The present value of the shareholders' interest in the profits expected to emerge from the book of in-force policies at 31 December 2007 can be stress tested to assess the ability of the book of life business to withstand adverse developments.

The following table shows the effect on the PVIF as at 31 December 2007 of reasonably possible changes in the main economic and business assumptions within the group's principal insurance underwriting subsidiary:

	2007 £m	2006 £m
+ 100 basis points shift in risk-free rate	9	–
– 100 basis points shift in risk-free rate	(20)	–
+ 100 basis points shift in risk discount rate	(21)	(14)
– 100 basis points shift in risk discount rate	23	14
+ 100 basis points shift in expenses inflation	6	(3)
– 100 basis points shift in expenses inflation	(5)	3
+ 100 basis points shift in lapse rate	(6)	(3)
– 100 basis points shift in lapse rate	6	3

The effects on PVIF shown above are illustrative only and employ simplified scenarios. They do not incorporate actions that could be taken by management to mitigate effects nor do they take account of consequential changes in policyholder behaviour.

The sensitivity of profit for the year and net assets to reasonably possible changes in conditions at 31 December 2007 across all insurance underwriting subsidiaries is as follows:

	Impact on:		Impact on:	
	Profit after tax for 2007 £m	Net assets at 31 December 2007 £m	Profit after tax for 2006 £m	Net assets at 31 December 2006 £m
20 per cent increase in claims costs	(32)	(32)	(1)	(1)
20 per cent decrease in claims costs	32	32	1	1
10 per cent increase in mortality and/or morbidity rates	6	6	8	8
10 per cent decrease in mortality and/or morbidity rates	(9)	(9)	–	–
50 per cent increase in lapse rates	(28)	(28)	(24)	(24)
50 per cent decrease in lapse rates	45	45	35	35
10 per cent increase in expense rates	(5)	(5)	(5)	(5)
10 per cent decrease in expense rates	5	5	5	5

Special purpose entities (including on and off-balance sheet arrangements)

The group enters into certain transactions with customers in the ordinary course of business which involve the establishment of special purpose entities ('SPEs') some of which have been included in the group's consolidated balance sheet.

Where transactions involve the use of SPEs these are authorised centrally upon establishment to ensure appropriate purpose and governance. The activities of SPEs administered by the group are closely monitored by senior management. The use of SPEs is not a significant part of the group's activities and the group is not reliant on the use of SPEs for any material part of its business operations or profitability. The group's involvements with SPE transactions are described below.

Vehicles sponsored by the group

The group sponsors the formation of entities to accomplish certain narrow and well-defined objectives, such as securitisations of financial assets or to effect a lease. The group consolidates these SPEs when the substance of the relationship indicates that the group controls the SPE. In assessing control, all relevant factors need to be considered. Such factors may have qualitative and quantitative aspects, for example:

Qualitative factors - in substance:

- the activities of the SPE are being conducted on behalf of the group according to the group's specific business needs so that it obtains benefit from the SPE's operation. This might be evidenced, for example, by the group providing a significant level of support to the SPE; and
- the group has the decision-making powers to obtain the majority of the benefits of the activities of the SPE.

Quantitative factors – hereinafter referred to as 'the majority of risks and rewards of ownership'. In substance:

- the group has rights to obtain the majority of the benefits of the SPE and therefore may be exposed to risks incidental to the activities of the SPE; and
- the group retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.

In a number of cases, these SPEs are accounted for off-balance sheet under IFRSs where the group does not have the majority of the risks and rewards of ownership of the SPE. However in certain circumstances, after careful consideration of the facts, the group consolidates an SPE where, although it does not obtain the majority of risks and rewards of ownership, the qualitative features of the group's involvement indicates that, in substance, the activities of the SPE are being conducted on behalf of the group.

The group re-assesses the required consolidation accounting tests whenever there is a change in the substance of a relationship between the group and an SPE for example, when there is a change in the group's involvement or there is a change in the governing rules, contractual arrangements or capital structure of the SPE. The most significant categories of SPE are discussed in more detail below.

Structured Investment Vehicles ('SIVs')

SIVs are SPEs which are established to invest in diversified portfolios of interest-earning assets, generally comprising asset-backed securities and other securities issued by financial institutions or corporates. SIVs are typically funded through the issue of commercial paper ('CP'), medium term notes or other senior debt (collectively referred to as 'senior debt'), repo financing and subordinated income or mezzanine notes (commonly referred to as 'capital notes'). The sponsor of the SIV often provides limited liquidity support to the senior debt investors through committed liquidity facilities which are designed to accommodate temporary market disruption in the CP and medium-term notes issuance markets.

SIVs are structured to provide investors with the opportunity to invest in a range of assets depending on their risk preference. Senior debt issued by SIVs is generally highly rated and the SIVs are managed within strict operating criteria. SIV liquidity is primarily managed by rolling over debt at maturity or, if that is not possible, the sale of assets to provide protection to senior note holders. SIVs are typically subject to market value and net asset value triggers which underpin the external credit ratings of the senior debt. The liquidity risk in SIVs is managed by controlling the maximum cumulative cash outflow in defined time periods.

The group established two SIVs, Cullinan Finance Limited ('Cullinan') and Asscher Finance Limited ('Asscher') in August 2005 and May 2007 respectively, which were successful in obtaining funding from investors, who subscribed for senior debt and capital notes. The SIVs were not consolidated on inception because the group did not have the majority of risks and rewards of ownership and it was not anticipated that the group would provide significant funding to the SIVs. The group is the fund manager for both SIVs and it was committed only to providing limited support through contractually committed liquidity lines on normal commercial terms.

The maximum size of each SIV during 2007, as measured by the fair value of the SIV's total assets, together with the maximum exposure the group had under its committed liquidity facilities, was as follows:

	Maximum size of SIV £bn	bank committed liquidity facility £bn
Cullinan	21.0	0.25
Asscher	4.3	0.12
	25.3	0.37

From mid-August 2007, normal funding in the wholesale markets became severely disrupted, principally as a result of valuation concerns over securities linked to US sub-prime mortgage loans, resulting in funding difficulties for many SPEs including SIVs. At the outset, bank-sponsored SIVs were less affected and, initially, Cullinan and Asscher continued to fund themselves in the CP market.

By the end of the third quarter of 2007, it became clear that the disruption in the supply of CP funding for the SIV market was not a temporary situation and, as a consequence the group provided £8.3 billion of funding to Cullinan

and Asscher in the form of repos, CP purchases and the acquisition of £2.0 billion of assets at fair value from Cullinan.

During the same period, the market value of certain assets held by Cullinan and Asscher fell because the market liquidity position had weakened and credit spreads had widened.

From October 2007, all the capital note holders of Cullinan were given the option to switch their capital note holdings for a share of the assets of the SIV. As part of this offer, HSBC switched its entire holding in Cullinan capital notes for Cullinan assets. The par value and market value of the assets purchased amounted to £353 million and £341 million respectively. The consideration paid comprised capital notes with an aggregate par value of £25 million (fair value £12 million) and cash of £328 million. In addition, in January 2008, HSBC purchased Cullinan capital notes from existing holders with a par value of £85 million (fair value £19 million), and then exchanged such Cullinan capital notes, together with cash of £1,147 million, for Cullinan assets with a par value of £1,233 million and a market value of £1,167 million.

In November 2007, the group announced its intention to make proposals to the investors of Cullinan and Asscher under which an option would be made available for investors to invest in new SPEs to be established with term funding and liquidity provided by the group.

Based on a careful evaluation of all the facts and circumstances, the group concluded that this announcement had substantively changed the relationship the group had with these SIVs. Accordingly, the group consolidated Cullinan and Asscher from the end of November 2007.

After the announcement in November 2007, two new SPEs, an asset-backed commercial paper ('ABCP') conduit and a term funding vehicle, were established in respect of Cullinan. Each SPE has been set up so that its continuing operation is not as sensitive as Cullinan to market value fluctuations in its underlying assets. These SPEs will be funded either by CP backed by a liquidity facility provided by the bank, or by term funding provided by the group. This reorganisation addresses the two main challenges for the SIV sector which could force asset sales: the inability to fund in the CP markets, and the sensitivity of the continuing operation of SIVs to changes in the market value of the underlying assets.

The new SPEs have agreed to purchase Cullinan's assets, over a time period that is anticipated to coincide with the maturity of Cullinan's senior debt. The purchase price was based on the fair value of Cullinan's assets as at 21 January 2008.

In January 2008, investors in the capital notes issued by Cullinan were given the option to exchange their existing capital notes for the capital notes in the new SPEs.

All the capital note holders of Cullinan elected to exchange their notes for capital notes in the new SPEs. The holders of such capital notes will bear the risk of any losses arising in the new SPEs up to the notional principal value of their holding in the capital notes.

The holders of the capital notes in Asscher continue to bear the risk of any first losses in the assets held by the SIV. It is proposed to reorganise Asscher following the completion of the Cullinan exchange.

The effect of consolidating Cullinan and Asscher on the group's balance sheet was to include £20.6 billion of assets and liabilities at the end of November 2007. This included capital notes of £18 million and CP of £2.3 billion and repos of £4.2 billion previously recognised on the group's balance sheet.

An analysis of the assets held by Cullinan and Asscher is set out below.

Cullinan – Ratings by class of asset	2007 £m	2006 £m
S&P Ratings		
AAA	11,057	11,753
AA	1,451	1,149
A	1,536	1,807
BBB	85	44
Total investments	14,129	14,753
Cash and cash equivalents	2,479	777
Total assets	16,608	15,530

Cullinan – Composition of asset portfolio

	2007 £m	2006 £m
Asset class		
Structured finance		
Residential mortgage backed securities	**4,962**	6,058
Commercial mortgage backed securities	**1,866**	1,972
Collateralised debt obligations	**1,894**	1,569
Student loans	**1,109**	1,180
Home equity lines of credit	**640**	1,040
Motor vehicle loans	**157**	186
Credit loans	**27**	93
Other ABS	**2,238**	388
Total structured finance assets	**12,893**	12,486
Finance		
Commercial bank debt	**3,124**	2,593
Investment bank debt	**344**	280
Finance company debt	**247**	171
Total financial assets	**3,715**	3,044
	16,608	15,530

These assets included £991million (2006: £1,372 million) of exposure to US sub-prime mortgages.

Cullinan – Total assets by balance sheet classification

	2007 £m
Derivative assets	**95**
Loans and advances to banks	**1,212**
Financial investments	**15,197**
Other assets	**104**
	16,608

Cullinan – Weighted-average maturity of assets

	Financial investments £m	Cash and cash equivalents £m
2007		
0-6 months	**590**	**2,478**
6-12 months	**801**	–
Greater than 12 months	**12,739**	–
	14,130	**2,478**
2006		
0-6 months	48	777
6-12 months	449	–
Greater than 12 months	14,256	–
	14,753	777

The weighted average life of the portfolio at 31 December 2007 was 4 years (2006: 3.63 years).

Notes on the Financial Statements (continued)

Cullinan – Funding structure

	2007	
	Total	Provided by the group
2007	**£m**	**£m**
Capital notes	**478**	**–**
Commercial paper and medium term notes	**12,495**	**2,998**
Term repos executed	**3,541**	**3,627**
	16,514	**6,625**
2006		
Capital notes	946	–
Commercial paper and medium term notes	14,399	–
	15,345	–

The weighted average life of CP funding was 0.56 years (2006: 0.13 years) and the weighted average life of medium-term note funding was 1.13 years (2006: 0.64 years).

Asscher – Ratings analysis of assets

	2007
	£m
S&P Ratings	
AAA	**3,059**
AA	**194**
A	**153**
Total investments	**3,406**
Cash and cash equivalents	**282**
Total assets	**3,688**

Asscher– Composition of asset portfolio

	2007
	£m
Asset class	
Structured finance	
Residential mortgage backed securities	**1,492**
Commercial mortgage backed securities	**626**
Collateralised debt obligations	**544**
Student loans	**190**
Home equity lines of credit	**158**
Motor vehicle loans	**0**
Credit loans	**34**
Other ABS	**72**
Total structured finance assets	**3,116**
Finance	
Commercial bank debt	**483**
Inevstment bank debt	**58**
Finance company debt	**31**
Total financial assets	**572**
	3,688

These assets included £21 million of exposure to US sub-prime mortgages.

Asscher – Total assets by balance sheet classification

	2007 £m
Derivative assets	37
Loans and advances to banks	371
Financial investments	3,265
Other assets	15
	3,688

Asscher – Weighted-average maturity of assets

	Financial investments £m	Cash and cash equivalents £m
2007		
0-6 months	98	282
6-12 months	289	–
Greater than 12 months	3,019	–
	3,406	282

The weighted average life of the portfolio at 31 December 2007 was 3.7 years.

Asscher – Funding structure

	2007	
	Total £m	Provided by the bank £m
Mezzanine notes	155	10
Commercial paper and medium term notes	2,760	746
Term repos executed	799	570
	3,714	1,326

The weighted average life of CP funding liabilities was 0.44 years and weighted average life of medium-term note funding liabilities was 1.03 years.

Money market funds

The group has established and manages a number of money market funds which provide customers with tailored investment opportunities. These SPEs have narrow and well-defined objectives and typically the group does not have any holdings in the SPEs of sufficient size to represent the majority of the risks and rewards of ownership.

In aggregate, the group had established money market funds which had total assets of £21 billion at 31 December 2007 (2006: £17 billion).

Within the money market funds, there were three main categories:

- £5 billion (2006: £1 billion) in Constant Net Asset Value ('CNAV') funds, which invest in shorter-dated and highly-rated money market securities with the objective of providing investors with a highly liquid and secure investment;
- £4 billion (2006: £4 billion) in French domiciled *dynamique* ('dynamic') funds termed Enhanced Variable Net Asset Value ('Enhanced VNAV') funds, which invest in longer-dated money market securities to provide investors with a higher return than traditional money market funds; and
- £12 billion (2006: £12 billion) in various other money market funds, Variable Net Asset Value ('VNAV') funds domiciled in France, Germany and Turkey.

These money market funds invest in a diverse portfolio of highly-rated debt instruments, including limited holdings of instruments issued by SIVs. As at 31 December 2007, these funds' exposure to SIVs was £401 million (2006: £55 million).

CNAV Funds

CNAV funds price their assets on an amortised cost basis, subject to the amortised book value of the portfolio being within 50 basis points of its market value. This enables CNAV funds to create and liquidate shares in the fund at a constant price. If the amortised value of the portfolio were to vary by more than 50 basis points from its market value, the CNAV fund would be required to price its assets at market value, and consequently would no longer be able to create or liquidate shares at a constant price. This is popularly known as 'breaking the buck'. In the event that a CNAV fund breaks the buck, the group would be under no legal obligation to offer financial support.

The group's CNAV funds hold senior notes issued by a number of SIVs and, due to current market liquidity conditions and consequential actions of the rating agencies, the market value for this SIV paper has deteriorated. This has caused the CNAV funds to record unrealised losses on their SIV investments. While the majority of these SIVs are bank-sponsored, and are not judged to be impaired, there are holdings in three independent SIVs which have experienced greater difficulties; two of these, in which the group's CNAV funds have invested £20 million, were placed in enforcement in early 2008, the process by which the winding down of the independent SIVs and repaying secured creditors begins.

The deterioration in the market value of holdings of SIV paper raised the possibility that certain CNAV funds would be forced to realise liquid assets to meet potential redemptions. In order to address this potential impact, on 24 December 2007, HSBC provided a letter of limited indemnity, capped at £4 million, in relation to certain holdings of SIV assets of one of its CNAV funds with total assets under management ('AUM') at 31 December 2007 of £3 billion.

The group has continued to create and liquidate shares in all its CNAV funds at a constant price.

Enhanced VNAV funds

Enhanced VNAV funds price their assets on a fair value basis and consequently prices change from one day to the next. These funds pursue an 'enhanced' investment strategy, as part of which investors accept greater credit and duration risk in the expectation of higher returns.

Money market activities are highly developed in France due to the historical restriction on the payment of interest on current accounts, and the search for enhanced yields has resulted in sophisticated money market funds which are essentially used as an alternative to cash. However, since July 2007, French dynamic money market funds have experienced unprecedented redemption requests caused by the market's lack of confidence in funds containing exposure to primarily US sub-prime assets. In August 2007, a decision by two French institutions to suspend withdrawals from certain asset-backed securities funds caused a general acceleration of redemptions on dynamic money market funds.

In the third quarter of 2007, the group acquired underlying assets and shares in two of its dynamic money market funds of €1.2 billion (£880 million) and €590 million (£396 million) respectively to fund asset redemptions. No additional shares were acquired in the fourth quarter. The group's aggregate holding in these funds at 31 December 2007 was €896 million (£657 million). The total AUM of these two funds at 31 December 2007 was €2.1 billion (£1.5 billion). These funds were not consolidated by the group at 31 December 2007 because the acquisition of additional shares in these funds did not expose the group to the majority of risks and rewards of ownership. However, post year end one of the funds has been consolidated by the group as a result of continued redemptions by unit holders which caused the group's percentage holding in the funds to increase to a level where the group would be exposed to the majority of risks and rewards of ownership.

Total assets of the group's money market funds

	2007 £m	2006 £m
Size of holding		
CNAV funds	5,213	955
Enhanced VNAV funds	3,900	3,717
VNAV funds	11,627	12,074
	20,740	16,746

The majority of the group's money market funds are off-balance sheet. The group's financial investments in these off balance sheet funds at 31 December 2007 amounted to £0.7 billion (2006: £83 million). These financial investments

have been recognised in the group's balance sheet at fair value. Total assets of the group's money market funds which are on balance sheet at 31 December 2007 amount to £2.5 billion (2006:£ 1.1 billion). These assets have been measured at fair value.

Non-money market investment funds

The group has also established a large number of non-money market funds to enable customers to invest in a range of assets, typically equities and debt securities. At the launch of a fund the group, as fund manager typically provides a limited amount of capital known as 'seed capital to enable the fund to start purchasing assets. These holdings are normally redeemed over time. The majority of these funds are off-balance sheet because, in view of the group's limited economic interest, the group does not have the majority of the risks and rewards of ownership.

Total assets of the group's non-money market funds

	2007 £m	2006 £m
Assets under management		
Specialist funds	30,556	31,144
Local Investment Management funds	31,864	28,299
Multi-manager	2,167	724
	64,587	60,167

Total assets of the group's non-money market funds, which are on-balance sheet

	2007 £m	2006 £m
Specialist funds	71	53
Local Investment Management funds	19	18
	90	71

All of the above on-balance sheet assets are classified as financial investments.

The group's holdings in non-money market funds, which are off-balance sheet

	2007 £m	2006 £m
Specialist funds	30,485	31,091
Local Investment Management funds	31,845	28,281
Multi-manager	2,167	724
	64,497	60,096

The group's financial investments in off-balance sheet money market funds at 31 December 2007 amounted to £263 million (2006; £257 million). These financial investments have been recognised in the group's balance sheet at fair value.

Conduits

The group sponsors and manages SPEs that have been established for the purpose of providing alternative sources of financing to the group's customers through the use of multi-seller conduits, for example, in respect of motor vehicle finance receivables or for the purpose of providing a tailored investment opportunity for investors by way of a securities investment conduit.

The multi-seller conduits purchase interests in a diversified pool of third party originated assets for example, loans and advances using finance provided by third party investors, usually by the issue of CP. The cash flows received by the conduits on the pools of assets are used to service the finance provided by investors. The group administers these arrangements, which facilitate diversification of funding sources for the third party originators and allow the debt issuance of the conduits to be divided into differing risk classes in order to attract a wide range of investors with varying risk appetites. The group also typically provides programme wide credit enhancements, for example, letters of credit, and liquidity facilities to the Multi-seller conduits. The group's multi-seller conduits are Regency Assets Limited ('Regency') and Bryant Park Funding LLC ('Bryant Park'). The group provided 100 per cent liquidity facilities to Regency and Bryant Park.

Securities investment conduits, such as Solitaire Funding Ltd ('Solitaire') operate in a similar way, except that it purchases AAA rated asset-backed securities from third party market participants instead of loans. In this respect it is more akin to a SIV than the multi-seller conduit. Unlike Cullinan and Asscher, the group provided Solitaire a letter of credit and 100 per cent liquidity line.

Solitaire – Ratings by class of asset

	2007 £m	2006 £m
S&P Ratings		
AAA	10,772	10,368
Total investments	10,496	10,289
Other assets	276	79
Total assets	10,772	10,368

Solitaire – Total assets by balance sheet classification

	2007 £m	2006 £m
Financial instruments designated at fair value	50	50
Derivative assets	30	10
Loans and advances to banks	125	–
Financial investments	10,291	10,229
Other assets	276	79
	10,772	10,368

Solitaire's financial investments have been recognised in the group's balance sheet at fair value.

Solitaire – Funding structure

	Total £m	Provided by the bank £m
2007		
Commercial paper	11,452	3,869
2006		
Commercial paper	10,309	–

The group consolidated these conduits from inception because it is exposed to the majority of risks and rewards.

Securitisations

The group uses SPEs to securitise customer loans and advances it has originated in order to diversify its sources of funding, and where this source of funding is cost-effective and capital efficient. The SPEs have been consolidated except for one small securitisation where the SPE is not consolidated because the group does not have the majority of risks and rewards of ownership. Credit enhancements are used to obtain investment grade ratings on the senior debt issued by the SPE.

The group also established term securitisation programmes in Germany where third party loans are securitised. The majority of these vehicles are not consolidated by the group as it is not exposed to the risks and rewards of ownership in the SPEs.

Other

The group also establishes, in the normal course of business, SPEs to facilitate, for example, structured credit transactions for customers and to provide finance to public and private sector infrastructure projects, asset and structured finance transactions. These off-balance sheet vehicles are not consolidated by the group as it does not have the majority of risks and rewards of ownership in these SPEs.

The group has not given guarantees or indemnities in respect of these vehicles nor provided support.

Included within the 'Other' SPE category are the following types of SPEs:

Structured credit transactions

The group provides structured credit transactions to third party professional and institutional investors who wish to obtain exposure, sometimes on a leveraged basis, to a reference portfolio of debt instruments. The investors obtain the risks and rewards of the relevant reference portfolios by purchasing notes issued by the SPEs. The SPEs enter into contracts with the group, generally in the form of derivatives, in order to pass the risks and rewards of the reference portfolios to the SPEs. The group's risk in relation to the derivative contracts with the SPEs is managed within the group's trading market risk framework. See Market Risk Management on page 153.

The transactions are facilitated through SPEs in order that the notes issued to the investors can be rated. The SPEs are not consolidated by the group because the investors bear substantially all the risks and rewards of ownership through the notes, except where the group itself holds a majority of the notes in particular SPEs.

Public and private sector infrastructure projects

The group participates in 'Public-Private Partnerships' to provide financial support for infrastructure projects initiated by government authorities. The funding structure is commonly achieved through the use of SPEs. The group consolidates the SPEs where it is exposed to the majority of risks and rewards of the vehicles.

Asset finance transactions

The group's Asset and Structured Finance ('ASF') business specialises in leasing and arranging finance for aircraft and other physical assets, which it is customary to ring-fence through the use of SPEs, and in structured loans and deposits where SPEs introduce cost efficiencies. The group consolidates these SPEs where the substance of the relationship indicates that the group controls the SPE.

Third party sponsored SPEs

The group's exposure to third party sponsored SIVs, conduits and securitisations have arisen through normal banking arrangements on standard market terms. The group did not provide any credit enhancement to third party SIVs, conduits and securitisations.

Other off-balance sheet arrangements

Financial guarantees, letters of credit and similar undertakings

Note 39 describes various types of guarantees and discloses the maximum potential future payments under such arrangements. Credit risk associated with all forms of guarantees is assessed in the same manner as for on-balance sheet credit advances and, where necessary, provisions for assessed impairment are included in 'Other provisions'.

Commitments to lend

Undrawn credit lines are disclosed in Note 39 on page 178. The majority by value of undrawn credit lines arise from 'open to buy' lines on personal credit cards, cheques issued to potential customers offering them a pre-approved loan, advised overdraft limits, and mortgage offers awaiting customer acceptance.

The group generally has the right to change or terminate any conditions of a personal customer's overdraft, credit card or other credit line upon notification to the customer. In respect of corporate commitments to lend, in most contracts the group's position will be protected through restrictions on access to funding in the event of material adverse change.

Leveraged finance transactions

Loan commitments in respect of leveraged finance transactions are accounted for as derivatives where it is the group's intention to sell the loan after origination. As at 31 December 2007, the group's commitments in respect of leveraged finance transactions were £2.9 billion, of which £2.0 billion were funded and £0.9 billion were unfunded. During 2007, losses of £55 million were recognised in trading income relating to transactions priced prior to the market turmoil. The remainder of the transactions have been priced subsequent to the widening of credit spreads and are valued at par.

39 Contingent liabilities, contractual commitments and guarantees

Contingent liabilities and commitments

	The group		The bank	
	2007	2006	**2007**	2006
	£m	£m	**£m**	£m
Contract amounts				
Contingent liabilities				
Guarantees and irrevocable letters of credit pledged as collateral security	**18,972**	23,698	**10,816**	16,723
Other contingent liabilities	**75**	59	**–**	–
	19,047	23,757	**10,816**	16,723
Commitments				
Documentary credits and short-term trade-related transactions	**1,621**	1,414	**447**	532
Forward asset purchases and forward forward deposits placed	**38**	54	**–**	–
Undrawn note issuing and revolving underwriting facilities	**19**	32	**–**	–
Undrawn formal standby facilities, credit lines and other commitments to lend[1]:				
– one year and under	**108,149**	100,248	**78,934**	74,111
– over one year	**36,192**	29,604	**22,945**	19,693
	146,019	131,352	**102,326**	94,336

1 *Based on original contractual maturity.*

The above table discloses the nominal principal amounts of contingent liabilities, commitments and guarantees. They are mainly credit-related instruments which include both financial and non-financial guarantees and commitments to extend credit. Nominal principal amounts represent the amounts at risk should contracts be fully drawn upon and clients default. Since a significant portion of guarantees and commitments are expected to expire without being drawn upon, the total of the contractual amounts is not representative of future liquidity requirements.

Guarantees

The group provides guarantees and similar undertakings on behalf of both third party customers and other entities within the group. These guarantees are generally provided in the normal course of the group's banking business. The principal types of guarantees provided, and the maximum potential amount of future payments which the group could be required to make at 31 December 2007 were as follows:

The group

	At 31 December 2007		At 31 December 2006	
	Guarantees in favour of third parties £m	Guarantees by the group in favour of other HSBC group entities £m	Guarantees in favour of third parties £m	Guarantees by the group in favour of other HSBC group entities £m
Guarantee type				
Financial guarantees[1]	8,957	1,266	8,925	729
Standby letters of credit which are financial guarantees[2]	752	68	32	–
Other direct credit substitutes[3]	191	6	846	19
Performance bonds[4]	1,751	29	505	19
Bid bonds[4]	129	4	82	4
Standby letters of credit related to particular transactions[4]	412	–	320	–
Other transaction-related guarantees[4]	5,215	71	12,156	48
Other items	196	–	72	–
Total	17,603	1,444	22,938	819

The bank

	At 31 December 2007		At 31 December 2006	
	Guarantees in favour of third parties £m	Guarantees by the group in favour of other HSBC group entities £m	Guarantees in favour of third parties £m	Guarantees by the group in favour of other HSBC group entities £m
Guarantee type				
Financial guarantee contracts[1]	6,382	1,069	6,786	557
Standby letters of credit which are financial guarantee contracts[2]	–	–	–	–
Other direct credit substitutes[3]	1	–	6	–
Performance bonds[4]	648	22	495	19
Bid bonds[4]	19	3	30	3
Standby letters of credit related to particular transactions[4]	74	–	90	–
Other transaction-related guarantees[4]	2,461	16	8,713	15
Other items	121	–	9	–
Total	9,706	1,110	16,129	594

1 *Financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss incurred because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. The amounts in the above table are nominal principal amounts.*
2 *Standby letters of credit which are financial guarantee contracts are irrevocable obligations on the part of HSBC Bank plc to pay a third party when a customer fails to meet a commitment.*
3 *Other direct credit substitutes include re-insurance letters of credit and trade-related letters of credit issued without provision for the issuing entity to retain title to the underlying shipment.*
4 *Performance bonds, bid bonds, standby letters of credit and other transaction-related guarantees are undertakings by which the obligation on the group to make payment depends on the outcome of a future event.*

The amounts disclosed in the above table reflect the group's maximum amounts payable under a large number of individual guarantee undertakings. The risks and exposures arising from guarantees are captured and managed in accordance with the group's overall credit risk management policies and procedures.

Guarantees with a term of more than one year are subject to the group's annual credit review process.

When the group gives a guarantee on behalf of a customer, it retains the right to recover from that customer amounts paid under the guarantee.

Provisions in respect of the group's obligations under outstanding guarantees

	2007 £m	2006 £m
Guarantees and items pledged as collateral security	**5**	14
Other items	**5**	4

At 31 December 2007, the group had commitments to purchase within one year, land and buildings and other fixed assets from a number of suppliers for a value of £282 million (2006: £330 million).

In relation to joint ventures and associates, the group had no contingent liabilities or commitments, incurred jointly or otherwise.

40 Lease commitments

Finance lease commitments

	2007			2006		
	Total future minimum payments £m	**Interest charges £m**	**Present value £m**	Total future minimum payments £m	Interest charges £m	Present value £m
No later than one year	**13**	**(12)**	**1**	15	(14)	1
Later than one year and no later than five years	**51**	**(51)**	**–**	66	(63)	3
Later than five years	**415**	**(87)**	**328**	356	(32)	324
	479	**(150)**	**329**	437	(109)	328

Future minimum sublease payments of £232 million (2006: £83 million) were expected to be received under non-cancellable subleases at 31 December 2007.

Operating lease commitments

At 31 December 2007, the group was obligated under a number of non-cancellable operating leases for properties, plant and equipment for which the future minimum lease payments extend over a number of years.

	Land and buildings	
	2007 £m	2006 £m
Future minimum lease payments under non-cancellable operating leases expiring:		
– no later than one year	**110**	94
– later than one year and no later than five years	**367**	307
– later than five years	**540**	361
	1,017	762

At 31 December 2007, future minimum sublease payments of nil (2006: nil) were expected to be received under non-cancellable subleases.

In 2007, £117 million (2006: £100 million) was charged to 'General and administrative expenses' in respect of lease and sublease agreements, all of which related to minimum lease payments.

Finance lease receivables

	2007			2006		
	Total future minimum payments £m	Unearned finance income £m	Present value £m	Total future minimum payments £m	Unearned interest income £m	Present value £m
Lease receivables:						
– no later than one year	729	(141)	588	486	(87)	399
– later than one year and no later than five years	2,222	(493)	1,729	2,049	(380)	1,669
– later than five years	3,502	(1,146)	2,356	3,535	(1,169)	2,366
	6,453	(1,780)	4,673	6,070	(1,636)	4,434

At 31 December 2007, unguaranteed residual values of £85 million (2006: £77 million) had been accrued, and the accumulated allowance for uncollectible minimum lease payments receivable amounted to nil (2006: £9 million).

In 2007, nil (2006: £25 million) was received as contingent rents and recognised in 'Other operating income'.

Operating lease receivables

	Equipment	
	2007 £m	2006 £m
Future minimum lease payments under non-cancellable operating leases expiring:		
– no later than one year	237	228
– later than one year and no later than five years	670	737
– later than five years	199	292
	1,106	1,257

The group leases a variety of different assets to third parties under operating and finance lease arrangements, including rolling stock, property, aircraft and general plant and machinery.

41 Litigation

On 27th July 2007, the UK Office of Fair Trading ("OFT") issued High Court legal proceedings against a number of UK financial institutions, including the bank, to determine the legal status and enforceability of certain of the charges applied to their personal customers in relation to unauthorised overdrafts (the "charges"). Certain preliminary issues in these proceedings were heard in a trial in the Commercial Division of the High Court on 17th January 2008. This trial concluded on 8th February 2008 and judgement, on the preliminary issues tested, is awaited.

The proceedings remain at a very early stage and may, if appeals on the preliminary issues (or, subsequently on substantive issues) are pursued, take a number of years to conclude. A wide range of outcomes is possible, depending, initially, upon whether the Court finds that some, all or none of the charges should be tested for fairness and/ or tested as common law penalties and, if it does find that some or all of the charges should be so tested, upon the Court's subsequent assessment of each charge across the period under review. Since July 2001, there have been a variety of charges applied by the bank across different charging periods under the then current contractual arrangements. The bank considers the charges to be and to have been valid and enforceable, and intends strongly to defend its position.

If, contrary to the bank's current assessment, the Court should ultimately (after appeals) reach a decision adverse to the bank that results in a liability for it, a large number of different outcomes is possible, each of which would have a different financial impact. Based on the facts currently available, and a number of assumptions, the bank estimates that the financial impact could be approximately £300 million. To make an estimate of the potential financial impact at this stage with any precision is extremely difficult, owing to (among other things) the complexity of the issues, the number of permutations of possible outcome, and the early stage of the proceedings. In addition, the assumptions made by the bank may prove to be incorrect.

Notes on the Financial Statements (continued)

The group, through a number of its subsidiary undertakings, is named in and is defending legal actions in various jurisdictions arising from its normal business. No material adverse impact on the financial position of the group is expected to arise from these proceedings.

42 Related party transactions

The ultimate parent company of the group is HSBC Holdings plc, which is incorporated in England.

The group's related parties include the parent, fellow subsidiaries, associates, joint ventures, post-employment benefit plans for the benefit of HSBC employees, key management personnel, close family members of Key Management Personnel and entities which are controlled, jointly controlled or significantly influenced by Key Management Personnel or their close family members.

Transactions, arrangements and agreements involving Directors and others

The table below sets out transactions which fall to be disclosed under IAS 24 'Related Party Disclosures' between the group and the Key Management Personnel of both the bank and its parent company, HSBC Holdings plc, and their connected persons or controlled companies.

Key Management Personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of HSBC Bank plc and the Group and includes members of the Board of Directors of HSBC Bank plc and HSBC Holdings plc and Group Managing Directors of HSBC Holdings plc.

	2007			2006		
	Number of persons	Highest balance during the year[1] £000	Balance at 31 December[1] £000	Number of persons	Highest balance during the year[1] £000	Balance at 31 December[1] £000
Key Management Personnel and connected persons and companies controlled by them						
Loans	110	379,869	271,991	54	158,512	103,069
Credit cards	47	635	267	47	681	443
Guarantees	17	14,811	13,224	3	5,911	5,202

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

In addition to the disclosures of related party transactions with Key Management Personnel under IAS 24, the group is required to disclose particulars of transactions, arrangements and agreements entered into by HSBC Bank plc and its subsidiaries with Directors and connected persons and companies controlled by them and with officers of HSBC Bank plc pursuant to section 232 of the Companies Act 1985. Under the Companies Act there is no requirement to disclose transactions with the Key Management Personnel of the bank's parent company, HSBC Holdings plc.

	2007		2006	
	Number of persons	Balance at 31 December £000	Number of persons	Balance at 31 December £000
Directors and connected persons and companies controlled by them				
Loans	12	11,038	17	8,369
Credit cards	20	68	18	92
Guarantees	1	12	1	12
Officers				
Loans	19	7,018	32	7,003
Credit cards	21	108	20	113
Guarantees	-	-	-	-

	2007		2006	
	Number of persons	**Balance at 31 December £000**	Number of persons	Balance at 31 December £000
Directors and connected persons and companies controlled by them				
Loans	**12**	**11,038**	17	8,369
Credit cards	**20**	**68**	18	92
Guarantees	**1**	**12**	1	12
Officers				
Loans	**19**	**7,018**	32	7,003
Credit cards	**21**	**108**	20	113
Guarantees	-	–	–	–

All transactions were made in the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with persons of a similar standing or, where applicable, with other employees. The transactions did not involve more than the normal risk of repayment or present other unfavourable features.

Compensation to the Key Management Personnel of the group under IAS 24

	2007 £000	2006 £000
Short-term employee benefits	**6,665**	5,534
Post-employment benefits	**395**	400
Share-based payment	**4,432**	3,081
	11,492	9,015

Directors' and Other Key Management Personnel shareholdings and options

	Balance at 31 December 2007	Balance at 31 December 2006
Number of share options from equity participation plans held by Directors and other key management personnel (and their connected persons)	**904,327**	1,571,328
Number of shares held by Directors and other key management personnel (and their connected persons)	**7,297,558**	3,900,008

Transactions with other related parties

Associates and joint ventures

The group

	2007		2006	
	Highest balance during the year[1] £m	**Balance at 31 December 2007[1] £m**	Highest balance during the year[1] £m	Balance at 31 December 2006[1] £m
Amounts due from joint ventures				
– subordinated	–	–	–	–
– unsubordinated	**216**	**202**	342	24
Amounts due from associates				
– subordinated	**19**	–	19	19
– unsubordinated	**33**	–	54	33
Amounts due to joint ventures	**20**	**20**	804	12
Amounts due to associates	**166**	**1**	166	166

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Notes on the Financial Statements (continued)

The bank

	2007		2006	
	Highest balance during the year[1] £m	**Balance at 31 December[1] £m**	Highest balance during the year[1] £m	Balance at 31 December[1] £m
Amounts due from joint ventures				
– subordinated	–	–	–	–
– unsubordinated	**161**	**161**	342	–
Amounts due from associates				
– subordinated	–	–	–	–
– unsubordinated	**1**	–	18	1
Amounts due to joint ventures	**4**	**4**	763	–
Amounts due to associates	**29**	**1**	47	29

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

Transactions of the group with HSBC Holdings plc and fellow subsidiaries of HSBC Holdings plc

Transactions detailed below include amounts due to/from HSBC Holdings plc.

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**37**	7	159	9
Financial assets designated at fair value	**15**	**15**	–	–
Derivatives	–	–	–	–
Loans and advances to banks	–	–	–	–
Loans and advances to customers	**60**	**33**	35	35
Financial investments	**1**	**1**	1	1
Other assets	–	–	–	–

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Liabilities				
Trading liabilities	**13**	**12**	2,561	13
Deposits by banks	–	–	–	–
Customer accounts	**3,308**	**2,931**	2,287	2,287
Derivatives	–	–	–	–
Guarantees	–	–	–	–

	For the year ended 31 December 2007 £m	For the year ended 31 December 2006 £m
Income Statement		
Interest income	–	–
Interest expense	**111**	123
Dividend income	**14**	10
Fee income	–	–
Fee expense	–	–
Trading income	–	–
Other operating income	–	–
General and administrative expenses	**48**	50

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Transactions detailed below include amounts due to/from fellow subsidiaries of HSBC Holdings plc

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**9,895**	**7,453**	2,859	2,314
Derivatives	**24,494**	**7,445**	12,981	4,061
Loans and advances to banks	**5,968**	**5,968**	5,441	3,685
Loans and advances to customers	**1,646**	**1,102**	2,626	625
Financial investments	**5,829**	**5,829**	6,341	5,493
Other assets	**1,983**	**716**	2,996	370

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Liabilities				
Trading liabilities	**19,563**	**17,345**	2,780	2,780
Deposits by banks	**6,962**	**6,095**	7,837	4,345
Customer accounts	**2,131**	**1,429**	2,758	1,537
Derivatives	**26,536**	**8,966**	14,564	5,722
Guarantees	**151**	**116**	137	137

	For the year ended 31 December 2007 £m	For the year ended 31 December 2006 £m
Income Statement		
Interest income	**556**	491
Interest expense	**379**	322
Dividend income	–	–
Fee income	**99**	102
Fee expense	**135**	111
Trading income	**316**	120
Other operating income	**27**	30
General and administrative expenses	**120**	33

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Notes on the Financial Statements (continued)

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

Transactions between HSBC Bank plc and its subsidiaries, HSBC Holdings plc and fellow subsidiaries of HSBC Holdings plc

Transactions detailed below include amounts due to/from HSBC Bank plc and its subsidiaries.

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**40,138**	**40,138**	6,706	4,961
Derivatives	**8,341**	**8,341**	4,612	4,612
Loans and advances to banks	**5,026**	**3,798**	9,667	3,521
Loans and advances to customers	**7,930**	**7,594**	8,930	6,546
Financial investments	–	–	–	–
Other assets	–	–	–	–
Liabilities				
Trading liabilities	**16,153**	**13,567**	5,523	2,991
Deposits by banks	**12,695**	**10,827**	12,557	8,345
Customer accounts	**11,470**	**11,470**	10,144	10,144
Derivatives	**8,056**	**8,056**	4,487	4,020
Guarantees	**998**	**998**	496	460

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Transactions detailed below include amounts due to/from HSBC Bank plc and HSBC Holdings plc

	2007		2006	
	Highest balance during the year[1] £m	**Balance at the year end[1] £m**	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	**37**	7	86	9
Derivatives	–	–	–	–
Loans and advances to banks	–	–	–	–
Loans and advances to customers	**60**	**33**	35	35
Financial investments	–	–	–	–
Other assets	–	–	–	–
Liabilities				
Trading liabilities	**13**	**12**	2,554	13
Deposits by banks	–	–	–	–
Customer accounts	**3,289**	**2,919**	2,273	2,273
Derivatives	–	–	–	–
Guarantees	–	–	–	–

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

Transactions detailed below include amounts due to/from HSBC Bank plc and fellow subsidiaries of HSBC Holdings plc

	2007		2006	
	Highest balance during the year[1] £m	Balance at the year end[1] £m	Highest balance during the year[1] £m	Balance at the year end[1] £m
Assets				
Trading assets	8,803	6,634	2,863	2,195
Derivatives	5,335	5,255	2,602	2,366
Loans and advances to banks	4,890	4,329	5,122	3,075
Loans and advances to customers	982	982	2,425	509
Financial investments	–	–	–	–
Other assets	204	36	232	98

	2007		2006	
	Highest balance during the year[1] £m	Balance at the year end[1] £m	Highest balance during the year[1] £m	Balance at the year end[1] £m
Liabilities				
Trading liabilities	19,497	16,272	2,720	2,720
Deposits by banks	4,323	4,200	4,317	2,105
Customer accounts	1,850	1,147	2,318	1,289
Derivatives	5,826	5,826	3,667	3,667
Guarantees	113	70	97	97

1 *The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.*

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

Pension funds

At 31 December 2007, fees of £1.6 million (2006: £1.6 million) were earned by group companies for management services related to the group's pension funds held under management. The group's pension funds had placed deposits of £215 million (2006: £143 million) with its banking subsidiaries.

The above outstanding balances arose from the ordinary course of business and on substantially the same terms, including interest rates and security, as for comparable transactions with third party counterparties.

HSBC Bank (UK) Pension Scheme (the "Scheme") has entered into swap transactions with the bank to manage the inflation and interest rate sensitivity of the liabilities. At 31 December 2007, the gross notional value of the swaps was £14,994 million (2006: £7,390 million), the swaps had a negative fair value of £124 million to the bank (2006: positive fair value to the bank of £139 million) and the bank had delivered collateral of £378 million (2006: £133 million) to the Scheme in respect of these swaps. All swaps were executed at prevailing market rates and within standard market bid-offer spreads.

In order to satisfy diversification requirements, the Trustee has requested special collateral provisions for the swap transactions between the bank and the Scheme. The collateral agreement stipulates that the Scheme never posts collateral to the bank. Collateral is posted to the Scheme by the bank at an amount that the Trustee is highly confident would be sufficient to replace the swaps in the event of default by the bank. Under the terms of the agreement, increases in collateral when required, are posted by the bank on a daily basis and any reductions of collateral are repaid to the bank on a monthly basis.

With the exception of the special collateral arrangements detailed above, all other aspects of the swap transactions between the bank and the Scheme are on substantially the same terms as comparable transactions with third party counterparties.

43 Events after the balance sheet date

There have been no material events after the balance sheet date which would require disclosure or adjustment to the 31 December 2007 financial statements.

On 29 February 2008, HSBC France, a wholly-owned subsidiary of the bank , received a firm offer from Banque Fédérale des Banques Populaires of €2.1 billion (£1.5 billion) for its seven French regional banking subsidiaries. On the basis of this offer, HSBC France has entered into exclusive discussions with Banque Fédérale des Banques Populaires. HSBC France will now commence consultations with representatives of the relevant employee representative bodies before making any final decision. Any transaction will be subject to regulatory approvals in France.

At 31 December 2007, the aggregate total assets attributable to the seven French regional banking subsidiaries were €8.4 billion (£6.2 billion), and they generated net profits after tax of €100 million (£71 million) for the year ended 31 December 2007.

On 3 March 2008, the Board of Directors authorised the financial statements for issue.

第二部【企業情報】

第１【本国における法制等の概要】

１【会社制度等の概要】

（１）【提出会社の属する国・州等における会社制度】

①会社制度

本書の提出日現在、当行を規制する主たる法律的枠組みは、2006年会社法（以下「会社法」という。）である。2006年会社法は、2006年11月８日に女王から裁可され、段階的に施行された。会社法は、2009年10月１日に完全に（ただし、いくつかの限定的な対象外箇所がある。）最終施行された。

会社法により、1989年会社法の規定により修正および補足された1985年会社法（これまで連合王国で設立された会社を規制する主たる法律的枠組みであった。以下「1985年法」という。）は、廃止され、書き換えられた。会社法の2009年10月１日最終施行によって、当行を含む会社の根幹を統制する法的枠組みにつき多くの点が変更された。

以下は、当行を含む会社に適用される会社法の主要規定を要約したものである。

会社の設立手続には、発起人による基本定款への署名、および通常の場合通常定款への署名が含まれる。登記官が設立証書を交付する前に、署名済の基本定款および通常定款を会社登記機関に登録しなければならない。当行は、様々な会社法の制定に先立って、1836年８月15日付の会社設立証書により設立された。その後、1862年会社法に基づいて、当行は有限責任制を採用しない形で1873年に登記された。1880年に、1862年から1879年の会社法に基づいて株式有限責任会社として再登記された。1891年、1890年会社（基本定款）法の規定に従い、当行は設立証書に代えて基本定款および通常定款を採択した。

会社法の下では、基本定款の機能は減少し、ただ、発起人が会社を設立しようとしていること、会社の株主となり最低１人１株は保有することに同意していることを示すものでしかない。1985年法により基本定款に記載することが求められた事項（会社の目的、会社の株式資本の額面金額、会社の商号および有限責任公開会社（public limited company）か有限責任非公開会社（private limited company）か否かの確認記載）は、基本定款に記載することができない。さらに、会社法は、2009年10月１日より前に設立された会社の基本定款に記載された事項は、通常定款が（当行のように）それに応じて変更されていない限り、通常定款に記載されたものとみなす旨規定している。

通常定款には、会社の内部的経営および管理に関する規則が記載される。通常定款には、法律に反しない限り、会社の事業、業務、権利および権限ならびに株主、取締役、その他の役員および従業員の権利および権限に関する規定を設けることができる。通常定款は、特別決議によってのみ変更することができる（ただし、会社法に定める要件に従う。）。

通常定款には通常の場合、例えば、以下の事項に関する規定が含まれる。

(a) 会社の株式に付随する権利および義務（株式の割当、登録および名義書換ならびに株式資本の増加および変更に関する事項を含む。）
(b) 株主総会の議決および運営
(c) 取締役（取締役の員数、借入権限を含む権限および義務、報酬、費用および利益、利益相反の宣言および承認にかかる手続、その選任および解任の手続ならびに議事手続に関する事項を含む。）
(d) 会社の秘書役の選任および社印の使用
(e) 配当の宣言および支払
(f) 財務書類の作成および株主総会への提出ならびに株主への通知手続

会社は、会社の取引を表示および説明するのに足りる会計記録を保管することを会社法によって義務づけられている。会計記録は、会社の取引を表示かつ説明し、当該時点の会社の財務状態をいかなる時にも合理的な正確性をもって表示し、かつ取締役が会社の貸借対照表および損益計算書上に会社の状況および損益の状態が真実かつ公正に表示されていることを確認するのに足りるものでなければならない。取締役は、各事業年度ごとに、会社法の要件に従った貸借対照表、損益計算書および注記からなる財務書類を作成しなければならない。これらの財務書類は会計士（以下「会計監査人」という。）による会計士の専門家団体が定めた手続および基準に従った監査を受けなければならない。会計監査人は、法律により、会計監査人の判断において、貸借対照表および損益計算書が会社法および関連ある財務報告制度に従って適正に作成されているかどうか、特に当該貸借対照表が会社（またはグループ）のその事業年度末における財務状況および当該事業年度中の損益について真実かつ公正に表示したものであるかどうかを記載した報告書を作成して会社に提出しなければならない。また、会計監査人は事業年度についての取締役の報告書が当該事業年度の財務書類に合致しているか否かを検討し、合致していないと判断する場合には、その事実を報告書に記載しなくてはならない。中小規模企業の要件を満たす会社は、一般的な会計および監査要件の一定の免除を受けることを選択することができるが、当行はこの要件を満たしていない。

年次財務書類は、会社の事業に関する公正な検討を含む事業の検討を記載した取締役の報告書、会社が直面する主要なリスクおよび不確定要素に関する記載（関連ある事業年度中の会社の事業および当該事業年度末の事業状況の推移と実績に関する分析を含む。）、取締役の報酬報告書（上場会社の場合）およびかかる年次財務書類に関する会計監査人の報告書と共に株主総会に提出されなければならず、当該財務書類が提出される株主総会の21日以上前に会社の株主名簿に登録された会社の全株主に送付されなければならない。公開会社（当行を含む。）の場合には、財務書類が株主総会に提出され、かつ、関連ある事業年度末から６か月以内に会社登録機関に提出されなければならない。ロンドン証券取引所の主要市場に上場されている会社の場合、財務書類は、関連ある事業年度末から４か月以内に公開しなければならない。ビジネス・革新・技術大臣が定める一定の場合には、株主に対して要約財務書類のみを送付することができる。取締役の報告書には、特に会社法に定める一定の事項（会社が宣言する配当に関する取締役の勧告を含む。）を記載しなければならない。通常定款には、期末配当の支払については株主総会の承認を受けなければならない旨、株主総会は取締役がその報告書の中で勧告した金額を超えて配当を支払うことを決議できない旨、および取締役が株主の承認なく中間配当を支払うことができる旨を規定するのが通常である。会社法は、配当は、その配当支払いのための十分な配当可能利益（会社法に定める方法で計算する。）（概ね会社の累積実現利益から累積実現損失を控除した額）がある場合にのみ支払うことができる旨を定めている。さらに、当行のような公開会社は、純資産が払込済資本金総額と配当不能な準備金の合計額を下回る場合、または、配当支払により、そのおそれがある場合には、配当を実施することを禁止されている。

②株主

公開会社（当行を含む。）は、株主総会を少なくとも毎暦年に１回開催しなければならず、かかる株主総会を年次株主総会という。慣例上、年次株主総会の開催の主な目的は、年次報告書および財務書類の受領に加えて、取締役の選任または再任、配当の支払いの承認、会計監査人の選任ならびにその報酬額について決定することにある。また、通常定款の定めによっては、会社の取締役は年次株主総会以外の株主総会（単なる株主総会）を招集することができ、一定割合の株式を保有する株主は、取締役に対してかかる株主総会の招集を請求することができる。

会社の株式に付随する議決権および株主総会におけるその行使方法については、通常、会社の通常定款に規定されている。

株主総会に出席し議決権を行使することのできる株主は、総会に出席し、発言および議決権を行使する権利のすべてまたは一部を行使するために、代理人を総会に出席させることができる。代理人は会社の株主でなくてもよい。通常定款において、定足数および総会の議長の選任など株主総会に関するその他の事

項が定められる。

株主総会の決議の多くは、通常、普通決議すなわち本人または代理人により議決権を行使した株主の単純過半数の挙手により、または投票の場合、行使された議決権の単純過半数により採択される。ただし、会社法または通常定款に定めのある場合は、通常定款の修正その他の一定の事項については、議決権の４分の３以上の多数の特別決議によらなくてはならない。

③経営および運営

公開会社には、２人以上の取締役（いずれか１名は自然人でなければならない。）および１人以上の秘書役を置かなければならないが、法律上それ以外の特定の役員を選任することは要求されていない。秘書役は、会社法上特定の義務および責任を負い、会社法に定める資格を満たさなくてはならない。

通常定款は会社の業務が取締役会により運営されると定めている。取締役は、通常の場合、取締役会として行動し、会議により、または通常定款にその旨の定めがあるときは、会議を招集せずに決議する。通常の場合、取締役は、通常定款に基づき取締役により構成される委員会または業務執行取締役に対して特定の権限を付与することができる。

通常の場合、通常定款の規定により、取締役会は包括的にまたは特定の事項に関して、会社を代表する権限をいかなる者（会社の従業員を含む。）に対しても付与することができる。

株主は、いつでも普通決議（単純多数決）により取締役の一部または全部を解任する権限を有する。

④新株引受権および株式の発行

会社法によれば、株式の割当てまたは新株引受権もしくは株式への転換権付有価証券の授与を行うためには、取締役は、通常定款の定めまたは株主総会の普通決議による授権が必要とされる。取締役は、通常定款の定めまたは株主総会の普通決議による授権いずれの場合、その授権の下で割り当てることのできる株式の上限額を定め、授権が失効する日（授権の有効期間は、設立時の定款の定めによる授権の場合は設立日から、その他のすべての場合は授権決議の日から５年を超えることができない。）を明示して授権を得る必要がある。

会社法の規定により、株主は全額現金で払い込まれるエクイティー証券（会社法に定義されている。）の割当てに関して優先的引受権を有する。ただし、かかる規定は株主による特別決議、または通常定款により適用されないまたは修正される可能性がある。会社法上、かかる特別決議による授権は５年間に限り有効である。

⑤株式に関する利害関係の調査

会社法は、公開会社に対して、議決権付株式につき利害関係を有すると当該会社が知っている者または利害関係を現に有しているもしくは過去３年以内に権利を有していたと信じるに足る合理的な理由がある者に対して、当該利害関係に関する事項の開示を要求する権利を付与している。要求された情報を提供しない場合、裁判所の決定発令後、当該株式に関する権利の剥奪、その譲渡および当該株式に関する配当その他の支払いならびに当該株式に関する追加株式の発行の禁止を招来することがある。会社はまた、通常定款により（当行の通常定款も当該条項を有する。）、会社法に基づく当該開示義務の不履行があった場合に、かかる不履行があった株主に対し取締役会による制裁措置を課すことができる。

（２）【提出会社の定款等に規定する制度】

当行は、英国法に基づいて設立されており、当行の通常定款の規定に準拠する。以下は、通常定款の重要な規定の抜粋に過ぎず、通常定款のすべての規定を完全に理解するためには、通常定款を全体として参照する必要がある。

2009年10月１日、当行は通常定款を株主総会の特別決議により改正し、(i)会社法第28条により、2009年10月１日より当行の通常定款の規定として扱われる当行の基本定款の規定を削除し、(ii)2008年９月24日に当

行が採択した通常定款の代替となり、それを廃止する、新しい通常定款の採択を行った。これは、当行の経営や管理の規則が、定款変更の特別決議前のように基本定款ではなく、通常定款にて規定されることを意味する。

① 株式

（ｉ）資本

会社法は、1985年法による授権株式の設定義務を廃止した。したがって、2009年10月１日、当行は通常定款を変更し、授権株式に関する記載を削除した。

当行の発行済株式はすべてエイチエスビーシー・ホールディングス・ピーエルシー（HSBC Holdings plc）またはその名義人が保有している。したがって、当行株式は、いかなる証券取引所においても上場または取引されていない。会社法および上は、当行は「上場会社」に分類されない。

(ii) 特別の権利

その時点で発行されている株式または種類株式の保有者に対して既に付与されている特別の権利（これらの権利は下記「(iv) 権利の変更」に定める方法で変更または廃止することができる。）を損なうことなく、当行の株式は、当行が通常決議により随時決定し、またはかかる決議が可決されておらずもしくは当該決議で明確な規定がなされない場合は取締役（*１）が決定する通り、優先権、劣後権もしくはその他の特別の権利または制限（配当、議決権、資本返還またはその他のいずれに関するものかを問わない。）を付して発行することができる。

(iii) 特別の権利の付与に係る制限

ある種類株式に配当または資本返還に関する優先権が付されている場合、優先度において当該種類株式より先順位またはそれと同順位の他の株式に配当または資本返還のいずれかに関する権利が付与されたことにより、（当該種類株式の発行条件または通常定款に別段の明示的な定めがない限り）当該種類株式の保有者の権利は変更されたものとみなす。

(iv) 権利の変更

(1) 株主総会に関する通常定款の全ての規定は、株主総会が株主の請求により招集される場合（この場合、かかる招集請求によって表明されている議事または取締役会が提案する議事を除き、あらゆる議事は進行されてはならない。）を除き、あらゆる種類株式の保有者の全ての株主総会に準用されるものとする。かかる全ての株主総会の定足数は、当該種類の発行済株式に係る払込済額面金額の３分の１以上を保有しまたは委任状により代理する２名の者とする。本人または代理人が出席している種類株式の各保有者は、投票による採決を請求することができる。かかる各保有者は、投票に際し（本(iv)第(2)項および第(3)項に定める議決に関する規定に従い）、その保有する種類株式１株につき１議決権を有するものとする。延期されたかかる保有者の株主総会において上記の定足数を満たさなかった場合は、本人または代理人が出席している当該種類株式の保有者１名をもって定足数とする。

(2) 特定の発行済みポンド建て優先株式に付された権利が、その他一切の発行済みのポンド建て優先株式に付された権利と異なる場合において、

(a) それら全てのポンド建て優先株式に付された権利が変更または廃止される何らかの事由が発生し、かつ、

(b) それら全てのポンド建て優先株式にかかる変更または廃止が与える影響が取締役の判断において実質的に同等である場合、

それら全てのポンド建て優先株式に付された権利は、額面価額にして当該全てのポンド建て優先株式の４分の３の保有者の書面による同意または当該全てのポンド建て優先株式の保有者の個別の株主総会の特別決議による承認を得て変更または廃止することができる。本項によりかかる全てのポンド建て優先株式の保有者の個別の株主総会が開催される場合は、それら全てのポンド建て優先株式が統一された一種類の株式を構成するものとみなし、本(iv)第(1)項の第二文が当該株主総会に適用されるものとする（ただし、当該ポンド建て優先株式の額面価額が異なる場合、各保有者は投票に際し、その保有するポンド建て優先株式資本の額面金額１ポンドにつき１議決権を有するものとする。）。

(3) 特定の発行済ドル建て優先株式、第二ドル建て優先株式または第三ドル建て優先株式に付された権利が、その他の発行済みのドル建て優先株式に付された権利と異なる場合において、

(a) それら全てのドル建て優先株式に付された権利が変更または廃止される何らかの事由が発生し、かつ、

(b) それら全てのドル建て優先株式にかかる変更または廃止が与える影響が取締役の判断において実質的に同等である場合、

それら全てのドル建て優先株式に付された権利は、額面価額にして当該全てのドル建て優先株式の４分の３の保有者の書面による同意または当該全てのドル建て優先株式の保有者の個別の株主総会の決議による承認を得て変更または廃止することができる。本項によりかかる全てのドル建て優先株式の保有者の個別の株主総会が開催される場合は、それら全てのドル建て優先株式が統一された一種類の株式を構成するものとみなし、本(iv)第(1)項の第二文が当該株主総会に適用されるものとする（ただし、当該ドル建て優先株式の額面価額が異なる場合、各保有者は投票に際し、その保有するドル建て優先株式の額面金額0.01ドルにつき１議決権を有するものとする。）。

(ｖ) 取締役の裁量に一任される株式

会社法および株主総会において当行から付与された関連する権限に従い、取締役会(*２)は、当行の未発行株式、株式を引受ける権利または有価証券を株式に転換する権利を取締役会が決定する者に対し、当行の通常定款の採択から５年目の応答日またはかかる権利を改めるそれより早い時期の決議の日までの間、額面総額353,030,892ポンドもしくはドルまたはかかる権利を改める決議において定められる額を上限として、その決定する時期に、その決定する条件により割り当て、これらにかかるオプションを付与し、またはその他の方法でこれらを処分する一般的かつ無条件の権限を有する（ただし、いかなる株式も割引価格にて発行することはできない。）。

(vi) 株券保有の権利を有する株主(*３)

株券の保有者となった者（当行が法律によりその者に対する株券の発行を義務付けられない者を除く。）は、割当または譲渡証書の提出後２か月以内に、（当該株式の発行条件において別段の定めがない限り、）その名義で登録されている各種類の株券の全部について株券１枚を無償で受け取る権利を有するものとする。かかる株券にはその発行に関する株式の数、種類および識別番号（もしあれば）ならびに払込済金額または各金額を明記するものとする。

(vii) 残余株の株券

株主が株券に含まれる株式の一部のみを譲渡した場合は、かかる株式の残余部分に対して株券１枚を無償で受け取る権利を有するものとする。

(viii) 株式の譲渡

各株主は、一般的な書式または取締役会が承認する書式に従って作成された書面による譲渡証書をもって、その株式の全部または一部を譲渡することができる。かかる証書は譲渡人またはその代理人、および（全額払込済みでない株式の譲渡にあっては）譲受人またはその代理人が作成するものとする。

② 株主総会

（ｉ）年次株主総会

当行は、会社法に従い、会社法第336条の要請に則り１回の株主総会を年次株主総会として開催するものとする。かかる年次株主総会は、取締役会が決定する時期および場所にて開催されるものとする。

（ii）株主総会の招集

取締役会は、適切と判断するときはいつでも株主総会（すなわち年次株主総会ではない株主総会）を招集することができる。株主総会はまた、株主による招集請求に基づき招集され、［かかる招集が行われなかった場合には］会社法に定める招集請求権者がこれを招集することができる。かかる招集請求に基づきまたはかかる招集請求権者により招集された株主総会においては、当該招集請求により定められた議事または取締役会が提案した議事を除き、いかなる議事も行わないものとする。

(iii) 日時および場所

株主総会の開催日および開催場所は、株主総会の通知に記載されるとおり、株主総会の招集者が決定するものとする。

年次株主総会は、21日以上前の書面による事前の通知をもって招集するものとする。その他全ての株主総会は、14日以上の期間または法律が随時義務付けるこれより長い期間をおいた書面による事前の通知をもって招集するものとする。

株主総会は、会社法の規定に従っていれば、前項に定めるより短い期間をもって招集された場合でも、以下の者が同意した場合は、適正に招集されたとみなされる。

(1) 年次株主総会の場合には、当該株主総会に出席し議決する権利のある全ての株主。

(2) その他の株主総会の場合には、当該株主総会に出席し議決する権利のある株主の過半数の者であって、合計で当該権利を付与する株式の額面価額の95パーセント以上を保有する過半数の者。

(iv) 特別議事および通常議事

株主総会において処理する議事は、年次株主総会において処理する以下の議事を除き、全て特別議事とみなされる。

(1) 年次財務書類、当該財務書類に関する取締役報告書および監査報告書の受領および審議。

(2) 交代により退任しまたはその他の理由で辞任する取締役およびその他の役員に代わる取締役およびその他の役員の任命または再任命。

(3) 配当の宣言。

(4) 退任する会計監査人（当行により株主総会によらずにその直近の任命がなされた場合を除く。）の再任命および会計監査人の報酬またはかかる報酬の決定方法の決定。

（ｖ）定足数

(1) 会社法に従い、株主総会の定足数は、出席し議決権を有する株主（本項においては、代理人および法人代表者を含む。）２名とする。株主総会において議事を進行する時点で定足数が充足されていない限り、いかなる議事も処理してはならない。通常定款に基づく議長の選任は、株主総会の議事の一部として取り扱われるものではなく、定足数の不充足によって妨げられない。

(2) 株主総会の開催予定時刻から30分（または議長が待機時間と決定したこれより長い時間）以内に定足数が充足されず、または当該株主総会の途中で定足数が充足されなくなった場合、当該株主総会は、株主またはその招集請求により招集されたものである場合には解散となる。それ以外の場合については、株主総会の議長が決定する通り、次週の同じ曜日、時刻および場所まで延期される。延会の定足数は、出席し議決権を有する株主（本項においては、代理人および法人代表者を含む。）１名とする。延会において開催予定時刻から５分以内に定足数が充足されない場合、当該延会は解散するものとする。

③ 株主の議決

（ｉ）議決権

会社法の規定および株式の発行またはその時点における保有に係る議決に関する特別な条件ならびに通常定款に基づく議決権の停止または廃止に従うことを条件とすれば、議決権については以下のとおりである。すなわち、挙手による採決の場合出席しており（代理人による場合は含まない）決議に係る議決をする資格のある株主は、１議決権を有するものとし、出席している代理人の場合は、決議に係る議決をする資格のある株主から適法に任命されている限り、１議決権を有する。ただし、決議に係る議決をする資格のある複数の株主から任命された代理人で、１人以上の株主から議決について裁量を与えられたか、相反する議決を指示された場合には、当該代理人は賛成の１議決権と反対の１議決権を有する。また、投票の場合は、出席しており決議に係る議決をする資格を有する各株主が、その者が保有する１株式について１議決権を有するものとする。ただし常に、いかなる株主も、譲渡により取得した株式については、当該株主総会の通知日にその保有者として登録されていない限り、株主総会またはその延会における議決権を有しないものとする。

（ⅱ）議決をする権利

取締役会が別段の決定をしない限り、いかなる株主も、その保有する株式について全ての払込請求額またはその時点で当行に支払うべきその他の金額が支払われていない限り、本人または代理人を問わず、株主総会またはあらゆる種類の株式の個別株主総会において決議に参加し、または株主としての権利を行使する権利を有しないものとする。

④ 取締役

（ｉ）員数

当行が通常決議により別段の決定をしない限り、取締役の員数は２名以上とし、上限を設けない。

（ⅱ）報酬

取締役は、当行が株主総会において随時決定する報酬を受け取る権利を有するものとし、かかる報酬は、株主総会において当行の特別の指図があった場合はこの指図に従うことを条件として、取締役会決議により決定する方法で、またはかかる決定なき場合は均等に、取締役間で分配するものとする。ただし、後者の場合において、在職期間が１年に満たない取締役はその年に在職した期間に応じてのみ分配を受けられるものとする。

（ⅲ）取締役の一般的権能

会社法および通常定款の規定ならびに当行の特別決議による指図に従い、当行の業務は、取締役会が運営し、取締役会は、業務の運営に関係するか否かを問わず、当行の権限を全て行使することができる。

（ⅳ）取締役の借入れの権能

取締役会は、金銭を借り入れ、当行の事業、財産および資産（現在または将来におけるもの）ならびに払込未請求資本の全部または一部に譲渡抵当権または担保権を設定し、無条件であるか当行または第三者の負債、債務もしくは義務の担保であるかを問わず、会社法の規定に従い、ディベンチャーその他の有価証券を発行する当行の権限を全て行使することができる。

（ｖ）取締役の選任および退任

毎年の年次株主総会において、交替による退任の対象である取締役の３分の１、または取締役の員数が３名または３の倍数でない場合は、３分の１に最も近く３分の１を超えない数の取締役がその職を退く。

交替により退任しなければならない取締役とは別に、次の取締役も交替により退任しなければならない。

(1) 当行の年次株主総会において、その前２回の各年次株主総会においても取締役であった取締役、そのいずれかの総会において選出または再選されなかった取締役、その他の方法（辞任、退任、

解任その他）により取締役でなくなっておらず、そのいずれかの年次株主総会において、またはそれ以降、当行の株主総会により再選されていない取締役、

(2) 年次株主総会日現在において、連続する９年以上、従業員または業務執行職を除き、役職にある取締役。

会社法および通常定款の規定に従い、各年次株主総会で交替により退任する取締役は、必要数を満たすために必要である限りにおいて、第一に、退任を希望し、自ら再選を申し出ていない取締役、第二に、最後の選任または再任から最も長くその職にある取締役を含む。同期間その職に就いている２名以上の取締役の間では、当事者間で合意のない限り、くじ引きにより退任する者を決定する。

年次株主総会で（交替その他により）退任する取締役は、取締役を務める意思がある場合には、再選される可能性がある。当該取締役が再選されず、または再任されたものとみなされない場合、当該取締役は、株主総会が後任でその職に就く者を選任するまで、または株主総会の終結時までその職に留まる。

前述の制限に従い、当行は、通常決議により、空席を補充するために、または既存の取締役会への追加として、取締役を務める意思のある者を取締役に選任することができるが、取締役の総数は、通常定款に従い設定される上限数（もしあれば）を超えることはできない。

通常定款に従い、いずれかの者を取締役に選任する当行の権能を損なうことなく、取締役会は、いつでも、空席を補充するために、または既存の取締役会への追加として、取締役を務める意思のある者を選任する権能を有するが、取締役の総数は、通常定款に従い設定される上限数（もしあれば）を超えてはならない。そのように選任された取締役は、その選任後の次の年次株主総会で退任するものとし、その総会で再任される資格を有するが、交替により退任する取締役の人数決定にあたり考慮されることはない。

（交替その他により）退任する取締役を除き、いかなる者も、取締役会により推薦されていない限り、株主総会において取締役に選任または再任されないものとする。取締役は、当行の株式を保有することを要求されないものとする。

１回の決議により取締役として２名以上の者を選任する決議は、無効とする。ただし、そのように選任する通常決議案が反対投票なしにその総会で最初に承認されている場合はこの限りではない。

(vi) 取締役の利害

取締役会は、通常定款に従い取締役に提案された事項であって、承認されなければ会社法第175条における利益相反を回避する取締役の義務の違反となる事項を承認することができる。かかる事項には、取締役が当行の利益と相反し、または相反する可能性のある利害を有し、または有する可能性のある状況（当行が活用できるか否かを問わず、財産、情報または機会の利用を含むが、利益相反を生じさせる可能性が高いと合理的に判断することができない状況を除く。）に関する事項を含むが、これに限定されない。この規定は、当行との取引または取り決めに関連して生じる利益相反には適用されない。

上記の規定に基づく承認は、次の場合に限り効力を有する。

(1) 当該取締役または利害関係を有する他の取締役が定足数に数えられることなく、当該事項が審議される会議における定足数が充足されている場合。

(2) 当該事項が、当該取締役または利害関係を有する他の取締役が票を投じることなく承認されたか、それらの者が投じた票が数えられなかったとしても承認されていた場合。

取締役会は、（承認時であるかそれ以後であるかを問わず、）取締役会が明示的に課す制限または条件を付してかかる承認を行うことができるが、かかる承認は、かかる制限または条件を除いては最大限の効力を有する。取締役会は、いつでもかかる承認を変更しまたは終了することができる。

提案されている当行との取引または取り決めについて直接的または間接的に何らかの利害を有する取締役は、当行が当該取引または取り決めを締結する前に他の取締役に対して利害の性質および範囲を申告するものとする。

当行が締結した取引または取り決めについて直接的または間接的に何らかの利害を有する取締役は、

前項に基づき当該利害が既に申告されていない限り、合理的に実行可能な限り速やかに、他の取締役に対して利害の性質および範囲を申告するものとする。

会社法の規定に従うことを条件として、かつ、通常定款を遵守する場合には、取締役は、その役職にかかわらず、以下を行うことができる。

(1) 当該取締役の役職もしくは有給職の任期に関し、またはベンダー、買主もしくはその他として、当行との契約、取り決め、取引もしくは提案もしくは当行が別段の利害を有する契約、取り決め、取引もしくは提案を締結し、またはこれらにおいて利害を有すること。

(2) 通常定款の他の規定に定める報酬に加えて、またはそれに代えて取締役会が取り決める報酬その他に関する条件にて、取締役職と同時に当行の他の役職または有給職（会計監査人(*４)または当行の子会社の会計監査人職を除く。）を兼務すること、および本人または企業をして当行のために専門的資格において行為すること。

(3) 当行が発起設立した会社、当行がその他の方法により権益を有する会社または当行が任命権を有する会社の取締役またはその他の役員に在任するか、かかる会社により雇用されるか、かかる会社との取引もしくは取り決めの当事者となるか、またはその他の方法でこれらについて権益を有すること。

取締役は、その役職によらず、地位、職、取引もしくは配属から生じた、または何らかの法人（それへの在職の受諾、入社、在任が通常定款に基づき取締役会で授権されたか（ただし授権された条件に従う。）、通常定款によりそれを有することや入社することが許されているもの）について権益を有することにより得られる報酬その他の利益について当行に対する説明責任を負うものではなく、これらの報酬その他の利益を受けることは、会社法第176条の違反を構成するものではない。通常定款により授権され若しくは許可された取引または配属を理由に、報酬その他の利益が無効とされることはない。

⑤ 配当

(i) 配当の宣言

会社法第829条から第853条までの規定および通常定款に従い、当行は通常決議により、当行の利益に対するそれぞれの権利および持分に基づき株主に対して支払われるべき配当を宣言することができる。ただし、いかなる配当も取締役会から推奨された金額を超えないものとする。

(ii) 中間配当

会社法の規定に従い、取締役会は、当行の分配可能な利益から取締役会が正当とみなす中間配当（定率で支払われる一切の配当金を含む。）を宣言し、支払うことができる。当行の株式資本が異なる種類に分割されている場合はいつでも、取締役会は、当該時点において未払いの優先配当金が存在しない限り、かかる中間配当を配当に関する優先権が付与された株式に劣後する株式に対しても、優先株式と同様に支払うことができる。取締役会が誠実に行為することを条件として、取締役会は、優先株式に劣後する株式に対する適法な中間配当の支払いにより優先株主が被った損失については、何ら責任を負わないものとする。

(iii) 配当を受ける権利

(1) 株式の発行条件または株式に付随する権利に別段の規定がない限り、全ての配当は、配当が支払われる株式に対する払込金額（払込請求前の払込みを除く。）に基づき、宣言され、支払われるものとする。上記に従い、全ての配当は、配当が支払われる対象期間中いずれかの時期に払い込まれた額面金額（普通株式の場合は、全ての全額払込済普通株式に対する払込みとして認識される金額がこの金額として扱われる。）の割合に比例して配分され、支払われる。ただし、株式が特定日以降の配当につき同順位とする条件に基づき発行された場合、当該株式は、配当についてしかるべく同順位となる。

(2) 株式に付随する権利に別段の規定がない限り、配当はあらゆる通貨建てで宣言され、または支払うことができる。取締役会は、いかなる株主との間においても、かかる株主の株式について随時または適宜、ある通貨建てで宣言され、または支払われるべきとされた配当が、異なる通貨建てで支払われ、または履行されることに合意することができ、かかる配当に適用される通貨換算基準、ならびに異なる通貨建てで支払われるべき金額の計算および支払いの時期および方法につき、当行または上記に伴う費用を負担すべきその他一切の者のために合意することができる。

(iv) 基準日

通常定款の他の規定にかかわらず、ただし、会社法および株式に付随する権利に従い、当行または取締役会は、配当、分配、割当または発行の基準日として任意の日を設定することができる。基準日は、配当、分配、割当または発行が宣言され、行われ、もしくは支払われる当日またはその前後のいつでもよい。

本「(2) 提出会社の定款等に規定する制度」において、下記の用語は、以下の意味を有する。

*1 「取締役」とは、当行のその時点における機関としての取締役、または取締役会に出席している取締役の定足数を意味する。

*2 「取締役会」とは、当行の取締役会を意味する。

*3 「株主」とは、当行の株主を意味する。

*4 「会計監査人」とは、当行の会計監査人を意味する。

2【外国為替管理制度】

現在、国際連合、欧州連合、連合王国の金融制裁に関する法令、規則その他の命令により禁じられている支払いまたは取引に関する規制を除き、連合王国非居住者による当行普通株式または社債の取得ならびに連合王国非居住者に対する(1)普通株式の配当その他の分配金、(2)普通株式の売却手取金または(3)社債の元利金の送金について、連合王国の外国為替管理規制は存在しない。

3【課税上の取扱い】

連合王国における課税

以下の記述は、本社債に関する元利金の支払いに関連する、本書提出日現在の連合王国における源泉徴収課税の取扱いについて要約したものである。本要約は、現行法および連合王国歳入税関庁（以下「歳入税関庁」という。）の実務に依拠しているが、これらは将来、時には遡及的に、変更されることがある。以下の記述は、本社債の取得、保有および処分に関する連合王国のその他の課税上の取扱いについて記述したものではない。以下の記述は、もっぱら本社債の完全な実質保有者である者の地位に関連するものである。将来において本社債権者となる者は、本社債の任意のシリーズに関する特定の発行条件が、当該シリーズおよび本社債のその他のシリーズにおける課税上の取扱いに影響を及ぼす可能性があることに留意すべきである。以下の記述は情報の提供を目的とする一般的な指針であり、十分な注意をもって取り扱われるべきである。以下の記述は税務上の助言として意図したものではなく、本社債の購入希望者に関連する可能性がある全ての税務上の検討事項について記述することを目指したものでもない。本社債権者は、自らの税務上の地位について何らかの疑いがある場合は、専門家に助言を求めるべきである。本社債権者が本社債の取得、保有または処分について連合王国以外の管轄地で納税義務を負う可能性がある場合は、かかる納税義務の有無（および納税義務がある場合はいずれの管轄地の法律に基づいてかかる納税義務を負うか）について、専門家の助言を求めることが特に望ましい。なぜなら、以下の記述は、本社債に関する支払いについて、もっぱら連合王国における課税上の一定の側面を述べたものに過ぎないからである。本社債権者は特に、本社債に関する支払いについては、たとえかかる支払いが連合王国の法律に基づく課税上の（またはこれを理由とする）源泉徴収または控除なしに行われる場合であっても、他の管轄地の法律に基づく納税義務を負う可能性があることに留

意すべきである。

(A) 連合王国の源泉徴収税

1．確定利付債および（連合王国における源泉徴収税の利息として扱われる範囲において）本社債の買い戻しに係る元本額を超えて発行会社が行った支払い（以下「プレミアム」という。）は、発行会社が2007年所得税法第878条の目的における「銀行」であり、かつ、かかる支払いが発行会社によりその通常の業務過程でなされる場合に限り、連合王国の所得税上の（またはこれを理由とする）源泉徴収または控除なしに行うことができる。歳入税関庁が公表している実務に従い、かかる支払いは、以下のいずれかに該当する場合を除き、発行会社によりその通常の業務過程でなされたものと認められる。

(a) 対象となっている借入れが、金融サービス機構（以下「FSA」という。）が採用するTier 1、2または3資本の定義のいずれかに合致する場合（当該借入れが規制の目的上、実際にTier 1、2または3資本に算入されるか否かを問わない。）、または

(b) 利息を生じさせる取引の性質が、主として連合王国での課税を回避する目的に起因するものである場合。

2．以下の場合および以下の範囲において、下記の支払いは、いずれの場合においても、基本税率（現行では20%）により連合王国の所得税を控除してなされるものに該当する可能性がある。ただし、適用ある二重課税防止条約の規定または適用される可能性のあるその他の免除規定に基づいて利用できる免除方法がある場合にはこれに従う。

(a) プレミアムが（i）連合王国の源泉徴収目的で「年払い」として扱われ（プレミアムはそのように扱われにくいと考えられている）または（ii）連合王国の源泉徴収目的に対する利息となる場合（利息となる場合において、上記(A)第１項に記載する免除規定該当しなかったとき）、または

(b) 確定利付債に関する支払いが上記(A)第１項に記載する免除規定該当しなかった場合。

(B)情報の提供

1．本社債権者は、本社債の利息が、発行会社または連合王国における発行会社の代理人（以下「支払代理人」という。）によって当該本社債権者に支払われる場合、または連合王国における当該本社債権者の代理人（以下「受領代理人」という。）によって受領される場合（小切手の決済または決済の取決めのみを行う場合を除く。）には、発行会社、支払代理人または受領代理人（場合による。）は、一定の場合において、歳入税関庁に対し、支払いの詳細および本社債権者に関する一定の詳細（本社債権者の名称および所在地を含む。）の提供を要求される可能性があることに留意すべきである。これらの規定は、利息の支払いが連合王国の所得税上の（またはこれを理由とする）源泉徴収または控除を受けて行われたか否か、および本社債権者が連合王国の課税目的上、連合王国居住者であるか否かにかかわらず、適用される。一定の状況下では、歳入税関庁に提供された詳細が、同庁から、一定のその他の管轄地の課税当局に渡される可能性がある。

2．貯蓄収入の課税に関するEC理事会命令（2003/48/EC）に基づき、各加盟国は、他の加盟国における個々の居住者または同加盟国に設立された事業体（一定の限られた種類）のために、該当者がその管轄下において支払ったかまたは他の加盟国における個々の居住者または同加盟国に設立された事業体（一定の限られた種類）から徴収した利息の支払いもしくはその他の類似の収入の詳細について、該当する他の加盟国の税務当局へこれを提供しなければならない。ただし、移行期間中は、オーストリア、ベルギーおよびルクセンブルクはかかる支払いに関する源泉徴収システムを適用する代わりに、35%を超えた税金を控除することができる。移行期間は、一定の非EU加盟国がかかる支払いに関する情報交換について合意を行った後の１回目の事業年度の最終日に終了する予定である。ベルギーは、源泉徴収税を2010年１月１日から居住加盟国と情報交換を行う体制へ変更した。

非EU加盟国の多くおよび加盟国の特定の属領または関係地域も、他の加盟国における個々の居住者または同加盟国に設立された事業体（一定の限られた種類）のために、該当者がその管轄下において支払ったかまたは他の加盟国における個々の居住者または同加盟国に設立された事業体（一定の限られた種類）から徴収した利息の支払いに関して、同様の基準を採用している。また、加盟国は、当該関係地域における個々の居住者または同地域に設立された事業体（一定の限られた種類）に対して加盟国における個人が支払ったかまたは当該居住者もしくは事業体のために徴収した支払に関し、一定の属領または関係地域との情報提供または暫定的な源泉徴収を開始した。

2008年11月13日、ECは、当該命令に対する修正案を発表した。この発表には、数々の修正案についてこれらが実施された場合、上記に示された要件の範囲が広がることになる旨が含まれている。欧州議会は、2009年4月24日に当該修正案の改訂版を承認した。自身の状態に不明確な投資家は、各々の専門家に相談すべきである。

(C) 連合王国の源泉徴収税に関するその他の規則

1．利息の支払いが、連合王国の所得税上の控除を受けて行われた場合、連合王国に居住していない本社債権者は、適用ある二重課税防止条約に適切な規定があり、または現地の税法が許容するときには、控除された税額の全部または一部を回復できる可能性がある。

2．上記にいう「利息」とは、連合王国の税法上解釈される「利息」を意味する。上記においては、「利息」または「元本」について、他の法律に基づいて有効である可能性があり、または本社債の諸要項もしくは関連する書類によって設定される可能性がある、いかなる異なる定義も考慮に入れていない。本社債権者は、本社債に係る支払いであって、「利息」または「元本」（これらの用語は連合王国の税法上解釈される。）を構成しないものに関する源泉徴収税上の取扱いについて、各自専門家の助言を求めるべきである。

3．「連合王国における課税」と題する上記の概要は、本社債の条項に基づいて発行会社の代替がないことを前提とするものであり、かかる代替があった場合の税務上の影響については考慮していない。

4【法律意見】

当行の法律顧問であるクリフォードチャンス・エルエルピーは、次の趣旨の法律意見書を提出している。

(1) 当行は、英国法に基づいて有限責任会社として適法に設立されている。

(2) 本書で企図された本社債の日本国における売出しは、英国法に違反しない。

(3) 本書の「第二部 企業情報－第１ 本国における法制等の概要」における記載は、当該記載が英国法（または租税に関しては、連合王国の租税法）に基づく記載である限り、あらゆる重要な点において真実かつ正確である。

第２【企業の概況】

１【主要な経営指標等の推移】

財務ハイライト

(単位：百万ポンド)

	2008年	2007年 (修正再表示)[4]	2006年	2005年	2004年
年間[1]					
税引前経常利益	4,366	4,063	3,796	3,731	2,953
親会社株主に帰属する利益	3,441	3,209	2,722	2,842	2,057
期末					
親会社の株主資本	19,923	24,423	20,399	19,091	16,828
資本の源泉[2]	27,098	24,231	21,360	19,677	16,424
顧客からの預金および銀行からの預金	431,311	317,055	265,863	239,673	193,664
資産合計	924,231	622,280	440,760	386,422	292,481
比率(%)					
親会社の平均株主資本収益率	14.5	14.5	13.6	16.4	12.7
資本比率					
－総資本[2]	10.5	10.8	11.2	10.8	10.5
－Tier1資本[2]	6.8	7.5	7.5	6.9	7.4
費用効果比率[3]	56.6	60.5	58.9	58.8	64.2

1　財務ハイライトは欧州連合(EU)が是認した国際財務報告基準（以下「IFRS」という。）に従って作成されている。2004年の財務ハイライトについては、国際会計基準（以下「IAS」という。）第32号、IAS第39号およびIFRS第4号は含まれていない。

2　2007年の資本残高および資本比率はBasel Ⅰを基準として記載されており、Basel Ⅱに基づいて計算された2007年12月31日現在のプロフォーマ数値は、資本の源泉：22,514ポンド、総資本比率：10.6%、Tier1資本比率：7.6%である。

3　費用効果比率は、営業費用合計を正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）で除したものと定義される。

4　修正再表示された数値は、国際財務報告解釈指針第11号の採用を反映している。

財務ハイライトは、５年間における当行グループ組織の変化による影響を受けている。

２【沿革】

HSBCバンク・ピーエルシーは、登録番号：第14259号としてイングランドおよびウェールズで登録された有限責任公開会社であり、社員は有限責任とされる。HSBCバンク・ピーエルシーの登記上の営業所および本店は、E14 5HQロンドン市カナダ・スクエア８に所在し、電話番号は、+44 20 7991 8888である。当行は、1836年８月15日付の会社設立証書により設立され、1862年会社法に基づいて1873年に無限責任会社として登録された。当行

は、1862年から1879年の会社法に基づいて1880年７月１日に法人化された。当行は、1923年11月27日に「ミッドランド・バンク・リミテッド」の名称を採用し、かかる名称は、1948年から1980年の会社法に基づいて有限責任公開会社として再登録され、「ミッドランド・バンク・ピーエルシー」に名称変更された1982年２月１日まで用いられた。1992年12月31日に終了した年度において、ミッドランド・バンク・ピーエルシーは、HSBCホールディングス・ピーエルシーの完全子会社となり、また、1999年９月27日の特別決議により、その名称を「ミッドランド・バンク・ピーエルシー」から、「エイチエスビーシー・バンク・ピーエルシー」に変更した。広告においては、当行の略称である「HSBC」を使用している。

３【事業の内容】

当行グループは、銀行業務および関連金融サービスを幅広く提供している。当行グループの業務は、連合王国、ヨーロッパ大陸およびその他の地域を地理別セグメントとして分類しており、また、当行グループの業務は、事業別セグメントとして、UK個人向け金融サービス、UKコマーシャル・バンキング、UKグローバル・バンキング・アンド・マーケッツ、インターナショナル・バンキング、HSBCフランス、プライベート・バンキングおよびHSBCトリンカウス・アンド・ブルクハルトに分類される。

2008年12月31日現在、当行は連合王国に1,430支店を、またマン島およびチャネル諸島に14支店を有している。

連合王国外では、当行はベルギー、チェコ共和国、フランス、ギリシャ、香港特別行政区、アイルランド、イスラエル、イタリア、オランダ、スロバキアおよびスペインに支店を、また、ウクライナおよびベネズエラに駐在員事務所を有し、当行子会社は、アルメニア、チャネル諸島、チェコ共和国、フランス、グルジア、ドイツ、ギリシャ、香港特別行政区、ハンガリー、アイルランド、カザフスタン、ルクセンブルク、マルタ、ポーランド、ロシア、南アフリカ、スロバキア、スイスおよびトルコに支店および事務所を有している。

2009年６月30日現在、当行グループの資産合計は774,811百万ポンド、顧客に対する貸付金は279,509百万ポンド、銀行に対する貸付金は49,694百万ポンド、顧客からの預金は351,387百万ポンド、銀行からの預金は56,634百万ポンド、ならびに資本合計は23,651百万ポンドであった。2009年６月30日に終了した６か月間において、当行グループの営業利益は2,344百万ポンドであり、営業収益合計は9,778百万ポンドであった。

UK個人向け金融サービス

UK個人向け金融サービスでは、当座預金、貯蓄、個人向けローン、住宅ローン、カード、財務計画ならびに生命保険および損害保険を、様々なHSBCブランドによる販売チャネルを通じて連合王国の個人顧客に提供している。これらには、ファースト・ダイレクト(first direct)、マークス・アンド・スペンサー・マネー(Marks & Spencer Money)およびパートナーシップ・カード(partnership card™)が含まれる。

UKコマーシャル・バンキング

UKコマーシャル・バンキングは、個人事業主から上場会社までを含む営利団体に幅広い商品とサービスを提供している。かかる商品やサービスには、当座預金、貯蓄預金、支払い、電子銀行取引、貿易金融、貸付、当座貸越、アセット・ファイナンス、外国為替商品その他のトレジャリーおよびキャピタルマーケット商品、ウェルス・マネジメントならびに損害保険が含まれる。

UKグローバル・バンキング・アンド・マーケッツ

グローバル・バンキング・アンド・マーケッツは、顧客である世界中の主要政府、企業および機関投資家に対して個々の状況に応じた金融ソリューションを提供している。当該事業は、４つの主要な事業部門 － グローバル・マーケッツ、グローバル・バンキング、プリンシパル・インベストメントおよびHSBCグローバル・アセット・マネジメント － として管理されている。この構造のおかげで、HSBCグループはHSBCグループの過去の実績に最も適した関係と部門に集中的に取り組むことができ、また、HSBCグループの商品とサービスを切れ目無く顧客に提供できている。

その他

「その他」で報告される主要な項目には、自己負債および保証資本勘定の公正価値の変動ならびにHSBCグループのロンドン本店の買い戻しに係る利益が含まれる。また、2007年において、「その他」には、当行グループのために行われた資産担保付融資に関連してグローバル・バンキング・アンド・マーケッツに支払われた手数料、ITサービスの請求額を超える/下回る純回収額および米ドル建て優先株式の為替変動が含まれていた。

インターナショナル・バンキング

インターナショナル・バンキング事業セグメントは、主にヨーロッパでの銀行業務（HSBCフランス、HSBCトリンカウス・アンド・ブルクハルトおよびプライベート・バンキングによるものを除く。）に相当するセグメントである。インターナショナル・バンキングは、さまざまなリテール金融サービスを国内外の個人・法人顧客に対して提供し、またグローバル・バンキング・アンド・マーケッツの業務を法人・機関投資家顧客に対して提供している。

HSBCフランス

HSBCフランスは、フランス国内において、個人、企業、法人および機関投資家顧客に対し、リテール、商業、保険、プライベート・バンキング、アセット・マネジメント、グローバル・マーケッツおよびグローバル・バンキングなどの幅広い商品を提供している。

プライベート・バンキング

プライベート・バンキングは、HSBCプライベート・バンキング・ホールディングス（スイス）エスエーおよびその子会社の業務を反映している。フランスおよびドイツにおけるプライベート・バンキング事業ならびにインターナショナル・バンキングについては、各事業セグメントに記載されている。

プライベート・バンキングは、富裕層の顧客を対象に、アドバイザリー・ポートフォリオ運用、投資一任運用、税務・信託・相続計画、ミューチュアル・ファンド、および通貨・証券取引を含む幅広い顧客サービスを提供している。

HSBCトリンカウス・アンド・ブルクハルト

ドイツ、デュッセルドルフに本店を置くHSBCトリンカウス・アンド・ブルクハルトは、富裕層の個人顧客、大企業、機関投資家顧客、公営企業および金融機関に対して、総合的なサービスを提供している。

上記の記述は、2008年12月31日における当行グループのセグメントに基づく。当行グループは、2009年１月１日にIFRS第８号を採用し、それ以降当行グループのセグメントは、英国リテール、欧州大陸リテール、グローバル・バンキング・アンド・マーケッツ、プライベート・バンキングおよびその他の５つのセグメントで組織されることとなった。

概略を述べると、これまで「UK個人向け金融サービス」および「UKコマーシャル・バンキング」の下で行われてきた事業が「英国リテール」として、これまで「インターナショナル・バンキング」および「HSBCフランス」の下で行われてきた個人向け事業が「欧州大陸リテール」として、これまで「UKグローバル・バンキング・アンド・マーケッツ」、「インターナショナル・バンキング」、「HSBCフランス」および「HSBCトリンカウス・アンド・ブルクハルト」の下で行われてきたグローバル・バンキング・アンド・マーケッツ事業が「グローバル・バンキング・アンド・マーケッツ」として、これまで「プライベート・バンキング」、「HSBCフランス」および「HSBCトリンカウス・アンド・ブルクハルト」の下で行われてきたプライベート・バンキング事業が「プライベート・バンキング」として、上記に含まれない事業が「その他」として編成された。

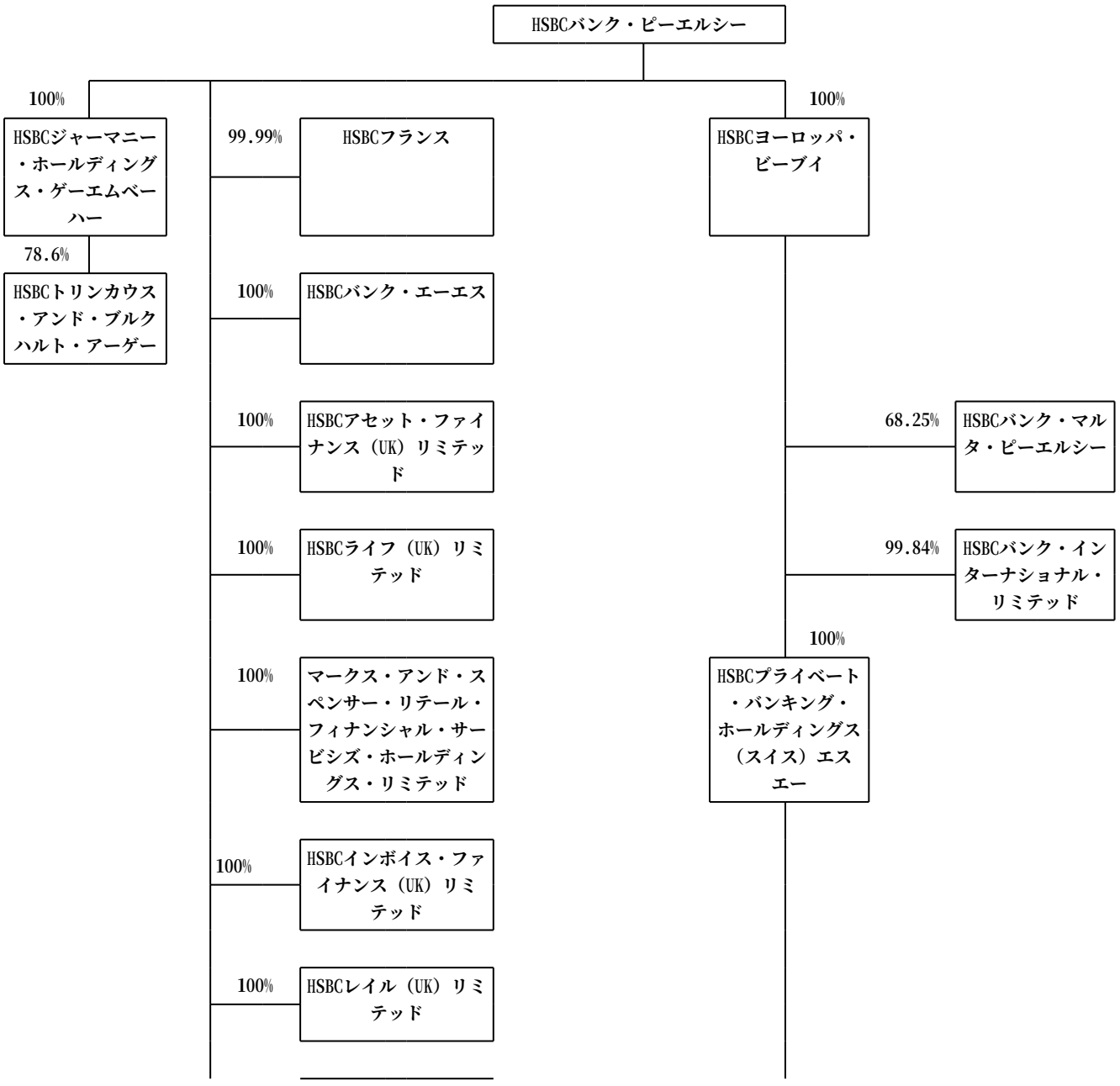
HSBCバンク・ピーエルシーの主要な子会社

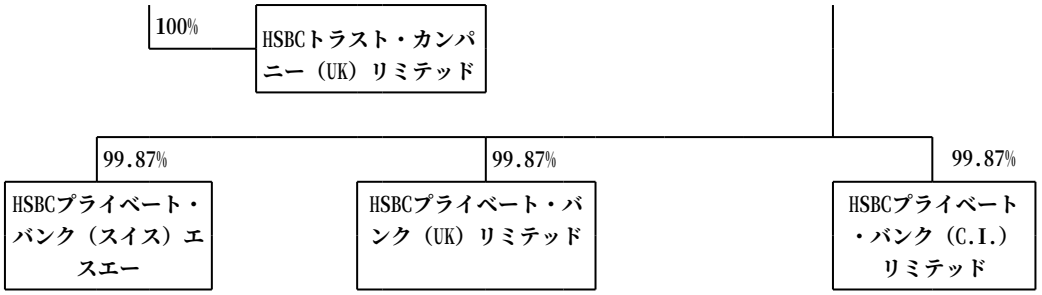
2009年６月30日現在

	設立または登録国	株主資本におけるHSBCバンク・ピーエルシーの持分(%)
HSBCフランス	フランス	99.99

HSBCアセット・ファイナンス（UK）リミテッド	英国	100.00
HSBCバンク・エーエス	トルコ	100.00
HSBCバンク・インターナショナル・リミテッド	ジャージー島	99.84
HSBCバンク・マルタ・ピーエルシー	マルタ	68.25
HSBCインボイス・ファイナンス（UK）リミテッド	英国	100.00
HSBCライフ（UK）リミテッド	英国	100.00
HSBCレイル（UK）リミテッド	英国	100.00
HSBCプライベート・バンク（C.I.）リミテッド	ガーンジー島	99.87
HSBCプライベート・バンク（スイス）エスエー	スイス	99.87
HSBCプライベート・バンク（UK）リミテッド	英国	99.87
HSBCトリンカウス・アンド・ブルクハルト・アーゲー	ドイツ	78.60
HSBCトラスト・カンパニー（UK）リミテッド	英国	100.00
マークス・アンド・スペンサー・リテール・フィナンシャル・サービシズ・ホールディングス・リミテッド	英国	100.00

チャート





重要な事象

2008年６月30日、当行グループは、店頭でのカード決済事業に関する資産および負債を、新規に設立された法人であるHSBCマーチャント・サービシズ・エルエルピーに譲渡した。同時に、当行グループは、この新設法人の51%の持分をグローバル・ペイメンツ・インクに売却し、合弁会社を設立した。当行のカード処理スタッフは、新設法人の従業員となっている。当行グループは、当初の対価として225百万ポンドを受領しており、215百万ポンドの利益が連結損益計算書の「その他営業収益」に含まれている。HSBCマーチャント・サービシズ・エルエルピーの持分の残余は、2009年６月30日に終了した６か月の間に処分した。

2008年７月２日、HSBCフランスは、フランス地方銀行子会社７行をバンク・フェデラーレ・デ・バンク・ポピュレール（以下「BFBP」という。）に21億ユーロ（17億ポンド）で売却した。当行グループの税引前売却益は644百万ポンドであった。2008年６月30日現在、当該フランス地方銀行子会社に帰属する資産総額は58億ポンドであり、2008年６月30日に終了した６か月間において48百万ポンドの税引後純利益をもたらした。2008年７月２日、当行グループは、移行のための役務提供に関する契約を地方銀行子会社７行およびBFBPと締結した。

2008年12月４日、期日物資金調達の実施に影響を与えた深刻な市場混乱により、カナダ・スクエア８に所在する当行グループの本店の売却にかかる資金調達のためにメトロバセサ・エスエー（Metrovacesa，S.A.）に提供されたつなぎ融資の組成が実行不可能となり、つなぎ融資は更新されなかった。当事者はセール・アンド・リースバック契約の解除に同意し、当該不動産がHSBCグループに返還され、つなぎ融資は消滅した。当該同意は、メトロバセサからカナダ・スクエア８を主たる資産とする子会社を買収することにより実施された。当該取引によって、2008年の「その他営業収益」に265百万ポンドの利益が計上された。当該取引の詳細は、下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記22「有形固定資産」に記載される。

４【関係会社の状況】

(1) 親会社の状況

当行グループの親会社は英国で設立されたHSBCホールディングス・ピーエルシーであり、当行の普通株式の100%を実質的に保有している。

当行グループの関連当事者には、親会社、兄弟会社、関連会社、合弁事業、HSBCグループの従業員のための退職後給付制度、主な経営陣、主な経営陣の近親者および主な経営陣またはその近親者によって支配、共同支配または重要な影響を受けている会社が含まれる。

(2) 子会社の状況

当行の主要な子会社に関する情報は、下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記23「投資」を参照のこと。

ただし、2009年４月１日、HSBCグエルツェラー・バンク・アーゲーは解散された。

(3) 当行の主要な関連会社および合弁事業の持分に関する情報については、下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記20「関連会社および合弁事業における持分」を参照のこと。

5【従業員の状況】

2007年度および2008年度における当行グループの平均雇用人数は、以下のとおりである。

	2008年	2007年
UK個人向け金融サービス（UK PFS）、UKコマーシャル・バンキング、UKグローバル・バンキング・アンド・マーケッツおよびUKその他	51,788	51,050
インターナショナル・バンキング	15,395	12,671
HSBCフランス	13,215	14,905
プライベート・バンキング	4,842	4,486
HSBCトリンカウス・アンド・ブルクハルト	2,252	1,817
合計	87,492	84,929

2009年上半期における当行グループの平均雇用人数は、集計されていない。

第３【事業の状況】

１【業績等の概要】

（１）2008年度

環境

連合王国の国内総生産（GDP）成長率は、2007年の3.0%から2008年には0.7%と大きく落ち込んだ。2008年の下半期には、２四半期連続でのGDP工業生産の落ち込みが確認された。経済の各分野にわたって脆弱性が広がりを見せており、労働市場の状況も急速に悪化し、2008年11月には、過去９年間で最も高い失業率（6.1%）を記録した。消費者物価指数の増加率は、2008年９月には過去10年間で最も高い5.2%を記録し、年末までには3.1%に低下したものの、イングランド銀行が掲げた目標値である2.0%を上回った。名目上の住宅価格は年間を通じてほとんどの指標で低下を続け、住宅建設数も大幅に減少した。経済の減速という最悪の影響を最小限に押さえようという政策責任者の意図のもと、イングランド銀行は、2008年に金利を350ベーシスポイント下げ、最終的には2.0%とした。

ユーロ圏経済の拡大は、2008年に急激に減速し、GDP成長率も2007年には2.6%だったものが2008年には0.7%と落ち込んだ。連合王国では年の経過とともに状況が著しく悪化し、2008年にはGDPの３四半期連続での減少を記録し、経済は景気後退（リセッション）の局面に入ったことが確認された。2008年上半期には、石油価格の急激な値上がりのために個人消費の伸びが抑えられ、年末にかけて失業率が大幅に上昇した。インフレ率は2008年のほとんどの期間、上昇基調にあり、７月には最高4.0%を記録したが、12月にはこれが1.6%に急速に減少した。欧州中央銀行は、当初７月に25ベーシスポイントの利上げを行ったが、短期間のうちに175ベーシスポイント利下げし、結局2.5%で年末を迎えた。

トルコでは、経済成長率は穏やかに推移し、2008年第１四半期から第３四半期の間のGDP成長率は、2007年の同期間に比べ、3.0%増加した。主にエネルギーや食品の価格の高騰により、インフレ圧力は2008年を通して高いレベルにあり、またその一方で2008年1月から10月までの平均失業率は10.2%であった（2007年の同時期は9.7%）。2008年末の数ヶ月間に石油価格が大幅に下がり、経常収支の赤字の大幅な改善の一助となった。ただし、引き続き民間企業における大幅な外貨建のエクスポージャーに関する懸念が残っており、国際通貨基金による援助プログラムに関する交渉が現在行われている。

戦略

HSBCグループの戦略は、「The world’s local bank」の姿勢を反映したものであり、HSBCグループの伝統、技術および投資に基づく優れた成長と収益を長期にわたり提供することに主眼を置いている。

特に、当行グループは、HSBCブランドとネットワークを強化して新規顧客を獲得し、既存の顧客にはより良いサービスを提供し、地方、地域および世界規模で経済性を利用することで最大限に効率化し、かつ、目標と報奨を緊密に連携させて職員を確保することを目標としている。

HSBCグループの戦略は、当行が実施する方法と同じく、「Best Place to Bank」および「Best Place to Work」戦略を展開することである。

「Best Place to Bank」は、FSAの消費者アウトカムを踏まえたものであり、また、「９の短い単語（Nine Little Words）」、つまり、「Make Better Products」、「Sell Them Properly」および「Keep Them Sold」（「より良い商品を生み出すこと」、「それらの商品を適切に販売すること」および「商品を販売し続けること」）に置き換えられる。

「Best Place to Work」は、パフォーマンス管理、報酬、事業戦略と業務計画に沿った自己啓発、パフォーマンスを促進する風土、および帰属意識が高い従業員に重点を置いている。

戦略に対するパフォーマンスを査定する際に利用する基準は、下記「重要業績評価指標」に記載される。

重要業績評価指標（以下「KPI」という。）

取締役会は、当行グループの戦略的目標における進捗度合いを定期的にモニターしている。パフォーマンスは、戦略、業務計画の目標、財務数値や非財務数値を用いた過去の実績を基準に査定される。

財務KPI

当行グループの戦略を支え、当行グループのパフォーマンスを確実にモニターするために、経営陣は財務KPIを数多く使用している。

以下の表および関連する注記は、基礎的数値で2007年から2008年の数値を表示している。事業レベルでは、KPIは、計画プロセスおよび業績検討に関係する様々な基準値で補完される。

	2008年	2007年
収益成長率[1](%).....	**7.2**	7.0
収益内訳[2](%)		
正味受取利息.....	**41.9**	29.3
正味受取手数料.....	**29.7**	32.5
その他の収益.....	**28.4**	38.1
費用効果[3](%).....	**60.6**	60.5
平均株主資本利益率[4](%).....	**7.8**	12.9

注1　前年の対象期間と比較した正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）の増加率。

注2　正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）の割合。

注3　正味営業収益（保険金請求後かつ貸倒損失およびその他の信用リスク引当金控除前）で除した営業費用合計。

注4　平均投下資本で除した普通株主に帰属する利益。

収益成長率は、当行グループがおこす事業を成功に導く重要な指標である。2008年の収益は、7.2%増加した。2008年の増加は、ブランド認知の拡大と、顧客ニーズに合致する精妙な部門分けを反映しており、それらが貸借対照表と取引の拡大を可能にした。また、2008年の収益成長率に寄与したのは、主に公正価値評価の指定を受けた銀行債務における公正価値利益であり、契約上の満期到来前に返済される場合を除き、債務の存続期間にわたって戻し入れられることが予想される。

収益内訳は、正味受取利息、正味受取手数料およびその他の収益間の収益源の相対的な割合を表している。これは、経済的要素の変化が当行グループにどのような影響を与えたかを理解し、所得創出において貸借対照表の利用に依拠していることを強調し、ローン融資枠を利用した顧客向けの有料サービスのクロスセリングの成功を表示するために、使用される。かかる理解は、経営陣が企業投資に係る決定を行う際の一助となる。正味受取利息に帰属する収益の割合は、金利の下落を活かす有利なポジショニングによるバランスシート・マネジメントでの好調な業績を主因として、2007年の29.3%から2008年には41.9%に増加した。2008年の正味受取手数料は、2007年の32.5%から29.7%に減少したが、これは市況悪化によりグローバル・バンキング・アンド・マーケッツの受取手数料が減少したことが一因であった。その他営業収益は、2007年は38.1%であったが、マドフ・インベストメント・セキュリティーズ・エルエルシー(Madoff Investment Securities LLC)の詐欺容疑を一

因として2008年には28.4%となった。

費用効果は、収益の創出に対する資源コストの消費量を示す相対的基準である。経営陣はこれを、技術利用の成功に加え、より広範には当行グループの販売基盤と販売員の生産性の評価に利用している。費用効果は、2007年からほぼ横ばいの60.6%であった。しかし、金融サービス補償制度（以下「FSCS」という。）の徴収額を除けば、費用効果は60ベーシス・ポイント改善した。

平均投下資本利益率は、事業への資本投資から利益率を測定しており、経営陣がHSBCグループを競合会社の基準に照らして評価することができる。2008年における7.8%の比率は、厳しい経済環境を反映して、2007年に計上された比率よりも低い数値であった。

非財務KPI

当行グループは、財務KPIの利用に加えて、戦略的目的に対するパフォーマンスを評価するために、様々な非財務数値を採用している。

従業員エンゲージメント

従業員エンゲージメントは、従業員のHSBCグループに対する感情的および理性的な忠誠の基準であり、従業員をHSBCグループに引き留める要因となり、従業員とHSBCグループの成功とを全面的に一致させる。2008年、HSBCグループのヨーロッパにおける個人向け事業において、年間のグローバル・ピープル・サーベイ（Global People Survey）への回答率が84%となり、これは59,000人の回答者に相当する。厳しい外部環境にもかかわらず、従業員エンゲージメントにおける数値は前年比で増加しており、全体では58%であった。焦点と目標を絞った行動を通じて、当該地域におけるリーダーと従業員は、2012年までに「そのクラスで最高の（best in class）」水準を実現するために、エンゲージメントを前進させる責任がある。

ブランドの認知

独立した認可済の第三者機関が行った調査によるデータに基づいて、ブランドの健全性に関する得点が設定される。加重得点カードは、100ポイント満点で全ての得点を提示するために使用され、かかる数値はHSBCグループの主要な競合会社の基準に照らして評価される。

2008年のUK業績

2007年に設定された個人向け金融サービスおよびコマーシャル・バンキングの基準ブランド得点は、競合会社の平均と比較してそれぞれ５ポイントおよび７ポイント上回っていた。2008年の成果は、個人向け金融サービスがプラス６ポイント（目標はプラス８ポイント）およびコマーシャル・バンキングがプラス７ポイント（目標はプラス７ポイント）を記録し、好調な成長を見せている。

顧客満足度

HSBCグループは、長年にわたって主要市場における顧客満足度に関する調査を定期的に行ってきた。現在、HSBCグループは、HSBCグループの個人向け金融サービスおよびコマーシャル・バンキングが提供するサービスに対する顧客満足度を測定するために、一貫した顧客推薦基準を用いている。また、かかる調査は、独立した認可済の第三者機関が行っており、推薦得点の結果は競合会社の基準に照らして評価される。

2008年のUK業績

2007年に設定された個人向け金融サービスおよびコマーシャル・バンキングの基準推薦得点は、競合会社の平均と比較して100ポイント満点でそれぞれ１ポイントおよび３ポイント上回っていた。2008年の成果は、個人

向け金融サービスがプラス１ポイント（目標はプラス３ポイント）およびコマーシャル・バンキングがプラス５ポイント（目標はプラス４ポイント）を記録し、好調な成績を見せている。

2009年のUK目標

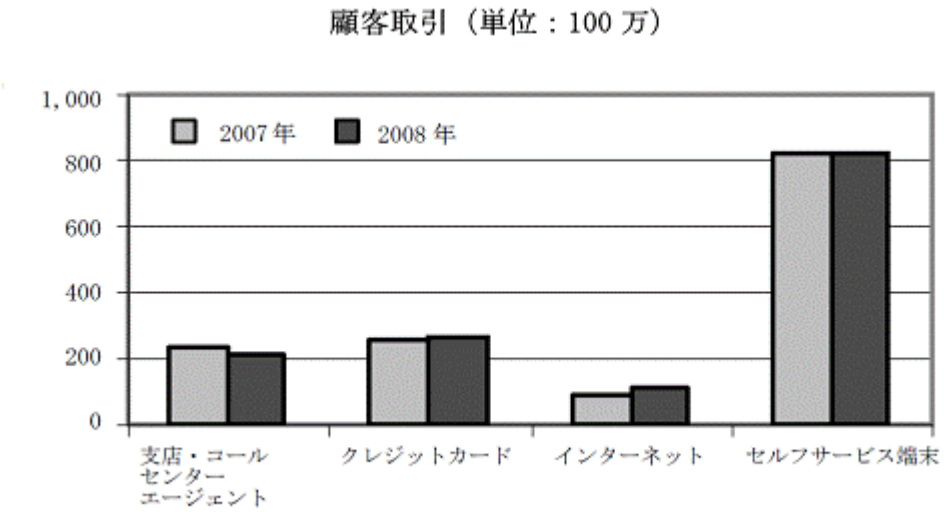
2009年の目標設定のために、当行は、当行が対象とする消費者をより適切に反映する消費者サンプルを用いて得点を再評価した。その結果、当行は、個人向け金融サービスについては2008年の得点から２ポイント上回るプラス４ポイントを2009年の目標とし、コマーシャル・バンキングについては５ポイント上回るプラス５ポイントを目標としている。

ITパフォーマンスとシステムの信頼性

HSBCグループは、ITパフォーマンスの指標として主要な２つの基準 ― つまり、顧客取引の処理件数およびサービス可用性目標に関して測定された当行グループのシステムの信頼性と回復力 ― を採用している。

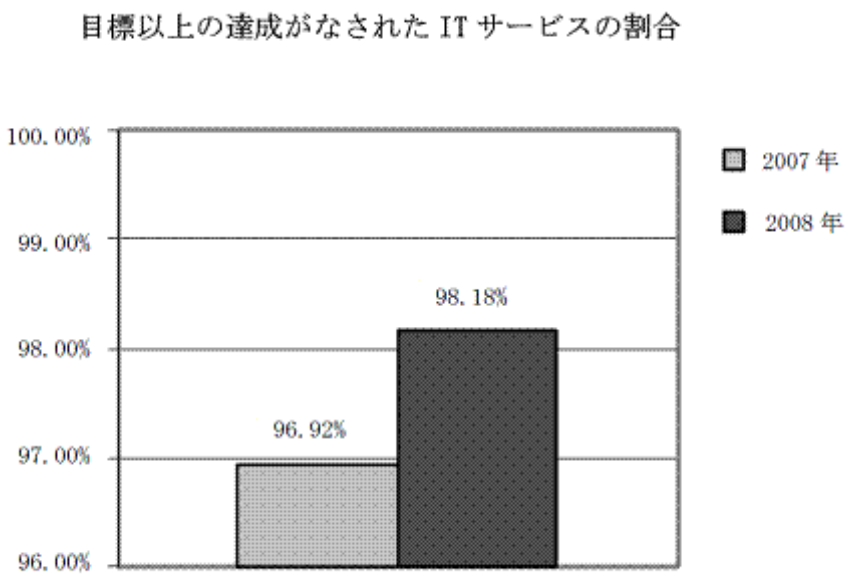
顧客取引の処理件数

顧客取引の総処理件数は、顧客へのサービス提供に使用されるデリバリーチャネルにおけるIT利用の影響を受けている。かかるIT利用は、顧客取引コストの増加率を効果的に管理し、顧客数の増加に容易に対応できることを目的としている。顧客取引は、労働集約型（支店およびコールセンター）から自動化型（クレジットカード、インターネットおよびセルフサービス）チャネルへの移行を継続している。以下の図は、2007年および2008年のデリバリーチャネル毎の取引高を示しており、労働集約型の支店およびコールセンターによる取引総数が９%減少し、自動化型インターネット取引が17%増加している。



目標以上の達成がなされたITサービスの割合

HSBCグループのIT機能は、エンドユーザーとの間で、99.9%の確率でシステムが稼働していることやクレジットカードの承認処理が２秒以内といったシステムパフォーマンスに関する合意済のサービス水準を設定しており、合意済の数値に対してこれら各々の達成をモニターしている。以下の図は、合意済のサービス目標以上の達成がなされたITサービスの割合である。2008年は、全ての基準において過去の実績を上回った。同時に、提供中のサービス数は20%を超える増加があり、ヨーロッパ全域の当行グループの顧客に対して健全でパフォーマンスの高いサービスを提供している。



パフォーマンス

税引前経常利益

(単位：百万ポンド)

	2008年	2007年
UK個人向け金融サービス	**918**	740
UKコマーシャル・バンキング	**1,221**	1,004
UKグローバル・バンキング・アンド・マーケッツ	**(188)**	468
その他	**227**	137
インターナショナル・バンキング	**165**	397
HSBCフランス	**1,297**	526
プライベート・バンキング	**627**	643
HSBCトリンカウス・アンド・ブルクハルト	**99**	148
	4,366	4,063

業績の報告

当行は、税引前利益4,366百万ポンドを報告したが、これは2007年の4,063百万ポンドから７%の増加となった。

かかる業績には、2008年７月にフランスで地方銀行７行を処分したことによる処分益644百万ポンド、および2008年６月に連合王国でグローバル・ペイメンツ・インクとの合弁事業にカード取得事業を売却したことによる売却益215百万ポンドが含まれている。また、かかる業績には、2007年３月に取得手続きが完了したが、いまだ所有に至っていないフランスのHSBCアシュアランシズ・ヴィーアイイー（フランス）（HSBC Assurances VIE（France)、以下「HSBCアシュアランシズ」という。）のHSBCグループによる残り50%の持分の取得が反映されている。

上記の取得、処分および自己負債にかかる実質的な公正価値利益を除くと、基礎的税引前利益は23%減少した。これは、金融市場の悪化、アセット・バック証券市場で続く流動性の欠如（これにより、さらに評価減が生じた。）、およびマドフ・セキュリティーズの詐欺容疑による株式事業における585百万ポンドの費用を主たる要因として、グローバル・バンキング・アンド・マーケッツの連合王国およびフランスでの収益が著しく減少したことから主に影響を受けた。基礎的収益の増加は、フランスの個人向け金融サービスを除く、ヨーロッパ全域の当行グループのプライベート・バンキング、コマーシャル・バンキングおよび個人向け金融サービス事業で生じた。

「基礎的数値」という場合、取得および処分の影響調整後の数値をいう。2008年の主な処分としては、2008年７月に完了した地方銀行７行の売却と、グローバル・ペイメンツ・インクとの合弁事業への連合王国のカード取得事業の売却があげられる。当行グループによるフランスのHSBCアシュアランシズの残り50%の持分の取得は、2007年３月に完了した。

以下の記載は、基礎的数値によるものである。

*正味受取利息*は53%増加した。バランスシート・マネジメント収入は、中央銀行による金利引き下げを見込んだ有利な金利リスクのポジショニングを反映して大幅に増加した。また、正味受取利息は、一般的な信用収縮により選択的に増額される貸付ならびに連合王国、フランスおよびドイツでのグローバル・バンキングでのスプレッドの拡大によりプラスの影響を受けた。

当行グループでは顧客数が著しく増加したが、これと同時に、市場の混乱が激化するにつれてすべての事業にわたって負債残高が増加した。連合王国での基準金利の引き下げによる預金利ざやの縮小と、主にフランスでのトレーディング活動に関する資金調達コストの増加により、大幅な利益の一部が相殺された。トルコの中小市場の顧客部門でのクレジットカードによる貸付の拡大と商業融資ポートフォリオの増加を原因とした正味受取利息の増加は、中央銀行がクレジットカードの金利上限を引き下げたことによるスプレッドの縮小により一部相殺された。

*正味受取手数料*は、案件組成および実行が困難だったことからM&Aおよびエクイティ・キャピタル・マーケットからの手数料が減少したことと、フランスでのトレーディング活動の増加により売買委託手数料が増加したために、２%減少した。連合王国およびフランスでの実績報酬は、世界の株式市場の下落の影響で管理しているファンドの価値が下落したために、減少した。顧客獲得数の増加により、フランスではパッケージ口座および取引手数料が増加し、また、トルコではクレジットカード手数料が増加したため、かかる減少の一部は相殺された。

*トレーディング収益*は、連合王国およびフランスのグローバル・バンキング・アンド・マーケッツで著しく減少したために、2007年より15%減少した。これは、金融市場で続く混乱によりもたらされたクレジット、ストラクチャード・クレジット・デリバティブおよびレバレッジド・アンド・アクイジション・ファイナンスでの不良エクスポージャーにかかる評価損が原因であった。また、マドフ・セキュリティーズの詐欺容疑による、585百万ポンドの評価損が株式事業で計上された。

トレーディング目的保有の金融資産は、かかる資産の値洗いによる取引損失をこれ以上増加させないために、改正後のIFRS規則に基づいて、60億ポンドが貸出金および受取債権に、また16億ポンドが売却可能にそれぞれ組み替えられた。かかる組替の影響の詳細については、下記「第６ 経理の状況 － １ 財務書類 － （１） 年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記14「金融資産の組替」を参照のこと。

連合王国とフランスでの不良エクスポージャーにかかる評価損、および連合王国のグローバル・バンキング・アンド・マーケッツでのマドフ・セキュリティーズにかかる費用を除くと、トレーディング収益は20%増加した。かかる増加は、市場の不安定さがさらに拡大したことを背景に外国為替収益が著しく増加したことと、有利なポジショニングで金利の下落を活かした手数料ビジネスの増収によるものであった。特に2008年下半期の信用スプレッドの拡大は、仕組み債務、およびクレジット・デフォルト・スワップの形態による信用保護にか

かる公正価値利益を生み出した。

*公正価値評価の指定を受けた金融商品の純利益*は、ユニット連動型保険事業に基づく債務の履行を目的として保有する商品の価値が減少したことを主たる理由として、922百万ポンド減少し、797百万ポンドの純損失となった。これは、一定の固定金利長期負債における信用スプレッド拡大の影響による公正価値利益により一部が相殺された。ユニット連動型保険契約に基づく債務の履行を目的として保有する資産の公正価値の減少は、「正味保険金および責任準備金」の対応する減少により相殺された。HSBCグループの自己負債の公正価値利益は、当該負債の存続期間にわたって完全に戻し入れられることが予想される。

*金融投資による純収益*は84百万ポンドであり、2007年より452百万ポンド減少した。これは、2008年に処分機会が減少したことと、2007年の連合王国とフランスでのプライベート・エクイティの大幅な現金化が今回は発生しなかったためであった。2008年の収益は、マスターカード・インコーポレーテッド（MasterCard Incorporated）株式と、フランスの一部のミューチュアル・ファンドの売却を大きく反映している。

116億ポンドの金融投資にかかる正味未実現損失が資本に直接計上された。このうち109億ポンドが、2008年のアセット・バック証券の価値の下落により大きく影響を受けた負債証券に関するものであった。かかる未実現損失は、当該投資が満期まで維持された場合には、当該有価証券の存続期間にわたって戻し入れられると予想される。負債証券にかかる正味未実現損失は、FSA規則上は資本の源泉から除外される。

*正味保険料収入*は、2007年６月にローンチした収益保証型債券の増加と連合王国における一部の年金商品に対する死亡給付金の増額開始を主因として31%増加した。フランスでは、様々な保証料率商品の導入により、不況市場においてHSBCアシュアランシズの業績が好調であった。しかし、正味保険料収入は、2008年上半期の大規模な再保険取引後に減少した。

*その他営業収益*は、383百万ポンド増加した。これは主に、ロンドン市カナダ・スクエア８にかかる財産および長期賃借土地を所有するメトロバセサの子会社の買収にかかる利益の計上によるものであった。また、収益の増加は、保険負債の計算を規定する規則の改正後、有効な長期保険業務の現在価値（PVIF）事業で2007年に生じた価値の減少が今回は生じなかったことも影響している。さらに、HSBCグループが2008年上半期に既存の商業年金商品の給付金増額を導入した後、潜在価値にプラスの調整がなされた。これらの利益は、グローバル・アセット・マネジメント事業のマネー・マーケット・ファンドを支援するための費用により一部相殺された。

*正味発生保険金および責任準備金の変動*は、収益保証型債券の販売増加による負債の増加から５%増加した。この項目は、戻し入れの要件を緩和する2007年のFSA規則改正の施行により増加した。市場連動型ファンドの価値が下落したために保険負債の変動が減少したことで、この一部が相殺された。

*貸倒損失およびその他の信用リスク引当金*は、主にUKグローバル・バンキング・アンド・マーケッツおよびインターナショナル・バンキングにおいて81%増加して1,857百万ポンドとなった。信用環境の悪化により貸倒損失が増加した。これらは主に、ヨーロッパの不動産会社１社のエクスポージャーと、HSBCグループが管理する特定目的会社のソリティア・ファンディング・リミテッド（Solitaire Funding Limited）（以下「ソリティア」という。）を主とした当行グループの売却可能ポートフォリオ内の負債証券にかかる信用リスク引当金の大幅な増加を反映している。

信用状況は、コマーシャル・バンキングで悪化し、2008年下半期には、信用環境の悪化により、連合王国、インターナショナルおよびフランスで特定の貸倒損失が増加した。トルコでは、クレジットカードと個人向けローンの滞納率が大幅に増加したことを受けて、2008年においては、引受基準の厳格化、与信限度の引き下げ、および口座管理方針の改訂を実施した。

*営業費*は、７%増加して8,072百万ポンドとなった。連合王国での費用は2007年からおおよそ横ばいであった。かかる費用には、過去の当座貸越手数料に関して費用計上された任意支払いと、昔からの遺言信託およびその他の関連サービスにかかる一定費用の返済の引当金が含まれた。これらの項目を除くと、FSCSの賦課金および再編費用の増加と、支店不動産のセール・アンド・リースバック取引による賃借料の引き上げにより、費用は増加した。これは、能力給の減少と保険数理上の仮定を変更したことによる確定給付年金制度の費用の減少に

より、一部が相殺された。

フランスでの営業費は、奨励金の減少と、任意退職制度費の増加により相殺された第三者への一定債務の譲渡による年金および退職医療制度費の減少により、2007年からおおよそ横ばいであった。

トルコ、ロシアおよび中央・東ヨーロッパでの事業拡大をサポートするために、不動産および新規スタッフへの投資がなされた。2008年、新支店112店舗が営業を開始し、スタッフ数はこれらの市場で30%増加した。

*関連会社および合弁事業における利益持分*は、現在は完全子会社となったHSBCアシュアランシズの潜在価値の調整による恩恵を受けた2007年と比較して、９百万ポンドに減少した。かかる利益の喪失は、連合王国でのカード取得事業の売却による合弁事業利益の増加により、一部が相殺された。

セグメント別の情報については、下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記12「セグメント別分析」を参照のこと。

（２）2009年度上半期

経済

連合王国の経済は、2009年上半期において、急激な収縮を被った（しかし、かかる経済収縮は同年の早い時期に集中しており、第２四半期は経済状況の安定化の徴候を示していた。）。第１四半期のGDPは、2008年同期比で4.9%減少し、記録上最も大きな下げ幅となった。労働市場の状況は、悪化し続け、2009年５月には、失業率が12年間ぶりの高水準である7.6%まで上昇した。住宅市場における指標では、2009年第２四半期に月次で住宅価格がいくらか上昇したが、非常に沈滞した状態から極わずかに改善したに過ぎない。2009年３月、利率をわずか0.5%まで引き下げたのち、イングランド銀行は、経済全般にわたる信用循環を改善し、将来の経済活動の見込みを援助することを企図して、「資産購入ファシリティー」（Asset Purchase Facility）を立ち上げた。消費者物価指数（CPI）の上昇は2009年上半期を通じて沈静化し、2009年１月の3.0%から６月の1.8%へと下落し、イングランド銀行がターゲットとする２%を下回った。

ユーロ圏の経済は、2009年上半期において、不振であった。第１四半期のGDPは、連合王国で第２四半期に幅広い経済データが経済状況の安定化を示したにも関わらず、2008年同期比で4.9%減少した。投資支出は極めて弱く、失業率が2008年12月の8.2%から2009年５月の9.5%まで上昇したため、消費者支出も減退し続けた。消費者物価の年間上昇率は、同期間を通じて大幅に下落し、2008年12月の1.6%から2009年６月のマイナス0.1%へと変動した。これは、大半はエネルギー価格の当初の上昇と以後の下落を反映したものであったが、ユーロ圏創設以来最初の否定的な指標であった。欧州中央銀行は、2009年上半期において、150ベーシスポイント利率を引き下げ、2009年６月にはリファイナンスレートを記録的な低水準である１%とした。

ハイライト

- 営業収益合計は26%上昇し、9,778百万ポンドとなった（2008年上半期は7,755百万ポンドであった。）。
- 貸倒損失控除前の正味営業収益は、1,147百万ポンド、すなわち16%上昇し、8,198百万ポンドとなった（2008年上半期は7,051百万ポンドであった。）。
- ヨーロッパ経済の減退により、あらゆる顧客グループにおいて信用状態が悪化したため、貸倒損失は、1,223百万ポンド増え、1,795百万ポンドとなった。
- 税引前利益は、９%減少し、2,358百万ポンドとなった（2008年上半期は2,598百万ポンドであった）。
- 資本基盤の強化を維持するため、2,777百万ポンドの追加資本を調達した。

事業の評価

- 報告されている税引前利益は2,358百万ポンドであり、2008年の2,598百万ポンドと比較して、９%減少した。2009年上半期には、金融市場が安定化し、信用スプレッドが縮小したため、これらの数値には、公正

価値で保有している自己負債における128百万ポンドの負の公正価値の変動が含まれていた。

- グローバル・バンキング・アンド・マーケッツの税引前利益は、166%増加し、1,595百万ポンドとなった（2008年上半期は599百万ポンドであった。）。これは、一部は経済状況の悪化に伴う貸倒損失費用の増加と売却可能ポートフォリオにおける資産の減損によって相殺されたものの、信用関連の評価損の多大な減少とあいまって、バランスシート管理および手数料における記録的な収入によってもたらされた。
- 英国リテールの税引前利益は、54%減少し、666百万ポンドとなった（2008年上半期は1,452百万ポンドであった。）。貸付および預金の平均残高は、いずれも2008年の同時期より高い水準にあるが、利下げによりコマーシャル・バンキングおよび個人向け金融サービスのいずれにおいても負債のスプレッドは悪い影響を受けた。2009年の上半期は、いずれのビジネスにおいても、高水準の貸倒損失によりやはり影響を受けた。
- 欧州大陸リテールの税引前利益は、36%減少し、142百万ポンドとなった（2008年上半期は221百万ポンドであった。）。2008年７月におけるフランスの地方銀行７行の売却の影響を除けば、税引前利益は2008年と同水準であった。
- プライベート・バンキングの税引前利益は、10%上昇し、401百万ポンドであった（2008年上半期は365百万ポンドであった。）。しかし、顧客資産の価値の減少および顧客のリスク嫌気と不安定な株式市場の結果としての取引量の低下により、恒常通貨ベースでは、税引前利益は、12%減少した。さらに、2008年上半期は、ハーミテッジ・ファンドにおける当社グループの残余持分の売却によってもたらされた一時的利益が計上されていた。

2009年度上半期の業績に影響を与えた重要な非経常的事象としては以下のものがある。

- 当行のUKカードの取得事業の持分の残分を処分したことにより、180百万ポンドの利益があったが、2008年におけるこれに関連する利益である215百万ポンドを下回った。
- 勤務中の死亡に対する手当および病気手当の支払方法の変更に伴い、会計上の便益を享受したため、英国における年金費用が322百万ポンド減少した。

2009年６月30日に終了した上半期のセグメント別の情報については、下記「第６ 経理の状況 － １ 財務書類 － （２）中間財務書類 － 財務諸表注記」の注記９「セグメント別分析」を参照のこと。

２【生産、受注及び販売の状況】

上記「１ 業績等の概要」を参照のこと。

３【対処すべき課題】

（１）競争および規制

グローバリゼーションによってHSBCグループが資本市場や金融サービスの世界において、グローバルに、そして各地域において、競争にさらされている中で、金融サービス産業における統合は、さまざまな金融商品を競争的な価格で提供することのできる企業の活動に集中するようになっている。

また、技術的進歩、e-コマース、規制上の進展、公的部門による参加・保証により、非預金受入機関が従来は銀行の領域であった商品やサービスを提供できるようになった。近年、資金調達の代替策としてのソブリン・ウェルス・ファンド、プライベート・エクイティやヘッジ・ファンドの台頭により、従来の金融機関をめぐる競争が激化していたが、投資家がより安全な、従来型の代替策を求めたため、そのような状況も緩和されるもの

と考えられる。

金融サービス会社の統合が続き、また現在の市場状況に呼応して一部国有化または完全国有化される金融サービス会社も現れ、競争はますます激化し、競争の図式も変わることが予想される。HSBCグループの事業成長力や収益増大力はこういった競争圧力による影響を免れず、能力のある、献身的な従業員をいかに惹きつけ、つなぎ留めることができるかにかかっている。

連合王国

ある金融機関の一部国有化の後、市場に変化が見られ、規制環境との政治的な相互作用がより頻発している。

現在の経済状況、そして規制が強化された状況に鑑み、2009年銀行法において、金融サービス機構、イングランド銀行および財務省の三者からなる当局の今後の対応に関する詳細なガイドラインが規定されている。それには、銀行が困難に陥った場合、債務不履行となった場合やそのおそれがある場合に、とられるべき手続に加え、銀行が充足すべき最低条件、預金者に与えられる追加保護策が規定されている。これによって連合王国の銀行や海外の銀行の現地法人や子会社はそのシステムの変更を余儀なくされる可能性がある。

英国公正取引庁と連合王国の複数の金融機関（HSBCグループを含む。）との間における、未承認の当座貸越に関する特定の手数料の法律上の扱いと法的強制力に関する訴訟は、引き続き係属中である。金融サービス機構は、かかる手続の結審を待つ一方で、金融機関に対して当座貸越の手数料に関する請求の申立てを保留することができるように免責を与えた。現在の免責は2010年１月26日まで有効である。

フランス

フランス政府は、金融危機の影響を限定的なものとするため、フランス経済の安定化を目的とするさまざまな方策を実施した。「Plan de relance」と呼ばれる260億ユーロに及ぶ、主に建設業界や中小企業への投資に重点を置いた景気刺激策が実施された。今回の主な目的は、中小企業の流動性を改善することであり、政府は付保のない商業債務の保証を行っている。

さらに、銀行業界の支援のため、国家資本参加会社（Société de Prises de Participation de l'Etat)を通じて劣後債の引受による資金の投入が行われ、また国が34%を出資し、フランス経済融資機関（Société de Financements de l'Economie Française）という特別ビークルを設立した。その代わり、銀行は2009年から貸付残高を３%から４%増加させることを約束した。

2008年１月には単一欧州支払地域（Single European Payment Area）（以下「SEPA」という。）の導入とともに、SEPA口座振込が始まった。SEPA口座引き落としについては、フランスの銀行とヨーロッパの機関がいまだに協議を続けている。

2009年には、フランスのすべての銀行は、非課税の貯蓄預金であるLivret Aを取り扱うことが可能である。同預金は以前、郵便貯金銀行と貯蓄銀行でのみ取扱可能だったものである。

消費者ローン（ローン保護保険を含む。）に関するヨーロッパの規制は現在整備中である。これにより、不動産関連のローンの借主は、貸主である銀行からの保険に加入する義務がなくなり、ローンの保険者を選択することができるようになる。

トルコ

トルコの銀行業界では、大手国内銀行、国営銀行そして世界規模の銀行が数多く入り乱れている。国営銀行は27%、外国銀行（一部株式保有しているものを含む。）は25%のシェアを有している。残りは民間の国内銀行が占めている。国内銀行５行が、46行の存在する市場を支配しており、銀行業界の資産の約62パーセントを占めている。

世界的金融危機によって流動性にブレーキがかかり、トルコの銀行が海外で資金調達をすることが困難に

なっている。特に預金市場において理不尽な価格決定が行われるなどして競争が激化している。

世界規模の銀行数行の失敗によって、外国資本の銀行の評判は下がり、消費者マインドにも悪影響が出ており、国内銀行や国営銀行への預金の流出につながっている。

銀行の1,000を超える支店ネットワークの拡大により、すべての分野において多くの顧客獲得につながり、2008年の預金ベースの増加が加速した。

中央銀行による上限利率の管理によるクレジットカード市場の規制は、2008年の業界の収益性に引き続き悪影響を及ぼしている。

（２）訴訟

下記「第６ 経理の状況 － １ 財務書類 － （２）中間財務書類 － 財務諸表注記」の注記12「訴訟」を参照のこと。

４【事業等のリスク】

当行の実際の業績を、予想された業績と（場合により、著しく）異なるものとしうる要因は多数存在する。以下に記載する要因は、当行の事業が直面する潜在的リスクおよび不確実性の全てを完全かつ包括的に記載したものとみなされるべきではない。本項に含まれる将来の見通しに関する記述は、本書提出日現在における当行の意見、見通し、目標、見積りおよび予測に基づく。

現在の経済状況および市況が当行の業績に悪影響を及ぼす可能性がある。

当行の収益は、全世界および現地の経済状況および市況から影響を受ける。世界経済はここ80年間において最も厳しい景気後退に入り、金融サービス業は異常な混乱に直面した。このような状況の悪化は、困難な市況の影響を悪化させ、当行の経営成績に悪影響を及ぼす可能性がある。当行は、全事業においてこのような状況に置かれており、また、各地域の状況は、以下を含むその分野特有の課題を当行に投げかけている。

- 景気後退の継続または悪化および不安定な雇用、
- 米ドル、ユーロおよび英国スターリングポンド間の外国為替レートの変動、
- 金利のボラティリティ、
- 株式市場のボラティリティ、
- 連合王国およびユーロ圏不動産市場（特に、消費者が所有する不動産の市場）における非流動性および価格の下落圧力、
- 現在の市場の混乱の継続期間と深刻度、
- 民間企業および政府の確定給付型年金基金に対する、予想を下回る投資収益による影響、
- 民間企業および政府の確定給付型年金基金に影響を与えうる、寿命に関する年金数理上の仮定における予期せぬ変動の影響、ならびに、
- 信用供与の継続および当行が業務を行っている市場区分での価格競争に関する消費者の認識。

当行事業に内在する流動性および資金調達に係るリスクが現在の世界市況により著しく増加した。

当行の事業モデルは、債務の履行が必要な場合には、資金が調達できるか否かにより左右される。また、当行の流動性は、様々な予測不能な市場事由を理由として債券発行市場を利用できないことで阻害されうる。信用格付けの格下げは、当行の資金調達コストを増加させるであろう。当行の収益は、金融商品を適切に評価できるか否かによって影響を受ける。流動性の低い市場では、金融商品の価値決定が困難となる可能性があり、資金調達において不確定要素が増加する。当行がエクスポージャーを持つ金融商品の格付機関による格下げ等は、これら金融商品の流動性および評価を低減する可能性もある。

当行は取引先リスクに著しくさらされている。

事業への資金供給とリスク管理を行うために通常の取引に従事する当行の能力は、その他の金融サービス機

関の活動や商取引上の健全性により悪影響を受ける可能性がある。当行の取引先のうち１者による不履行が、当行の業績に悪影響を及ぼす可能性がある。

当行は厳しい競争環境で営業を行っており、現在の世界市況の今後の状況によっては競争が激化する可能性がある。

当行は、金融サービス業での統合、技術的進歩、eコマースの成長、規制拡大、および公共部門の参加または保証を原因として激化する競争圧力を受けている。当行が自身の事業と収益を伸ばすことができるか否かは、有能かつ忠誠心のある従業員を獲得し、維持できるかにもかかっている。

当行は、営業を行っている国で政治的リスクおよび経済的リスクを受ける場合がある。

当行は、子会社および関連会社の国際ネットワークを通じて営業を行っており、不利な政治的展開、通貨変動、社会不安、および以下を含む政府の方針の変更により損失を被るリスクがある。

- 連合王国金融サービス機構、イングランド銀行、欧州中央銀行ならびに当行が営業するその他の主要な経済圏および市場の中央銀行を含む、中央銀行およびその他の監督機関の貨幣、金利およびその他の政策、
- 収用、国有化、資産の没収および外国資本に関する法律の変更、
- 消費者市場で業務を行っている金融機関の慣行、条件設定または責任を改める、地域、州および国の監督機関または立法機関のイニシアチブ、
- 当行が営業している主要な市場における破産に関する法律の変更およびその影響、
- 当行が営業している特定の市場における投資判断に重大な影響を与えうる政府の政策の一般的な変更、
- 現在の市場の混乱による政府の特別措置、
- コンプライアンスの追加要請を含む、規制上の審査、措置または訴訟の費用、影響および結果、ならびに、
- ノンバンク金融サービス会社からの競争激化を含む、当行が営業している市場における競争の影響。

金融サービス業への規制強化

当行は、営業を行っている様々な国々において、広範囲に強化されている規制、会計基準、その解釈および法律に服している。世界の経済状況に反応して最近政府が行った介入の結果、所要自己資本の増加や特定の仕組み取引への制限を含む金融サービス業への政府による規制と管理が大幅に強化されることが大いに予想される。連合王国において、最新の2009年銀行法は、連合王国の銀行とその親会社に関する幅広い権限を、かかる連合王国の銀行が財政難に直面したか、または直面する可能性がある状況において、連合王国財務省、FSAおよびイングランド銀行に付与する「特別解決制度」を規定している。

かかる権限には、(a)連合王国の銀行が発行した有価証券の全てまたは一部、連合王国の銀行の財産、権利および負債の全てまたは一部を、商取引上の購入者に、有価証券については財務省もしくは財務省が指名した者に、または財産、権利もしくは負債についてはイングランド銀行の法人に譲渡する権限、(b)債務不履行規定、契約、または当事者による契約の終了もしくは支払債務の期限の利益の喪失を可能にする規定を含むその他の合意を無効にする権限、および(c)連合王国の銀行に関する一定の新しい支払不能手続きを開始する権限が含まれる。また、当該法では、特別解決制度の権限を有効に利用できるように、命令により法律を改正する権限を財務省に付与し、これは遡及的に適用される可能性がある。

当行の事業は営業リスクを含んでいる。

当行は、詐欺行為その他の刑事事件、処理または手続中の故障、システム障害または不具合、当行が制御できないその他の事由により生じた事業の混乱等、多種多様な営業リスクにさらされている。

当行は、当行に悪影響を及ぼす可能性のある法的リスクを受ける場合がある。

法的リスクは様々な原因により生じ、かかるリスクから、当行は潜在的な利益相反、法律上および規制上の要件、倫理的問題、反マネーロンダリング法または規制、プライバシー法、情報セキュリティ方針、売買慣行、および当行と関連ある会社の経営を適切に取り扱う必要がある。これらの問題を適切に取り扱わない場合には、訴

訟請求数、主張された損害額、または規制当局による強制執行、罰金もしくは刑罰を潜在的に増加させる可能性がある。

当行は、営業を行っている国で租税関係リスクを受ける場合があり、かかる場合には経営成績に悪影響が及ぶ可能性がある。

当行は、営業を行っているすべての国において租税法の実体および解釈に服し、租税法またはその解釈の変更に関連するリスク、および課税当局が要求する手続きの遵守を怠った結果生じるリスクを受ける場合がある。

当行に特有の要因

当行が、貸倒れまたは支払遅滞の発生等の当行が直面するリスクの適切な特定およびかかるリスクの（会計管理、ヘッジおよびその他の方法による）管理に成功すること。特に、有効なリスク管理は、当行が使用する統計モデルでとらえることのできない事由に備えるための負荷テストおよびその他の方法を用いた当行の能力に左右される。

当行が営業上、法律上、規制上および訴訟上の課題への取り組みに成功すること。

5【経営上の重要な契約等】

該当事項なし

6【研究開発活動】

当行グループは、銀行業務および関連金融サービスを幅広く提供している。当行グループは、サービス提供を向上させるべく商品開発活動に投資を続けており、また、商品やサービスをサポートし、内部および外部の報告システムを強化するためのソフトウェアを継続的に開発している。

7【財政状態、経営成績及びキャッシュ・フローの状況の分析】

本項に含まれる将来の見通しに関する記述は、本書提出日現在における当行の意見、見通し、目標、見積りおよび予測に基づく。

（1）2008年度

財務実績の概要

（単位：百万ポンド）

	2008年	2007年 （修正再表示）
正味受取利息	**5,697**	3,854
正味受取手数料	**3,957**	4,184
その他の収益	**4,686**	4,762
正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）	**14,340**	12,800
貸倒損失およびその他の信用リスク引当金	**(1,861)**	(1,043)
正味営業収益	**12,479**	11,757
営業費用合計	**(8,122)**	(7,741)
営業利益	**4,357**	4,016

関連会社および合弁事業における利益持分	**9**	47
税引前経常利益	**4,366**	4,063
経常利益にかかる税金	**(843)**	(767)
税引後経常利益	**3,523**	3,296
親会社株主に帰属する部分	**3,441**	3,209

「基礎的数値」という場合、取得および処分の影響調整後の数値をいう。2008年の主な処分としては、2008年７月に完了した地方銀行７行の売却と、グローバル・ペイメンツ・インクとの合弁事業への連合王国のカード取得事業の売却があげられる。当行グループによるフランスのHSBCアシュアランシズの残り50%の持分の取得は、2007年３月に完了した。

以下の記載は、基礎的数値によるものである。

正味受取利息は、バランスシート・マネジメントの収入増と、連合王国、フランス、インターナショナルおよびドイツでのグローバル・バンキングのスプレッドの改善を主因として、1,935百万ポンド（53%）増加した。

正味受取手数料は、87百万ポンド（２%）減少したが、その殆どがUKリテールおよびUKグローバル・バンキング・アンド・マーケッツでの減少であった。これは、主に取引の減少と、貸付、保護および投資商品の新規取引の減少によるものであった。

その他の収益は、前年比で955百万ポンド（20%）減少した。主たる原因は、信用取引、レバレッジド・アンド・アクイジション・ファイナンスおよびモノライン信用エクスポージャーにおける不良ポジションの評価損であった。さらに、12月のマドフ・インベストメント・セキュリティーズ・エルエルシー（Madoff Investment Securities LLC）の詐欺容疑により、当行グループは、関連ファンドのユニットの価値を引き下げ、585百万ポンドの費用を計上した。

貸倒損失およびその他の信用リスク引当金は、主に信用環境の悪化と当行グループの売却可能ポートフォリオの減損費用により、831百万ポンド（81%）増加した。さらに、厳しい取引状況から一部の大口顧客が影響を受けて、UKコマーシャル・バンキングでの貸付金の減損が増加した。

営業費用は555百万ポンド（７%）増加した。費用の増加は主に、連合王国におけるFSCSの課税、トルコでの拡張費用およびプライベート・バンキング事業の展開が原因であった。

当行の関連会社および合弁事業における利益持分は、2007年３月のHSBCアシュアランシズの統合前の高い利益が得られなかったことを主因として、31百万ポンド減少した。

実効税率は19.3%（2007年は18.9%）であった。かかる税率は、両年ともに非課税利益の恩恵を受けて、連合王国の混合税率28.5%（2007年は30.0%）より低くなっている。2008年の最も重要な非課税利益は、フランスの地方銀行７行と連合王国のカード取得事業の処分に関するものであった。

株式資本

2008年５月、HSBCホールディングス・ピーエルシーは、当行の全額払込済普通株式資本として、額面１ポンド普通株式１株を1,000百万ポンドで引き受けた。HSBCホールディングス・ピーエルシーはさらに、2008年10月、当行の全額払込済普通株式資本として、額面１ポンド普通株式１株を750百万ポンドで引き受けた。

2009年１月、HSBCホールディングス・ピーエルシーは、当行の額面１ポンド普通株式１株と引換えに、当行に527百万ポンド支払った。この対価は、当行の全額払込済普通株式資本および資本剰余金に組み入れられた。

2009年３月、HSBCホールディングス・ピーエルシーは、当行の額面１ポンド普通株式１株と引換えに、当行に500百万ポンド支払った。この対価は、当行の全額払込済普通株式資本および資本剰余金に組み入れられた。

2009年５月、HSBCホールディングス・ピーエルシーは、当行の額面１ポンド普通株式１株と引換えに、当行に1,750百万ポンド支払った。この対価は、当行の全額払込済普通株式資本および資本剰余金に組み入れられた。

資本管理

2006年６月、バーゼル銀行監督委員会は、Basel Ⅱとして知られている「自己資本の測定と基準に関する国際的統一化」の最終的な包括版を公表した。Basel Ⅱは、最低所要自己資本、監督上の検証および市場規律の３つの「柱」により構成されている。資本要求指令（以下「CRD」という。）は、欧州連合（EU）でBasel Ⅱを充足しており、FSAは、自身の規則集にCRDの要件を記載することでCRDを実行する。2008年、当行グループはBasel Ⅱに基づいて運営を行っている。

FSAは当行および当行グループの監督機関であり、その資格によって当行および当行グループの適正資本に関する情報を取得し、最低所要自己資本を設定している。当行の子会社銀行はそれぞれ直接、適切な現地の銀行監督機関の管理を受け、当該機関が銀行子会社の自己資本比率基準を設定、監視している。

当行グループの資本は２つに分かれている。Tier1資本は、中核的株式Tier1資本、非革新的優先株式と革新的Tier1証券である。中核的株式Tier1資本はさらに、株主資本とTier1資本中の少数株主持分（株主資本のうち、適正資本の目的上取扱いが異なる項目を反映した調整後）とで構成されている。中核的株式Tier1資本の算出に際しては、のれんと無形資産の帳簿価額は控除される。Tier2資本は、適格劣後ローン資本、算入可能な集合的な減損に対する引当金、Tier2資本中の少数その他株主持分、および売却可能持分商品の公正価値評価による生じる未実現利益で構成されている。また、Tier2資本には、不動産再評価により生じた準備金も含まれている。

様々な制限が資本基盤の要素に適用される。革新的Tier1証券の額は、Tier1資本総額の15%を超えることはできず、適格Tier2資本はTier1資本の額を超えることはできず、また適格期限付劣後ローン資本はTier1資本の50%を超えてはならない。Tier2資本金に算入可能な集合的な減損に対する引当金の額にも制限が設けられている。規制上、銀行関連会社は、財務報告に用いられている持分法会計ではなく、比例連結されている。

一定の制限を超える銀行資本への投資の帳簿価格および減損に対する引当金を上回る損失見積額の超過分は、公表された開示書類においてTier1資本およびTier2資本の各々から50%が控除される。また、これは保険子会社および関連会社への投資の控除にも適用されるが、FSAは2012年12月31日までを期限とする経過規定を設けた。かかる経過規定に基づき、2006年７月20日までに取得した保険投資は、上記に代わって、Tier1資本およびTier2資本の合計から控除される可能性がある。当行グループは、かかる経過規定の適用を選択した。

2008年１月１日から資本計算における基準が変更となった。Tier1資本および総資本にかかる影響については、下記「12月31日現在の資本構造 － Basel Ⅱ」の表に示されている。当行グループの資本基盤は、損失見積額が内部格付けに基づく（以下「IRB」という。）ポートフォリオの個別および集合的な減損に対する引当金の総額を上回る超過分を限度として、Basel Ⅰと比較して減少した。かかる集合的な減損に対する引当金は、もはやTier2資本への組入に適さない。

開示の目的上、IRBポートフォリオの減損に対する引当金の総額を上回る損失見積額のかかる超過分は、中核的株式Tier1資本から50%およびTier2資本から50%を控除する。さらに、税効果がリスクまたは損失をカバーするためにTier1資本の有効性に影響を与える限り、税効果への反映を目的としてTier1資本に対して税額控除の調整がなされる。

Basel Ⅱ規則に基づいて発生した損失見積額は、過去12か月間の厳しい景気下降を前提に予想した損失を表している。この定義は、減損引当金とは異なる。減損引当金とは、貸借対照表日の貸付ポートフォリオ内で発生した損失のみをいい、景気下降の前提を反映することにより規制上の基準が必要とする保守的な上乗せ水準を計上することは許可されていない。したがって、目まぐるしく入れ替わるクレジットカード等の消費者信用ポートフォリオについては、減損に対する引当金は今後12か月で予想される損失見積額の一部のみを含んでいる。かかるポートフォリオは、１年に３から４回回転するため、損失見積額の殆どが測定日に実行されていない信用供与に関連している。

損失見積額と減損に対する引当金の総額との差額を控除することで、資本における影響総額と損失見積額の規制上の定義とを等しくしている。損失見積額は長期予測に基づいており、また、TTC（through-the-cycle）を考慮にいれているため、実際の損失よりも変動が少ないことが見込まれる。しかし、かかる控除の影響は、減損の会計基準が損失見積額の規制上の基準に近づいたり遠ざかったりと変化するために、その時々に応じて変化する可能性がある。

FSA規則は、外部監査人がFSAのジェネラル・プルデンシャル・ソースブック（General Prudential Sourcebook）に従って証明した限度において、Tier1資本に利益を組み入れることを認めている。2008年12月31日に終了する年度の利益の証明手続きは外部監査人によって2009年２月28日に完了し、かかる利益は当行グループのTier1資本に含まれている。厳密には、2008年１月１日以降、FSAの規制上の報告様式は、外部監査人の手続きが完了するまでは、かかる利益をTier1資本に計上する方法とは異なっている。

Basel Ⅱでは、第一の柱である信用リスクに対する所要自己資本の計算について更に複雑化した３つの手法が提供されている。最も基本となる標準手法では、銀行に対して格付けされた取引相手に適用されるリスク・ウエートを決定するために外部の信用格付けを利用するように求め、その他の取引相手を広いカテゴリーに分類し、これらのカテゴリーに標準リスク・ウエートを適用する。次のステップとして、IRB手法では、取引相手が債務不履行をおこす可能性（デフォルト率：以下「PD」という。）の内部評価を基に、信用リスクに対する規制上の所要自己資本を銀行が計算できるようにする。ただし、デフォルト時エクスポージャー（以下「EAD」という。）およびデフォルト時損失率見積(以下「LGD」という。)の定量化が、標準的な監督上の制限に服するものとする。最後に、先進的IRB手法は、PDだけでなく、EADおよびLGDの定量化の内部評価を銀行に利用させることができる。損失見積額は、EADにPDおよびLGDを乗じることにより計算される。IRB手法に基づく所要自己資本は、想定外の損失を補填することを予定しており、これらの要因と、償還および相関関係等のその他の変数を含む規制上の規則に記載された算式から算出される。

信用リスクについて、FSAの承認により、当行グループは、2008年１月１日から事業の大部分においてBasel Ⅱに先進的IRB手法を採用し、残りの部分にはIRBまたは標準化された手法が採用された。今後数年間にわたり、現地および連結グループの報告について、先進的手法の適用範囲を広げるために展開計画を実施するが、標準化された手法での少量のエクスポージャーが残される。

市場リスクは、価値、収益、利息および外国為替の変動から生じるトレーディング・ブック上の資産の変動から発生し、FSAの許可を得てVARモデルを用いるか、またはFSAが規定した基準規則を用いることにより測定される。トレーディング・ブックおよび非トレーディング・ブック上の取引相手の信用リスクは、ある取引における取引相手が当該取引につき十分な決済を完了する前に債務不履行になる可能性があるリスクをいう。取引相手の信用リスクの計算手法としては、標準化方法、値洗い方法および内部モデル方法の３つがあり、エクスポージャーの価値を決定するためにBasel Ⅱで定義されている。かかるエクスポージャーの価値は、信用リスク手法である、標準化方法、IRB手法および先進的IRB手法のうちの１つを用いてリスク加重資産(RWAs)を決定するために使用される。当行グループは、市場リスクについてはVAR手法および基準規則手法の両方を、また、取引相手の信用リスクについては値洗いおよび内部モデル方法を用いる。当行グループは、市場リスクについてはより多くのポジションを基準規則からVARに移行させ、取引相手の信用リスクについては値洗いから内部モデル方法に移行させることを長期的目標としている。

また、Basel Ⅱは、営業リスクのための所要自己資本を導入し、これにも三段階の整備された方法がある。基礎的指標手法に基づいて要求される資本は、総収入の単純なパーセンテージとされ、標準化手法では、８つに分類された事業ラインの各々に割り当てられた総収入の３つの異なるパーセンテージの１つとされる。最終的には、先進的な測定手法は、銀行自身の統計分析および営業リスク・データのモデリングを用いて所要自己資本を決定する。当行グループは、標準化手法を採用した。

Basel Ⅱの第二の柱（監督上の検証および評価過程）には、会社および監督機関の両方による、第一の柱でカバーされていないリスクについて会社が追加資本を保有すべきか否かの検討が含まれている。第二の柱の過程の一部には、第一の柱では把握されないリスクを会社が自己評価する自己資本充実度に関する評価プロセス（ICAAP）がある。FSAが個別資本ガイダンス（以下「ICG」という。）を会社に供与することにより、第二の柱の過程は終了する。ICGは、トリガー率を置き換え、第一の柱に基づき要求されるよりも高い資本金要件として、通常は特定のパーセンテージで設定される。

Basel Ⅱの第三の柱は市場規律に関連するものであり、会社に対してそのリスク、資本およびリスク管理の詳細の公表を要求することにより、会社の透明性を確保することを目的としている。

2007年中に、HSBCグループはBasel Ⅰに基づいて管理された。Basel Ⅰに基づいて、銀行業務の運営は、トレーディング・ブックまたはバンキング・ブックのいずれかに分類され、リスク加重資産はそれに従って決定された。バンキング・ブック上のリスク加重資産は、適格な担保と保証を考慮した後、各資産と取引相手の内容に従って分類されたリスク・ウエートの階層を用いて測定されている。信用リスク、外国為替リスクまたは金利リスクを引き起こすバンキング・ブック上のオフバランス・シート項目には、適格な担保と保証を考慮した後、取引相手の分類に適したウエートが割り当てられる。トレーディング・ブック上のリスク加重資産は、外国為替リスク、金利リスクおよびエクイティ・ポジション・リスク等の市場関連リスクならびに取引先リスクを考慮して決定される。

12月31日現在の資本構造 － Basel Ⅱ

（単位：百万ポンド）

	2008年 Basel Ⅱ 実現 （監査済）	2007年 Basel Ⅱ 見積(1) （未監査）	2007年 Basel Ⅰ 実現 （監査済）
規制上の自己資本の構成			
Tier1資本：			
株主資本	27,951	24,150	23,574
少数株主持分および優先株式	－	－	1,007
控除：			
のれん（資産計上されたもの）および無形資産	(11,239)	(9,458)	(9,458)
マテリアル・ホールディングス	(451)	(161)	－
資本から控除された証券化ポジション	(318)	(63)	－
減損に対する引当金を上回る損失見積額の超過分	(640)	(422)	－
中核的株式Tier1資本	15,303	14,046	15,123
永久非累積優先株式	431	431	－
革新的Tier1証券	1,789	1,636	1,636
その他のTier1資本	2,220	2,067	1,636
Tier1資本合計	17,523	16,113	16,759
Tier2資本：			

不動産再評価により生じた準備金および売却可能持分の未実現利益	342	402	402
永久劣後負債	3,451	1,843	1,843
定期劣後負債	7,649	6,057	5,323
集合的な減損に対する引当金	―	―	873
Tier2資本中の少数その他株主持分	―	―	734
控除前適格Tier2資本合計	11,442	8,302	9,175
Tier1資本以外からの控除			
マテリアル・ホールディングス	(899)	(1,103)	―
減損に対する引当金を上回る損失見積額の超過分	(640)	(422)	―
資本から控除された証券化ポジション	(318)	(63)	―
その他の控除	(10)	(313)	(152)
非連結投資	―	―	(1,551)
Tier1資本以外からの控除合計	(1,867)	(1,901)	(1,703)
規制上の自己資本の合計	27,098	22,514	24,231
リスク加重資産（未監査）			
信用リスク	211,206	181,329	―
市場リスク	25,311	12,531	―
営業リスク	21,366	18,521	―
バンキング・ブック	―	―	196,561
トレーディング・ブック	―	―	27,310
合計	257,883	212,381	223,871
資本比率（未監査）：	(%)	(%)	(%)
中核的株式Tier1資本比率	5.9	6.6	該当なし
Tier1資本比率	6.8	7.6	7.5
総資本比率	10.5	10.6	10.8

(1) 2007年Basel II見積は、証券化ポジションと永久非累積優先株式による影響を「その他のTier1資本」に個別に表示するために修正再表示された。

財政状態

主に顧客に対する貸付金およびデリバティブ取引の増加により、2008年12月31日現在の資産合計は、前年比で、301,951百万ポンド（49%）増加し、924,231百万ポンドとなった。

主に顧客からの預金およびデリバティブ取引の増加により、2008年12月31日現在の負債合計は、前年比で、306,289百万ポンド（51%）増加し、903,570百万ポンドとなった。

2008年12月31日現在の資本合計は、前年比で4,338百万ポンド（17%）減少し、20,661百万ポンドとなった。資本剰余金勘定は、当行普通株式をHSBCホールディングス・ピーエルシーが引き受けたことにより増加したが、売却可能準備金の減少を主な原因としたその他準備金の減少により減少した。

キャッシュ・フローの状況

2008年12月31日に終了した年度において、営業資産及び営業負債の変動により生じた純資金の増加によって相殺されているものの、主に為替変動により、営業活動から生じた純資金は、4,767百万ポンド（16%）減少し、25,927百万ポンドとなった。

主に金融投資商品の購入及び売却に使われた純資金の増加により、投資活動に使用した純資金は、2008年12月31日に終了した年度において、1,276百万ポンド（４%）増加し、29,982百万ポンドとなった。

2007年12月31日に終了した年度の財務活動に使用した純資金は134百万ポンドであったが、2008年12月31日に終了した年度の財務活動から生じた純資金は、株主への配当支払いにより一定の範囲で相殺されたものの、主に当行の普通株式の発行および劣後ローンの実行により、464百万ポンドとなった。

結果として、2008年12月31日に終了した年度において、現金および現金同等物の正味減少は、3,591百万ポンドとなり、2008年12月31日現在の現金および現金同等物の残高は60,855百万ポンドとなった。

（２）2009年度上半期

経営成績

営業収益合計は、26%増加して、9,778百万ポンドとなった（2008年上半期は7,755百万ポンドであった。）。2009年上半期の正味受取利息は、2008年同期比で、1,777百万ポンド（75%）増加し、4,149百万ポンドとなった。しかし、他方で、2009年上半期の正味受取手数料は、2008年同期比で、69百万ポンド（３%）減少し、2,040百万ポンドとなった。

正味営業収益（貸倒損失控除前）は、1,147百万ポンド（16%）増加し、8,198百万ポンドとなった（2008年上半期は7,051百万ポンドであった。）。ヨーロッパ経済の減退により、あらゆる顧客グループにおいて信用状態が悪化したため、貸倒損失は1,223百万ポンド増加し、1,795百万ポンドとなった。結果として、2009年上半期の正味営業収益は、2008年同期比で、76百万ポンド（１%）減少し、6,403百万ポンドとなった。

2009年上半期の営業費用合計は、主に一般管理費の増加を反映して、2008年同期比で、178百万ポンド（５%）増加し、4,059百万ポンドとなった。結果として、税引前利益は、９%減少し、2,358百万ポンドとなった（2008年上半期は2,598百万ポンドであった。）。

財政状態

主にデリバティブの減少を受けて、2009年６月30日現在の資産合計は、2008年12月31日現在と比較して、149,420百万ポンド（16%）減少し、774,811百万ポンドとなった。

主にデリバティブの減少を受けて、2009年６月30日現在の負債合計は、2008年12月31日現在と比較して、152,410百万ポンド（17%）減少し、751,160百万ポンドとなった。

2009年６月30日現在の資本合計は、2008年12月31日現在と比較して、2,990百万ポンド（14%）増加し、23,651百万ポンドとなった。資本基盤の強化を継続するため、2009年上半期中に2,777百万ポンドの追加資本を調達した。

キャッシュ・フローの状況

主に為替差額の消却（これは営業資産および営業負債の変動により使用された資金の増加により一定程度相殺されているが）により、2009年上半期の営業活動に使用した純資金は、2008年同期比で、8,817百万ポンド（90%）減少し、940百万ポンドとなった。

2008年上半期の投資活動に使用した純資金が961百万ポンドとなったことと比較して、主に金融投資商品の購入および売却によって生じた純資金を反映して、2009年上半期の投資活動から生じた純資金は2,590百万ポンドとなった。

主に2009年上半期中の株式資本の発行を反映して、2009年上半期の財務活動から生じた純資金は、2008年同

期比で、1,550百万ポンド（147%）増加し、2,601百万となった。

結果として、2009年上半期は、2008年上半期の現金および現金同等物の9,667百万ポンドの減少と比較して、現金および現金同等物の正味増加は4,251百万ポンドとなった。

第４【設備の状況】

１【設備投資等の概要】

2008年12月31日現在、連合王国内における当行の支店は1,430店舗であり、その他多数の国々に支店を有していた。上記「第２ 企業の概況 － ３ 事業の内容」を参照のこと。

無形資産

2009年６月30日現在で当行グループが認識したのれんおよびその他の無形資産の総額は、10,808百万ポンド（2008年12月31日現在は11,780百万ポンド）であった。

（内部での作成または購入により）2008年に当行グループが追加したソフトウェアは、168百万ポンド（2007年は118百万ポンド）であった。

有形資産

2009年６月30日現在で当行グループが認識した有形固定資産の総額は、4,541百万ポンド（2008年12月31日現在は4,697百万ポンド）であった。

2008年に当行グループが拡張した自己保有の土地および建物は87百万ポンド（2007年は104百万ポンド）にのぼった。当行グループが拡張した長期賃借土地および建物は81百万ポンド（2007年は87百万ポンド）となった。

2008年に当行グループが拡張した設備は614百万ポンド（2007年は387百万ポンド）であった。

その他の資産

さらに、当行グループは、2008年12月31日現在において、売却予定の有形固定資産を62百万ポンド（2007年は586百万ポンド）保有していた。

売却目的に分類された有形固定資産には、顧客によって担保に供されていた担保権実行済み不動産が含まれる。これらの担保権実行済み資産は取得より12か月以内に処分される予定である。

下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記22「有形固定資産」に記載されているとおり、カナダ・スクエア８は「売却目的資産」から組み替えられている。

２【主要な設備の状況】

上記「１ 設備投資等の概要」を参照のこと。

３【設備の新設、除却等の計画】

上記「１ 設備投資等の概要」を参照のこと。

のれんの減損に関する検討の情報については、下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記21「のれんおよび無形資産」を参照のこと。

2009年度においては、当行の通常の業務において行われるものを除き、設備投資は予定されていない。

2009年11月13日、当行は、ロンドン市カナリー・ワーフ所在の当行本社ビルを772.5百万ポンドで売却することに合意した。この取引が完了した結果、当行の損益計算書には、約350百万ポンドの利益が計上される予定である。韓国ナショナル・ペンション・サービス（以下「NPS」という。）の完全子会社および当行は、この取引に関連する契約を締結し、当行が、20年のリース・バック期間のうち残存する17.5年につき、現行の年額46百万

ポンドの賃料で完全な占有権を保持するものとし、NPSが998年のリースを得るものとした。当行本社ビルの売却は、2009年12月31日までに完了する予定である。

第５【提出会社の状況】

１【株式等の状況】

（１）【株式の総数等】

①【株式の総数】

2009年８月５日現在

ポンド

	授権株数(株)	発行済株式総数(株)	未発行株式数(株)
額面１ポンド普通株式	―	796,969,107	203,030,892
額面１ポンド優先普通株式	―	1	0
額面１ポンド優先株式	―	0	150,000,000

米ドル

	授権株数(株)	発行済株式総数(株)	未発行株式数(株)
額面0.01米ドル非累積型ドル建て優先株式	―	0	200,000,000
額面0.01米ドル非累積型第二ドル建て優先株式	―	0	4,000,000
額面0.01米ドル非累積型第三ドル建て優先株式	―	35,000,000	5,000,000

②【発行済株式】

2009年８月５日現在

ポンド

記名・無記名の別および額面・無額面の別	種 類	発行数(株)	上場金融商品取引所名または登録認可金融商品取引業協会名	内容
記名式額面株式 １株当たりの額面金額１ポンド	普通株式	796,969,107	該当なし	
記名式額面株式 １株当たりの額面金額１ポンド	優先普通株式	1	該当なし	（注２）
計	―	796,969,108	―	

（注１） 各種類株式１株につき１議決権を有する。

（注２） (1) 優先普通株式は、あらゆる点において普通株式と同順位とし、その他優先普通株式と同順位である旨表示されている一切の株式と同順位とする。優先普通株式は、普通株式と同等の権利を伴い、同等の制限を付されるものとするが、これらに加え、優先普通株式は以下を有するものとする。

（ｉ）当行があらゆる種類の株式（普通株式を除く。）に関して行う利益分配に際し、その都度、分配金額の最初の100ポンドを他の株式に先立ち受け取る権利。

（ii）当行の清算時（株式資本の償還、減資または買い入れ時を除く。）の分配に際し、当行の配当可能な資産の中から優先普通株式の額面金額およびその発行時に支払われたプレミアムに相当する金額を他の株式に先立ち受け取る権利。

(2) 上記(1)(ｉ)または(ii)において言及されている権利に先立ち、当行の利益または資産の分配を受ける権利を有する当行の株式資本が創出または発行されたときは、優先普通株式の権利の変更を構成するものとみなす。

米ドル

記名・無記名の別および額面・無額面の別	種 類	発行数(株)	上場金融商品取引所名または登録認可金融商品取引業協会名	内容
記名式額面株式 １株当たりの額面金額0.01米ドル	第三ドル建て優先株式	35,000,000	該当なし	（注２）
計	―	35,000,000	―	

（注１） 各種類株式１株につき１議決権を有する。

（注２） 第三ドル建て優先株式は、第三ドル建て優先株式の相互間で同順位とし、その他第三ドル建て優先株式と同順位である旨表示されている一切の株式と同順位とする。これらの株式は、通常定款に定める権利を有し、通常定款に定める制限を付されるものとする。また、これらの株式は取締役会が当該株式の割当前に付したその他の（通常定款に定める権利と矛盾しない）権利を有するものとする。通常定款に基づき取締役会が第三ドル建て優先株式に付する権利を決定する権能を有している場合、取締役会が決定する権利は、その時点で割当または発行されている第三ドル建て優先株式に付されている権利と同等であることを要しない。第三ドル建て優先株式は、一または複数の個別シリーズとして発行することができ、その場合、各シリーズの分類・識別は取締役会が決定する方法で行うものとし、かかる決定または分類・識別を行うために通常定款を変更することは要しない。

（２）【発行済株式総数及び資本金の推移】

額面１ポンド普通株式

年月日	発行済株式総数増減数(株)	発行済株式総数残高(株)	資本金増減額(ポンド)	資本金残高(ポンド)
2005年８月31日	1	796,969,097	500,000,000.00	13,680,181,209.23
2005年12月16日	1	796,969,098	300,000,000.00	13,980,181,209.23
2005年12月21日	1	796,969,099	700,000,000.00	14,680,181,209.23
2006年３月29日	1	796,969,100	400,000,000.00	15,080,181,209.23
2006年５月４日	1	796,969,101	275,000,000.00	15,355,181,209.23
2007年３月９日	1	796,969,102	510,000,000.00	15,865,181,209.23
2008年５月９日	1	796,969,103	1,000,000,000.00	16,865,181,209.23
2008年10月９日	1	796,969,104	750,000,000.00	17,615,181,209.23
2009年１月30日	1	796,969,105	526,592,943.66	18,141,774,152.89
2009年３月26日	1	796,969,106	500,000,000.00	18,641,774,152.89
2009年５月１日	1	796,969,107	1,750,000,000.00	20,391,774,152.89

(注1) 上記に示す発行済株式総数の増加は、当行の更なる資本増強のためのHSBCホールディングス・ピーエルシーへの当行の株式発行による。

(注2) 最近５年間においては、額面１ポンド優先株式、額面１ポンド優先普通株式、額面0.01米ドル非累積型ドル建て優先株式、額面0.01米ドル非累積型第二ドル建て優先株式および額面0.01米ドル非累積型第三ドル建て優先株式には増減はなかった。

（３）【所有者別状況】

当行の発行済普通・優先株式資本は、HSBCホールディングス・ピーエルシーが100%保有している。

（４）【大株主の状況】

2009年８月５日現在

氏名または名称	住所	所有株式数 (株)	発行済株式総数に対する 所有株式数の割合(%)
HSBCホールディングス・ ピーエルシー	連合王国E14 5HQロンドン市 カナダ・スクエア８	額面１ポンド普通株式 796,969,107	100.00

２【配当政策】

HSBCバンク・ピーエルシーの普通株式はすべて、HSBCホールディングス・ピーエルシーが保有しており、かかる株式に対する配当は、当行およびHSBCホールディングス・ピーエルシーの資本状況および資金需要を考慮に入れて取締役会により決定される。

2008年12月31日に終了した年度中に、当行は、HSBCホールディングス・ピーエルシーに対して2,974百万ポンド（2007年は1,706百万ポンド）の配当金を支払った。

2009年度上半期については、下記「第６ 経理の状況 － １ 財務書類 － （２）中間財務書類 － 財務諸表注記」の注記３「配当金」を参照のこと。

2009年８月４日、当行はHSBCホールディングス・ピーエルシーに対して440.7百万ポンドの配当金を支払った。

３【株価の推移】

該当事項なし

４【役員の状況】

(1) 取締役およびシニア・エグゼクティブの主要略歴、ならびにその各々による当行株式の保有数

本書提出日において、当行の取締役（各々の勤務地は、E14 5HQロンドン市カナダ・スクエア８）、各々のHSBCグループに関連する職務、およびHSBCグループにとって重要性をもつ各々の主要な外部活動（もしあれば）は以下のとおりである。

氏名	役職名	生年月日	主要略歴	任期	所有株式の種類および数
S・K・グリーン	会長	1948年 11月７日	2005年会長就任。1995年より取締役。2003年から2004年12月まで副会長。2006年よりHSBCホールディングス・ピーエルシーのグループ会長。2003年から2006年までHSBCホールディングス・ピーエルシーのグループ・チーフ・エグゼクティブ。1982年HSBCグループ入社。HSBCプライベート・バンキング・ホールディングス（スイス）エスエーの会長。HSBCフランス、HSBCノース・アメリカ・ホールディングス・インクおよび香港上海銀行の取締役。英国銀行協会の会長および2009年４月30日よりバスフ・エスイーの非常勤役員。	該当なし	0

M・F・ゲーガン・CBE	副会長	1953年10月４日	2006年副会長就任。2004年より取締役。2004年から2006年までチーフ・エグゼクティブ。2006年よりHSBCホールディングス・ピーエルシーのグループ・チーフ・エグゼクティブ。1973年HSBCグループ入社。グループ・マネジメント・ボードの会長。HSBCバンク・カナダおよびHSBCラテン・アメリカ・ホールディングス（UK）リミテッドの会長。香港上海銀行およびHSBCノース・アメリカ・ホールディングス・インクの取締役。2009年５月７日までHSBCバンク・ユーエスエイ・エヌ・エイおよびHSBCユーエスエイ・インクの会長および取締役。2000年から2003年まで、南アメリカにおけるHSBCの営業の責任者。1997年から2003年までHSBCバンク・ブラジル・エスエー－バンコ・ムルティプロのプレジデント。	該当なし	0
P・A・サーストン	チーフ・エグゼクティブ	1953年８月31日	2008年から2009年４月１日までUKバンキングのマネージング・ディレクター。2009年４月１日よりチーフ・エグゼクティブ。グルーポ・フィナンシエーロHSBCエスエー・デ・シーヴィーの前会長およびHSBCメキシコ・エスエー、インスティトゥーション・デ・バンカ・ムルティプロ・グルーポ・フィナンシエーロHSBCの前チーフ・エグゼクティブ・オフィサー。	該当なし	0
S・P・オサリバン	チーフ・テクノロジー・アンド・サービシズ・オフィサー	1956年２月16日	2007年８月取締役就任。2007年８月から2008年９月30日までチーフ・オペレーティング・オフィサー。2008年10月１日からチーフ・テクノロジー・アンド・サービシズ・オフィサー。1980年HSBCグループ入社。HSBCトラスト・カンパニー（UK）リミテッドの会長。HFCバンク・リミテッドおよびマークス・アンド・スペンサー・ファイナンシャル・サービシズ・ピーエルシーの取締役。	該当なし	0
D・C・バッド*	取締役	1953年12月15日	2005年より取締役。2008年６月よりHFCバンク・リミテッドの会長。2005年よりグループ・ゼネラル・マネージャー。1972年HSBCグループ入社。HSBCバンク・ポルスカ・エスエーおよびHSBCバンク(アールアール)エルエルシーの会長。	該当なし	0

S・T・ガリバー	取締役	1959年 3月9日	2006年取締役就任。グローバル・バンキング・アンド・マーケッツ部門およびHSBCグローバル・アセット・マネジメント部門のチーフ・エグゼクティブ。2008年５月よりHSBCホールディングス・ピ―エルシ―のエグゼクティブ・ディレクター。2004年よりグループ・マネージング・ディレクター。1980年HSBCグループ入社。2009年１月１日よりHSBCフランス会長。HSBCプライベート・バンキング・ホールディングス（スイス）エスエーおよび香港上海銀行の取締役。HSBCトリンカウス・アンド・ブルクハルト・アーゲーの副会長およびスーパーバイザリー・ボードのメンバー。2009年５月７月まで、HSBCノース・アメリカ・ホールディングス・インクの取締役。2003年から2006年までグローバル・バンキングおよびマーケッツ部門の共同部門長。2002年から2003年まで、グローバル・マーケッツ部門長。1996年から2002年まで、アジア太平洋における財務およびキャピタル・マーケッツ部門長。	該当なし	0
デイム・M・マーシュ**	取締役	1946年 8月17日	2009年１月１日取締役就任。クロア・ソーシャル・リーダーシップ・プログラムの制作責任者、ナショナル・カウンシル・オブ・ザ・ラーニング・アンド・スキルズ・カウンシルのメンバー、およびヤング・エンタープライズの理事。国家児童虐待防止協会(NSPCC)の元チーフ・エグゼクティブ。	3年	0
R・E・S・マーティン**	取締役	1960年 5月12日	2005年取締役就任。プラクティカル・ロー・カンパニー・リミテッドのチーフ・エグゼクティブ。	3年	0
A・R・D・モンロー・デイヴィス**	取締役	1940年 9月7日	2004年取締役就任。フィッチ・レーティングスの元CEO。	3年	0
P・M・シャウヤー**	取締役	1950年 9月11日	2004年取締役就任。デロイトの元マネージング・パートナー。	3年	0
J・F・トゥルーマン**	取締役	1943年 2月14日	2004年取締役就任。元SGウォーバーグ・アンド・コの副会長。	3年	0
ジョン・H・マッケンジー	会社秘書役	1954年 2月3日	会社秘書役。1987年HSBCグループ入社。	該当なし	0

* 非執行取締役

** 独立非執行取締役

シニア・エグゼクティブ

UKバンキング・マネジメント委員会およびヨーロピアン・マネジメント委員会における当行のシニア・エグゼクティブのメンバー（各々の勤務地は、E14 5HQロンドン市カナダ・スクエア8）は、定期的に会合を開き、役員会の直接の権限の下で全体管理委員会として機能する。UKバンキング・マネジメント委員会およびヨーロピアン・マネジメント委員会のメンバー、各々のHSBCグループに関連する職務、およびHSBCグループにとって重要性をもつ各々の主要な外部活動（もしあれば）は以下のとおりである。

UKバンキング・マネジメント委員会

氏名	役職名	生年月日	主要略歴	任期	所有株式の種類および数
P・A・サーストン	チーフ・エグゼクティブ（議長）	1953年8月31日	上記参照。	該当なし	0
S・P・オサリバン	UKバンキングのチーフ・テクノロジー・アンド・サービシズ・オフィサー（副議長）	1956年2月16日	上記参照。	該当なし	0
B・A・フレッチャー	UKバンキングのチーフ・リスク・オフィサー	1960年6月27日	2005年HSBCグループ入社。	該当なし	0
J・D・ガーナー	UKバンキングのPFS部門長	1969年6月23日	2004年HSBCグループ入社。	該当なし	0
R・A・ラング	UKバンキングのインシュランス部門長およびHSBCライフ（UK）リミテッドのチーフ・エグゼクティブ・オフィサー	1973年2月25日	2006年HSBCグループ入社。	該当なし	0
R・W・R・リンゼイ	メディア・リレーションズの部門長				
J・S・ルエリン・ジョーンズ	UKバンキングのチーフ・フィナンシャル・オフィサー	1967年5月21日	2008年HSBCグループ入社。	該当なし	0
N・P・クィン	UKバンキングのCMB部門長	1962年1月13日	1987年にHSBCグループ入社	該当なし	0
P・K・スワード	ストラテジー・インプリメンテーションの部門長	1956年2月10日	1985年にHSBCグループ入社	該当なし	0
M・シェリダン	UKバンキングの人事部長	1957年9月25日	2009年HSBCグループ入社。	該当なし	0

ヨーロピアン・マネジメント委員会

氏名	役職名	生年月日	主要略歴	任期	所有株式の種類および数
P・A・サーストン	チーフ・エグゼクティブ（議長）	1953年8月31日	上記参照。	該当なし	0
Z・J・カマ	GMOインターナショナルのゼネラル・マネージャー（副議長）	1947年5月26日	グループ・ゼネラル・マネージャー、インターナショナルおよび大陸ヨーロッパ、HSBCホールディングスヨーロッパ、HSBCホールディングス・ピーエルシー。1968年にHSBCグループ入社。2001年にグループ・ゼネラル・マネージャーに指名される。	該当なし	0
P・Y・アンティカ	HSBCバンク・エーエス・トルコのチーフ・エグゼクティブ・オフィサー	1960年7月17日	1990年HSBCグループ入社。	該当なし	0

P・W・ボイルズ	HSBCフランスのチーフ・エグゼクティブ・オフィサー	1955年 11月30日	1975年HSBCグループ入社。	該当なし	0
A・J・J・ シュミッツ	HSBCトリンカウス・アンド・ブルクハルトのチーフ・エグゼクティブ・オフィサー	1960年 2月23日	1989年HSBCグループ入社。	該当なし	0
D・K・シーハン	HSBCプライベート・バンクUKのチーフ・エグゼクティブ・オフィサー	1962年 2月17日	2006年HSBCグループ入社。	該当なし	0
A・M・ マホーニー	インターナショナル部門長	1962年 5月20日	1983年HSBCグループ入社。	該当なし	0
A・M・キア	コマーシャル・バンキングの地域部門長	1958年 10月16日	1981年HSBCグループ入社。	該当なし	0
C・E・ワンダレイ	PFS地域部門長	1965年 12月10日	1999年HSBCグループ入社。	該当なし	0
B・A・ハウ	HSBCインシュランスのチーフ・エグゼクティブ・オフィサー	1955年 11月10日	2004年HSBCグループ入社。	該当なし	0
P・M・ノーラン	ヨーロッパ、中東およびアフリカ、グローバル・バンキングのカバレージ部門長	1965年 10月24日	1987年HSBCグループ入社。	該当なし	0
J・M・フリント	グローバル・マーケッツEMEA部門長	1968年 6月28日	1989年HSBCグループ入社。	該当なし	0
I・S・ ジェンキンズ	チーフ・フィナンシャル・オフィサーおよびファイナンス地域部門長	1963年 12月19日	2006年HSBCグループ入社。	該当なし	0
S・アンダーソン	チーフ・リスク・オフィサーおよびリスク地域部門長	1957年 9月4日	1981年７月１日HSBCグループ入社。	該当なし	0
J・P・アームストロング	ヨーロッパのチーフ・テクノロジー・アンド・サービシズ・オフィサー	1959年 6月22日	1982年HSBCグループ入社。	該当なし	0
S・ジェフォード	人事地域部長	1963年 2月18日	2000年HSBCグループ入社。	該当なし	0

(2) 取締役の報酬

下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記７「従業員報酬および給付」で開示されている通り、2008年12月31日に終了した年度において、1985年会社法第６章１部に準拠して算定された当行取締役の2008年の報酬総額は、以下のとおりである。

	千ポンド
手当	452
給与およびその他の報酬	2,706
賞与(1)	3,430
合計	6,588
株式オプションの行使による利益	13
制限付株式制度報奨の権利確定分	1,621

(1) 2008年には、業績条件は付されていないが、期間制限が設定されているHSBCホールディングス・ピーエルシーの株式への繰延額2,357,019ポンド（2007年は4,274,098ポンド）が含まれている。

5【コーポレート・ガバナンスの状況等】

（1）【コーポレート・ガバナンスの状況】

取締役会

当行内における、取締役会が率い、会長が主導する経営組織の目的は、株主に持続可能な価値を付与することにある。取締役会が設定した戦略の実行は、副会長とチーフ・エグゼクティブの監督のもと、当行のヨーロピアン・マネジメント委員会に委任され、そしてチーフ・エグゼクティブの監督のもと、UKバンキング・マネジメント委員会に委任される。

取締役会は定期的に開催され、取締役は会議の合間に委員会の活動や当行の事業の進展に関する情報を受領する。全取締役は該当する情報すべてへの完全かつ適時のアクセス権を有しており、必要に応じて個別に独立した専門家の助言を受けることもある。

本書提出日現在在任している取締役の氏名および主な略歴は上記「４．役員の状況」に記載されている。

独立非執行取締役は、３年の任期で選任される（その後に開催される年次株主総会での株主による再任を条件とする）。独立非執行取締役との間には、役務契約は存在しない。

取締役会による委員会

取締役会は、特定の取締役やシニア・エグゼクティブから構成されるいくつかの委員会を設置した。

2008年10月に、取締役会は、改革された企業統治組織を導入し、新たなヨーロピアン・リージョナル・ストラクチャーを創設し、連合王国内における特定の主要な役割を再編成した。この改革された組織のもとでは、以前のエグゼクティブ委員会に代わり、ヨーロピアン・マネジメント委員会とUKバンキング・マネジメント委員会が設置された。

本書提出日において、主要な委員会は以下のとおりである。

① 監査委員会

監査委員会は、当行の財務報告、監査レビューの性質・範囲や内部管理とコンプライアンスのシステムの有効性について検討すべく、当行の上級財務・内部監査・コンプライアンス担当の経営陣や外部の監査人と定期的に会合を開く。

監査委員会のメンバーは、A・R・D・モンロー・デイヴィス（委員長）、P・M・シャウヤー、そしてJ・F・トゥルーマンである。2008年中に監査委員会のメンバーを務めた者は、全員、独立非執行取締役である。

② ヨーロピアン・マネジメント委員会

ヨーロピアン・マネジメント委員会は、定期的に会合を開き、取締役会の直接の権限のもと、全体経営委員会として機能している。ヨーロピアン・マネジメント委員会は、副会長とチーフ・エグゼクティブの監督のもと、当行のヨーロッパにおける事業の管理を行う役割を担っている。委員会では、当行の主要なヨーロッパでの事業（連合王国、フランス、トルコ、ドイツ）のチーフ・エグゼクティブ、国際事業の統括者、コマーシャル・バンキング、個人金融サービス、保険、グローバル・バンキング・アンド・マーケッツの各地域統括者、そしてUKプライベート・バンキングのチーフ・エグゼクティブとが一同に会する。

③ UKバンキング・マネジメント委員会

UKバンキング・マネジメント委員会は、定期的に会合を開き、取締役会の直接の権限のもと、全体経営委員会として機能している。UKバンキング・マネジメント委員会は、チーフ・エグゼクティブの監督のもと、当行の連合王国における事業の管理を行う役割を担っている。

④ 報酬委員会

報酬委員会の機能は、当行の親会社であるHSBCホールディングス・ピーエルシーの取締役会による報酬委員会において充足されている。

内部統制

取締役は、当行グループの内部統制およびその有効性の検証に責任を負う。その手続きは、無許可での使用または処分からの資産の保護、適切な会計記録の維持および事業内部におけるまたは一般公開された財務情報の信頼性を確保するために設計されている。当該手続きは、事業目的を達成できないリスクを除去するのではなく、むしろこれを管理するために設計されており、重大な虚偽表示、誤り、損失または詐欺に対して、合理的な保証のみを与えるもので絶対的な保証を与えるものではない。また、当該手続きにより、当行は、当行の主要な監督機関である金融サービス機構が発行する「規則およびガイダンス・ハンドブック」（the Handbook of Rules and Guidance）に基づく義務の履行が可能となる。

取締役が設定した主な手続きは、当行グループ内部において有効な内部統制を提供し、かつ、財務報告審議会が発行した「内部統制：統合規範に関する取締役のためのガイダンス改訂版」（the Internal Control: Revised Guidance for Directors on the Combined Code）に合致するよう設計されている。当行グループが直面する重大なリスクの特定、評価および管理を行うための当該手続きは、2008年度を通じ、また2008年度年次報告書が承認された日である2009年３月２日まで実施されてきた。2008年度中に買収された会社の場合、実施されていた内部統制を当行グループの基準に比較して審査し、当行グループのシステムに統合している。

当行グループの主な内部統制手続きには以下が含まれる。

- 当行を経営する権限は、適切なシステムおよび統制の設置および維持を監督する責任を負い、かつ、適切とみなす義務および責任を取締役および上級管理職に委任する権限を有するチーフ・エグゼクティブに付与される。エグゼクティブを当行グループ内における最上級職に任命するためには取締役会の承認が必要とされる。
- 職務報告、営業報告、財務報告および一部の管理報告の基準は、HSBCグループ全体への適用を目的として、HSBCホールディングス・ピーエルシーの経営陣により設定されている。これらは必要に応じて、当行の経営陣の設定する営業基準により補足されている。
- 当行グループにおいて、信用、金融商品の市場価格の変動、流動性、営業上の誤り、法令違反、承認されていない行為および詐欺を含む主要なリスクを特定、統制および報告するためのシステムおよび手続きが実施されている。これらのリスクに対するエクスポージャーは、当行または主要な子会社の執行委員会、リスク管理委員会ならびに資産および負債管理委員会がモニターしている。
- 当行グループを損失または風評被害の高度なリスクにさらしうる市場の慣行または顧客の行動の変化による新たなリスクを特定するためのプロセスが実施されている。
- 主な事業イニシアチブおよびかかるイニシアチブの予想される財務的影響を明記した包括的年次財務計画が取締役会により作成、審査および承認される。業績は定期的にモニターされ、関連する計画と比較した経過報告が毎月作成される。
- リスク分析モデルが確実に目的に合致し、それに従って利用され、また、過酷だが妥当と思われる事象および定量モデルでは完全に把握できないその他の特殊な状況の影響を評価するモデル固有のかつ企業規模の様々なストレステストにより補完されるように、統制および監視の準備を整える。
- 機能統制の集中化は、全てのコンピューターシステムの開発および稼働に対して実行される。類似の事業プロセスが可能な場合、共通システムが使用される。信用および市場リスクは、当行および主要な子会社において測定および報告され、HSBCグループ全体でリスクの集中を調査するために集積される。
- 計画に対する財務成績、設備投資、信用エクスポージャーおよび市場リスク・エクスポージャーに関する責任は、ラインマネジメントに対して、制限付きで委任される。さらに、HSBCホールディングス・ピーエルシーにおける職務管理は、信用リスク、市場リスク、流動性リスク、営業リスク、ITリスク、保険リスク、会計リスク、税務リスク、法務および規制コンプライアンス・リスク、人材リスク、風評リスクおよび購

買リスク、ならびに一定の国際的製品ラインにかかるリスクのリスク領域における政策、手続きおよび基準を設定する責任を負う。

- 当行、子会社および全てのレベルの経営陣が、業務上、社会、倫理もしくは環境問題から発生しうるまたは営業リスク事由の結果生じうる風評リスクを避けるための指針とする政策および手続きが定められている。銀行グループとしてHSBCグループの高い評判は、その事業の運営方法に左右されるが、HSBCグループが金融サービスを提供するクライアントの事業の運営方法にも影響をうけうる。
- 適切な内部統制システムの設置と維持は本来、業務管理の責任である。中央で統制される内部監査機能は、政策および基準の遵守、ならびに当行グループ全体の内部監査構造の有効性をモニターする。内部監査機能の業務は、リスク管理アプローチにより判断された当行グループの最大のリスク領域に集中する。
- 経営陣は、内部監査機能による勧告を適切かつ合意されたスケジュールで確実に実施する責任を負う。その旨の確認が、内部監査に提供されなければならない。経営陣はまた、その統制下にある職務が、マネジメントレターに記載される外部監査人によるまたは監督機関の調査後の監督機関による全ての重要な勧告に対処するため適切な措置を講じていたか、その過程にあることを年に１回確認しなければならない。

監査委員会は、内部統制システムの有効性に対して継続的に調査を行い、取締役会に定期的に報告した。当該委員会が調査を行うために使用した主なプロセスには、主なリスク対応部門の代表者からの定期的な報告、財務および非財務の全ての内部統制におよぶ当行グループの基準に照らして測定された主な統制の概要作成および定期的な更新、内部統制の脆弱性を原因とする重大な損失、偶発債務および不確定債務が存在しなかった旨のシニア・エグゼクティブによる年１回の確認、内部監査報告、外部監査報告、良識的な調査、ならびに監督機関の報告が含まれる。監査委員会は、当行グループに影響を与える主要分野の現状の「リスクマップ」を見直し、リスク軽減方策の実施を検討した。さらに、監査委員会は、予想外の損失が発生し、管理の枠組みやHSBCグループの方針遵守で欠陥を示す事象が発生した際には、特別報告書を精査した。かかる特別報告書は、経営陣の要請により作成され、問題の原因、習得した教訓、および問題に取り組むために経営陣から提案された方策を分析するものである。

取締役は、監査委員会を通じて、財務、営業およびコンプライアンス統制ならびにリスク管理システムを含む全ての重要な統制におよぶ内部統制に関する当行グループのシステムの有効性を毎年調査してきた。監査委員会は、経営陣が、当行グループの統制体制の実施を通じて特定された弱点および脆弱性を改善するために必要な行動をとっていたもしくはとっている旨の確認を受領している。

（２）【監査報酬の内容等】

下記「第６ 経理の状況 － １ 財務書類 － （１）年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」の注記８「一般管理費」を参照のこと。

第６【経理の状況】

a. 本書記載のエイチエスビーシー・バンク・ピーエルシー（以下「当行」という。）およびその子会社（以下合わせて「グループ」という。）の邦文の財務書類（以下「邦文の財務書類」という。）は、本書記載の2008年及び2007年12月31日に終了した事業年度の原文の財務書類（以下「原文の財務書類」という。）を翻訳したものである。本書記載の原文の財務書類は、当行グループの連結財務書類および当行の財務書類であり、当行グループは、これらを国際会計基準審議会（以下「IASB」という。）が公表し、欧州連合（以下「EU」という。）が承認している国際財務報告基準（以下「IFRS」という。）に準拠して作成している。当行グループへの適用に関してEU承認のIFRSとIASB公表のIFRSとの間に差異はなく、当行グループの財務書類は、IASB公表のIFRSに従って作成されている。当行グループの財務書類と共に当行の財務書類を公表するに当たり、当行グループは1985年会社法第230条の免除規定を利用し、承認された財務諸表の一部を形成する個別の損益計算書および関連する注記を表示していない。当行グループの財務書類の日本における開示については、「財務諸表等の用語、様式及び作成方法に関する規則」（昭和38年大蔵省令第59号）第127条第１項の規定が適用されている。

なお、英国と日本との会計処理の原則および手続ならびに表示方法の相違点については、「４ 英国(IFRS)と日本との会計原則の相違」に記載されている。

b. 原文の財務書類は、英国における独立監査人であるケーピーエムジー オーディット・ピーエルシーの監査を受けており、2008年３月３日付及び2009年３月２日付の監査報告書の原文および訳文は本書に掲載されている。

なお、当行グループの財務書類には、金融商品取引法施行令（昭和40年政令第321号）第35条の規定に基づく「財務諸表等の監査証明に関する内閣府令」（昭和32年大蔵省令第12号）第１条の３の規定により、金融商品取引法第193条の２の規定に基づく日本の公認会計士又は監査法人による監査は必要とされていない。

c. 2009年６月30日に終了した６ヶ月間の当行グループの邦文の財務書類もまた、本書に記載されている。原文の財務書類はEU承認のIFRSに準拠して作成された。中間財務書類の開示は、「中間財務諸表等の用語、様式及び作成方法に関する規則」（昭和52年大蔵省令第38号）第74条第１項の規定に基づくものである。中間財務書類は、独立監査人による監査を受けていない。

d. 邦文の財務書類には、原文の財務書類中のポンド表示の金額のうち主要なものについて円換算額が併記されている。日本円への換算には、2009年11月４日現在の株式会社三菱東京UFJ銀行の対顧客電信直物売買相場の仲値、１ポンド＝147.89円の為替レートが使用されている。

e. 日本円への換算および「２ 主な資産・負債及び収支の内容」から「４ 英国（IFRS）と日本との会計原則の相違」までの事項は原文の財務書類には記載されておらず、当該事項における原文の財務書類への参照事項を除き、上記b.の監査の対象になっていない。

1【財務書類】

(1) 年次財務書類

A.2008年12月31日終了事業年度

① 連結損益計算書

	注記	12月31日に終了した事業年度			
		2008年		2007年 (修正再表示)[1]	
		百万ポンド	百万円	百万ポンド	百万円
受取利息		18,998	2,809,614	16,439	2,431,164
支払利息		(13,301)	(1,967,085)	(12,585)	(1,861,196)
正味受取利息		5,697	842,529	3,854	569,968
受取手数料		5,453	806,444	5,442	804,817
支払手数料		(1,496)	(221,243)	(1,258)	(186,046)
正味受取手数料		3,957	585,201	4,184	618,772
トレーディング収益（正味受取利息を除く）		1,165	172,292	1,698	251,117
トレーディング活動による正味受取利息		1,802	266,498	1,789	264,575
トレーディング純収益		2,967	438,790	3,487	515,692
公正価値評価の指定を受けた金融商品からの純（費用）/収益		(1,097)	(162,235)	126	18,634
金融投資による純収益		82	12,127	552	81,635
配当金		85	12,571	43	6,359
正味保険料収入	4	2,891	427,550	1,921	284,097
その他営業収益		1,593	235,589	307	45,402
営業収益合計		16,175	2,392,121	14,474	2,140,560
正味発生保険金および保険契約準備金の変動	5	(1,835)	(271,378)	(1,674)	(247,568)
正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）		14,340	2,120,743	12,800	1,892,992
貸倒損失およびその他の信用リスク引当金		(1,861)	(275,223)	(1,043)	(154,249)
正味営業収益	6	12,479	1,845,519	11,757	1,738,743
従業員報酬および給付[1]	7	(4,498)	(665,209)	(4,305)	(636,666)
一般管理費	8	(3,049)	(450,917)	(2,872)	(424,740)
有形固定資産の減価償却および減損	22	(466)	(68,917)	(422)	(62,410)
無形資産の償却および減損	21	(109)	(16,120)	(142)	(21,000)
営業費用合計		(8,122)	(1,201,163)	(7,741)	(1,144,816)
営業利益		4,357	644,357	4,016	593,926

関連会社および合弁事業における利益持分		9	1,331	47	6,951
税引前当期純利益		**4,366**	**645,688**	4,063	600,877
法人所得税費用	10	**(843)**	**(124,671)**	(767)	(113,432)
当期純利益		**3,523**	**521,016**	3,296	487,445
親会社株主に帰属する利益		**3,441**	**508,889**	3,209	474,579
少数株主に帰属する利益		**82**	**12,127**	87	12,866

1．2008年１月１日、グループはIFRIC第11号を適用した。これに伴って、比較情報は修正再表示されている。注記１(a)を参照のこと。

② 連結貸借対照表

		12月31日現在			
	注記	2008年		2007年	
		百万ポンド	百万円	百万ポンド	百万円
資産					
現金および中央銀行預け金		**9,470**	**1,400,518**	7,146	1,056,822
他行から回収中の項目		**1,917**	**283,505**	2,434	359,964
トレーディング資産	15	**172,026**	**25,440,925**	153,206	22,657,635
公正価値評価の指定を受けた金融資産	16	**13,895**	**2,054,932**	14,969	2,213,765
デリバティブ	17	**243,084**	**35,949,693**	60,470	8,942,908
銀行に対する貸付金	31	**50,719**	**7,500,833**	60,764	8,986,388
顧客に対する貸付金	31	**298,304**	**44,116,179**	227,687	33,672,630
金融投資	18	**103,511**	**15,308,242**	69,528	10,282,496
関連会社および合弁事業における持分	20	**73**	**10,796**	118	17,451
のれんおよび無形資産	21	**11,780**	**1,742,144**	9,877	1,460,710
有形固定資産	22	**4,697**	**694,639**	4,119	609,159
その他資産	24	**8,802**	**1,301,728**	5,869	867,966
当期税金資産		**215**	**31,796**	67	9,909
繰延税金資産	10	**113**	**16,712**	50	7,395
前払金および未収収益		**5,625**	**831,881**	5,976	883,791
資産合計		**924,231**	**136,684,523**	622,280	92,028,989
負債および資本					
負債					
銀行からの預金	31	**61,431**	**9,085,031**	48,786	7,214,962
顧客からの預金	31	**369,880**	**54,701,553**	268,269	39,674,302
他行へ送金中の項目		**1,802**	**266,498**	1,975	292,083
トレーディング負債	25	**124,450**	**18,404,911**	117,454	17,370,272
公正価値評価の指定を受けた金融負債	26	**15,184**	**2,245,562**	15,659	2,315,810
デリバティブ	17	**241,031**	**35,646,075**	61,539	9,101,003
発行済負債証券	31	**52,308**	**7,735,830**	50,921	7,530,707
退職給付債務	7	**664**	**98,199**	674	99,678

その他負債[1]	27	**6,897**	**1,019,997**	6,843	1,012,011
当期未払税金		**197**	**29,134**	467	69,065
保険契約に基づく負債	28	**16,132**	**2,385,761**	12,251	1,811,800
未払費用および繰延収益		**5,464**	**808,071**	6,509	962,616
引当金	29	**428**	**63,297**	427	63,149
繰延税金負債	10	**443**	**65,515**	302	44,663
劣後債務	30	**7,259**	**1,073,534**	5,205	769,767
負債合計		**903,570**	**133,628,967**	597,281	88,331,887
資本					
払込済株式資本	35	**797**	**117,868**	797	117,868
資本剰余金勘定	36	**17,249**	**2,550,955**	15,499	2,292,147
その他持分商品	36	**1,750**	**258,808**	1,000	147,890
その他準備金	36	**(7,842)**	**(1,159,753)**	(460)	(68,029)
利益剰余金	36	**7,969**	**1,178,535**	7,587	1,122,041
親会社株主に帰属する資本合計		**19,923**	**2,946,412**	24,423	3,611,917
少数株主持分	36	**738**	**109,143**	576	85,185
資本合計		**20,661**	**3,055,555**	24,999	3,697,102
資本および負債合計		**924,231**	**136,684,523**	622,280	92,028,989

SK グリーン、取締役会会長

2009年３月２日

③ 連結認識収益費用計算書

	12月31日に終了した事業年度			
	2008年		2007年 (修正再表示)[1]	
	百万ポンド	**百万円**	百万ポンド	百万円
売却可能投資：				
－資本に計上された公正価値に係る損失	**(11,551)**	**(1,708,277)**	(964)	(142,566)
－処分により損益計算書へ振替えられた公正価値に係る利益	**(330)**	**(48,804)**	(517)	(76,459)
－減損に関する損益計算書への振替額	**429**	**63,445**	16	2,366
キャッシュ・フロー・ヘッジ：				
－資本に計上された公正価値に係る利益/（損失）	**545**	**80,600**	(71)	(10,500)
－損益計算書へ振替えられた公正価値に係る（利益）/損失	**(8)**	**(1,183)**	33	4,880
換算準備金：				
－処分に係る損益計算書への振替額	**(136)**	**(20,113)**	－	－

－資本に計上された換算差額	**3,357**	**496,467**	1,109	164,010
関連会社および合弁事業における持分の変動	**－**	**－**	101	14,937
確定給付制度に係る数理上の（損失）/利益	**(129)**	**(19,078)**	1,267	187,377
	(7,823)	**(1,156,943)**	974	144,045
資本に直接計上された項目に係る税金	**438**	**64,776**	(311)	(45,994)
資本に計上された当期収益費用合計	**(7,385)**	**(1,092,168)**	663	98,051
当期純利益	**3,523**	**521,016**	3,296	487,445
当期認識収益費用合計	**(3,862)**	**(571,151)**	3,959	585,497
以下に帰属する当期認識収益費用合計：				
－親会社株主	**(4,062)**	**(600,729)**	3,857	570,412
－少数株主	**200**	**29,578**	102	15,085

1. 2008年１月１日、グループはIFRIC第11号を適用した。これに伴って、比較情報は修正再表示されている。注記１(a)を参照のこと。

④ 連結キャッシュ・フロー計算書

		12月31日に終了した事業年度			
	注記	2008年		2007年（修正再表示）[1]	
		百万ポンド	百万円	百万ポンド	百万円
営業活動によるキャッシュ・フロー					
税引前利益		**4,366**	**645,688**	4,063	600,877
調整：					
－税引前利益に含まれる非現金項目	37	**2,733**	**404,183**	2,205	326,097
－営業資産の変動	37	**(72,242)**	**(10,683,869)**	(56,617)	(8,373,088)
－営業負債の変動	37	**118,194**	**17,479,711**	83,387	12,332,103
－換算差額の消去[2]		**(24,765)**	**(3,662,496)**	(332)	(49,099)
－投資活動による純利益		**(1,284)**	**(189,891)**	(552)	(81,635)
－関連会社および合弁事業における利益持分		**(9)**	**(1,331)**	(47)	(6,951)
－関連会社からの分配金		**2**	**296**	7	1,035
－確定給付制度に対する拠出額		**(273)**	**(40,374)**	(548)	(81,044)
－法人所得税支払額		**(795)**	**(117,573)**	(872)	(128,960)
営業活動から生じた純資金		**25,927**	**3,834,344**	30,694	4,539,336
投資活動によるキャッシュ・フロー					
金融投資の購入		**(102,333)**	**(15,134,027)**	(71,980)	(10,645,122)
金融投資の売却による収入		**71,626**	**10,592,769**	43,217	6,391,362
有形固定資産の購入		**(782)**	**(115,650)**	(578)	(85,480)
有形固定資産の売却による収入		**281**	**41,557**	67	9,909
のれんおよび無形資産の購入		**(182)**	**(26,916)**	(123)	(18,190)

のれんおよび無形資産の売却による収入		**18**	**2,662**	―	―
子会社の買収および持分の増加による純資金（支出）/収入		**(28)**	**(4,141)**	9	1,331
関連会社の買収および持分の増加による純資金支出		**(1)**	**(148)**	(118)	(17,451)
子会社の処分による収入		**1,554**	**229,821**	―	―
関連会社の処分による収入		**62**	**9,169**	982	145,228
株式報酬取引に備えるためのエイチエスビシー・ホールディングス・ピーエルシーの株式の購入		**(197)**	**(29,134)**	(182)	(26,916)
投資活動に使用した純資金		**(29,982)**	**(4,434,038)**	(28,706)	(4,245,330)
財務活動によるキャッシュ・フロー					
株式資本の発行		**1,750**	**258,808**	510	75,424
資本証券の発行		**750**	**110,918**	1,000	147,890
劣後ローン実行額		**1,014**	**149,960**	59	8,726
劣後ローン返済額		**(51)**	**(7,542)**	10	1,479
株主への配当金支払額		**(2,974)**	**(439,825)**	(1,706)	(252,300)
少数株主への配当金支払額		**(25)**	**(3,697)**	(7)	(1,035)
財務活動から生じた/（に使用した）純資金		**464**	**68,621**	(134)	(19,817)
現金および現金同等物の正味（減少）/増加		**(3,591)**	**(531,073)**	1,854	274,188
現金および現金同等物―１月１日現在		**51,235**	**7,577,144**	46,721	6,909,569
現金および現金同等物に係る為替レート変動の影響		**13,211**	**1,953,775**	2,660	393,387
現金および現金同等物―12月31日現在	37	**60,855**	**8,999,846**	51,235	7,577,144

1．2008年１月１日、グループはIFRIC第11号を適用した。これに伴って、比較情報は修正再表示されている。注記１(a)を参照のこと。

2．期首残高と期末残高との為替変動を消去して平均レートにするための調整。非合理的費用なしでは詳細を特定できないため、調整は項目ごとに行われるものではない。

⑤ 当行貸借対照表

		12月31日現在			
	注記	2008年		2007年	
		百万ポンド	百万円	百万ポンド	百万円
資産					
現金および中央銀行預け金		**6,779**	**1,002,546**	3,677	543,792
他行から回収中の項目		**692**	**102,340**	1,377	203,645
トレーディング資産	15	**130,205**	**19,256,017**	149,102	22,050,695
公正価値評価の指定を受けた金融資産	16	**4,592**	**679,111**	3,439	508,594
デリバティブ	17	**197,128**	**29,153,260**	46,325	6,851,004

銀行に対する貸付金	31	**18,295**	**2,705,648**	32,028	4,736,621
顧客に対する貸付金	31	**217,309**	**32,137,828**	150,649	22,279,481
金融投資	18	**46,608**	**6,892,857**	13,821	2,043,988
関連会社および合弁事業における持分	20	**53**	**7,838**	46	6,803
子会社への投資	23	**15,236**	**2,253,252**	15,754	2,329,859
のれんおよび無形資産	21	**598**	**88,438**	540	79,861
有形固定資産	22	**1,515**	**224,053**	1,078	159,425
その他資産	24	**3,637**	**537,876**	2,076	307,020
当期税金資産		**291**	**43,036**	1	148
繰延税金資産	10	**138**	**20,409**	515	76,163
前払金および未収収益		**2,705**	**400,042**	3,601	532,552
資産合計		**645,781**	**95,504,552**	424,029	62,709,649
負債および資本					
負債					
銀行からの預金	31	**54,986**	**8,131,880**	41,061	6,072,511
顧客からの預金	31	**240,397**	**35,552,312**	184,899	27,344,713
他行へ送金中の項目		**772**	**114,171**	1,056	156,172
トレーディング負債	25	**98,389**	**14,550,749**	99,755	14,752,767
公正価値評価の指定を受けた金融負債	26	**9,429**	**1,394,455**	8,082	1,195,247
デリバティブ	17	**197,247**	**29,170,859**	47,536	7,030,099
発行済負債証券	31	**8,670**	**1,282,206**	8,117	1,200,423
退職給付債務	7	**414**	**61,226**	551	81,487
その他負債[1]	27	**3,163**	**467,776**	2,874	425,036
当期未払税金		**4**	**592**	198	29,282
未払費用および繰延収益		**2,585**	**382,296**	4,214	623,208
引当金	29	**158**	**23,367**	163	24,106
繰延税金負債	10	**2**	**296**	2	296
劣後債務	30	**7,310**	**1,081,076**	4,744	701,590
負債合計		**623,526**	**92,213,260**	403,252	59,636,938
資本					
払込済株式資本	35	**797**	**117,868**	797	117,868
資本剰余金勘定	36	**17,249**	**2,550,955**	15,499	2,292,147
その他持分商品	36	**1,750**	**258,808**	1,000	147,890
その他準備金	36	**(622)**	**(91,988)**	180	26,620
利益剰余金	36	**3,081**	**455,649**	3,301	488,185
資本合計		**22,255**	**3,291,292**	20,777	3,072,711
資本および負債合計		**645,781**	**95,504,552**	424,029	62,709,649

SK グリーン、取締役会会長

2009年３月２日

⑥ 当行認識収益費用計算書

	12月31日に終了した事業年度			
	2008年		2007年 (修正再表示)[1]	
	百万ポンド	百万円	百万ポンド	百万円
売却可能投資：				
－資本に計上された公正価値に係る（損失）/利益	(1,533)	(226,715)	238	35,198
－処分により損益計算書へ振替えられた公正価値に 係る利益	(164)	(24,254)	(167)	(24,698)
－減損に関する損益計算書への振替額	103	15,233	―	―
キャッシュ・フロー・ヘッジ：				
－資本に計上された公正価値に係る利益	563	83,262	10	1,479
－損益計算書へ振替えられた公正価値に係る （利益）/損失	(16)	(2,366)	19	2,810
換算差額	(34)	(5,028)	(10)	(1,479)
確定給付制度に係る数理上の利益	33	4,880	1,231	182,053
	(1,048)	(154,989)	1,321	195,363
資本に直接計上された項目に係る税金	281	41,557	(364)	(53,832)
資本に計上された当期収益費用合計	(767)	(113,432)	957	141,531
当期純利益	2,681	396,493	2,336	345,471
当期認識収益費用合計	1,914	283,061	3,293	487,002

1. 2008年１月１日、グループはIFRIC第11号を適用した。これに伴って、比較情報は修正再表示されている。注記１(a)を参照のこと。

⑦ 当行キャッシュ・フロー計算書

		12月31日に終了した事業年度			
	注記	2008年		2007年 (修正再表示)[1]	
		百万ポンド	百万円	百万ポンド	百万円
営業活動によるキャッシュ・フロー					
税引前利益		3,235	478,424	2,844	420,599
調整：					
－純利益に含まれる非現金項目	37	1,448	214,145	1,719	254,223
－営業資産の変動	37	(39,012)	(5,769,485)	(44,754)	(6,618,669)
－営業負債の変動	37	70,364	10,406,132	39,266	5,807,049
－換算差額の消去[2]		(7,301)	(1,079,745)	(924)	(136,650)
－投資活動による純利益		(733)	(108,403)	(167)	(24,698)
－確定給付年金制度に対する拠出額		(252)	(37,268)	(535)	(79,121)
－法人所得税支払額		(365)	(53,980)	(428)	(63,297)

営業活動から生じた/（に使用した）純資金		**27,384**	**4,049,820**	(2,979)	(440,564)
投資活動によるキャッシュ・フロー					
金融投資の購入		**(77,011)**	**(11,389,157)**	(20,361)	(3,011,188)
金融投資の売却による収入		**48,606**	**7,188,341**	19,027	2,813,903
有形固定資産の購入		**(393)**	**(58,121)**	(307)	(45,402)
有形固定資産の売却による収入		**67**	**9,909**	59	8,726
のれんおよび無形資産の購入		**(132)**	**(19,521)**	(97)	(14,345)
のれんおよび無形資産の売却による収入		**16**	**2,366**	—	—
子会社の買収および持分の増加による純資金支出		**(28)**	**(4,141)**	—	—
関連会社の買収および持分の増加による純資金支出		**(7)**	**(1,035)**	(61)	(9,021)
子会社の資本払い戻しによる純資金収入		**1,116**	**165,045**	—	—
子会社の処分による収入		**224**	**33,127**	—	—
関連会社の処分による収入		**—**	**—**	298	44,071
株式報酬取引に備えるためのエイチエスビーシー・ホールディングス・ピーエルシーの株式の購入		**(99)**	**(14,641)**	(26)	(3,845)
投資活動に使用した純資金		**(27,641)**	**(4,087,827)**	(1,468)	(217,103)
財務活動によるキャッシュ・フロー					
普通株式の発行		**1,750**	**258,808**	510	75,424
資本証券の発行		**750**	**110,918**	1,000	147,890
劣後ローン実行額		**1,612**	**238,399**	—	—
劣後ローン返済額		**—**	**—**	22	3,254
配当金支払額		**(2,974)**	**(439,825)**	(1,706)	(252,300)
財務活動から生じた/（に使用した）純資金		**1,138**	**168,299**	(174)	(25,733)
現金および現金同等物の正味増加/（減少）		**881**	**130,291**	(4,621)	(683,400)
現金および現金同等物—1月1日現在		**22,592**	**3,341,131**	26,485	3,916,867
現金および現金同等物に係る為替レート変動の影響		**4,318**	**638,589**	728	107,664
現金および現金同等物—12月31日現在	37	**27,791**	**4,110,011**	22,592	3,341,131

1. 2008年１月１日、グループはIFRIC第11号を適用した。これに伴って、比較情報は修正再表示されている。注記１(a)を参照のこと。
2. 期首残高と期末残高との為替変動を消去して平均レートにするための調整。非合理的費用なしでは詳細を特定できないため、調整は項目ごとに行われるものではない。

次へ

財務諸表注記

1 表示の基礎

(a) 国際財務報告基準の準拠

グループの連結財務諸表およびエイチエスビーシー・バンク・ピーエルシーの個別財務諸表は、国際会計基準審議会（「IASB」）が公表し、EUが承認している国際財務報告基準（「IFRS」）に準拠して作成されている。EU承認のIFRSは、ある時点で新規または改訂版IFRSをEUが承認しない限り、IASBが公表しているIFRSとは異なる可能性がある。2008年12月31日現在、2008年12月31日に終了した事業年度に有効となる連結財務諸表および個別財務諸表に影響を及ぼす未承認の基準はなく、グループへの適用に関してEU承認のIFRSとIASB公表のIFRSとの間に差異はない。よって、2008年12月31日に終了した事業年度のグループの財務諸表は、IASB公表のIFRSに従って作成されている。

IFRSは、IASBおよびその前身団体が公表している会計基準と国際財務報告基準解釈指針委員会（「IFRIC」）およびその前身団体が公表している解釈指針を含んでいる。

2008年度中に、グループは以下の基準の改訂および解釈指針を適用した。

- IFRIC第14号「IAS第19号－確定給付資産の制限、最低積立要件およびそれらの相互関係」はグループの連結財務諸表またはエイチエスビーシー・バンク・ピーエルシーの個別財務諸表に重要な影響を及ぼさなかった。
- IAS第39号「金融商品：認識および測定」（「IAS第39号」）およびIFRS第７号「金融商品：開示」（「IFRS第７号」）」の改訂－「金融資産の組替」（「組替に関する改訂」）。注記14「金融資産の組替」を参照のこと。
- IFRIC第11号「グループおよび自己株式取引」（「IFRIC第11号」）。当該解釈指針の適用により、グループはすべての株式報酬取引を持分決済型取引として取り扱うこととなった。

この会計方針の変更は、IFRIC第11号の移行規定に従って行われた。IFRIC第11号の移行規定は、IFRS第２号「株式報酬」の移行規定に基づき、IAS第８号「会計方針、会計上の見積りの変更および誤謬」に従って、当該解釈指針を遡及的に適用することを求めている。IFRIC第11号の適用により、グループの「従業員報酬および給付」は2007年から18百万ポンド（当行については15百万ポンド）増加した。

(b) 情報の表示

グループの財務諸表と共に親会社の財務諸表を公表するに当たり、グループは1985年会社法第230条の免除規定を利用し、承認された財務諸表の一部を形成する個別の損益計算書および関連する注記を表示していない。

グループは1993年パートナーシップおよび無限責任会社(勘定)規定、レギュレーション７に基づいて、グループが連結している一部のパートナーシップについて、IFRSに準拠した個別財務諸表の表示を免除されている。

IAS第１号「財務諸表の表示」に基づく資本に関する開示は、取締役報告書の14ページから17ページ（訳注：原文のページ数である）の監査済みセクションに記載されている。

当行の機能通貨は、グループの連結財務諸表の機能通貨と同様の英国ポンドである。

(c) 連結

グループの連結財務諸表は、12月31日までのエイチエスビーシー・バンク・ピーエルシーおよびその子会社の財務諸表を含んでいる。子会社は、グループが支配権を獲得した日から連結対象となる。グループによる子会社の取得は、パーチェス法を用いて会計処理されている。取得原価は、取引日における対価の公正価値で測定され、当該取得に直接関連する費用が加算される。取得された識別可能資産、負債および偶発債務は、取得日の公正価値で測定される。取得原価が取得された識別可能資産、負債および偶発債務におけるグループの持分の公正価値を超過する場合、当該超過分はのれんとして計上される。取得原価が、取得事業の識別可能資産、負債および偶発債務におけるグループの持分の公正価値を下回る場合、その差額が損益計算書に直ちに認識される。

グループが支配している事業体は、支配が停止される日まで連結対象である。

特別目的会社（「SPE」）については、以下のような場合にグループが実質的な支配権を有していると見なされ、連結される。

- SPEの活動が個別の事業のニーズに合わせてグループのため行われており、当該SPEの事業活動によってグループが利益を得ている。
- グループがSPEの活動による利益の大部分を得るための意思決定権を有しているか、自動操縦型の経営管理により、そのような意思決定権を委任している。
- グループがSPEの利益の大部分を得る権利を有しており、その結果、SPEの活動に伴うリスクに晒される可能性がある。
- グループがSPEもしくはその資産に関連する残余リスクまたは所有リスクの大部分を、SPEの活動から利益を得るために保有している。

グループは、グループとSPEの関係の実体に変更があった場合に必ず、連結の再評価を行っている。グループ間取引はすべて、連結時に消去される。

グループの連結財務諸表は、合弁事業および関連会社の損益および剰余金に対するグループの持分も含んでいる。グループの財務諸表は12月31日より前の３ヶ月以内の財務諸表に基づいており、同日からグループの報告日までに発生した重要な取引または事象の影響が反映されている。

(d) 今後適用される基準

IASBが公表し、EUが承認した基準および解釈指針

IAS第14号「セグメント報告」（IAS第14号）と差し換えられるIFRS第８号「事業セグメント」（IFRS第８号）は、2006年11月30日に公表され、2009年１月１日以降開始される事業年度から適用となる。この基準は、事業体がセグメントに関する情報をどのように開示すべきかについて規定しており、これにより財務諸表利用者は、当該事業体の事業活動および経営環境の本質ならびに財務的影響について評価を行うことが可能となる。グループは、IFRS第８号を2009年１月１日から適用し、これに応じて、セグメントの財務情報を表示する。これらのセグメントは、その事業活動が、資源の配分および業績評価の判断を行うために、最高意思決定者によって定期的に見直されているものである。グループは現在、IAS第14号に従って、２つのセグメント情報（地域別セグメントおよび顧客グループに基づくセグメント）を表示している。

IAS第１号（改訂版）は2007年９月６日に公表され、2009年１月１日以降開始される事業年度に適用される。この基準の改訂は、財務諸表利用者の財務諸表に表示された情報を分析し比較する能力を向上させるこ

とを目的としている。IAS第１号（改訂版）の適用が、グループの連結財務諸表または当行の個別財務諸表に報告される業績に影響を及ぼすことはないが、グループの主要財務諸表の表示はこれに伴って一部変更される。

2008年１月17日に、IASBはIFRS第２号「株式報酬」の改訂-「権利確定条件および権利喪失」を公表した。当該改訂は2009年１月１日以降開始される事業年度に適用され、権利確定条件が勤務条件と業績条件のみから構成されていることを明確化している。また、権利確定条件以外の条件を満たせない場合の会計処理についても規定している。グループは、当該改訂の適用がグループの連結財務諸表または当行の個別財務諸表に重要な影響を及ぼすことはないと考えている。

2007年３月29日に、IASBはIAS第23号（改訂版）「借入費用」を公表した。この基準は2009年１月１日以降開始される事業年度に適用される。この基準の改訂は、借入費用が適格資産の取得、建設または製造を直接の発生原因とする範囲で、当該借入費用を費用として即時認識するという選択肢を削除している。グループは、IAS第23号（改訂版）の適用が連結財務諸表または当行の個別財務諸表に重要な影響を及ぼすことはないと考えている。

IFRIC第13号「カスタマー・ロイヤルティー・プログラム」（「IFRIC第13号」）は2007年６月28日に公表され、2008年７月１日以降開始される事業年度に適用される。IFRIC第13号は、顧客が商品またはサービスを購入した際に、当該顧客に賞品クレジット（「ポイント」と呼ばれることが多い）を付与する会社が、顧客のポイントと引き換えに無料あるいは割引価格で商品またはサービスを提供する義務をどのように会計処理すべきかについて取り扱っている。IFRIC第13号は、会社が当初販売の受取額の一部を賞品クレジットに割り当てた上で、商品またはサービスを提供する義務を履行した場合にのみ、これらの受取額を収益として認識するよう要求している。グループは、当該解釈指針の適用が連結財務諸表または当行の個別財務諸表に重要な影響を及ぼすことはないと考えている。

IASBが公表した基準および解釈指針のうち、EUが承認していないもの

2008年12月31日現在、連結財務諸表に適用されている、IASBが公表した基準の改訂および解釈指針のうち、EUが承認していないものは以下の通りである。

- IAS第39号およびIFRS第７号の改訂－「金融資産の組替-適用日および移行措置」は2008年11月27日に公表された。当該改訂は組替に関する改訂の適用日を明確化しており、グループの連結財務諸表または当行の個別財務諸表に対する影響はない。
- IFRIC第12号「サービス譲与契約」は2006年11月30日に公表され、2008年１月１日以降開始される事業年度に適用される。当該解釈指針の適用がグループの連結財務諸表および当行の個別財務諸表に重要な影響を及ぼすことはないとみられる。

IFRS第３号（改訂版）「企業結合」およびIAS第27号（改訂版）「連結および個別財務諸表」は、2008年１月10日に公表された。これらの基準の改訂は、取得日が2009年７月１日以降開始される最初の年次財務報告期間の期首以降である企業結合に対して、将来に向けて適用される。当該基準における主な変更点は以下のとおりである。

- 取得関連費用は、発生年度の損益計算書上で費用として認識される。
- 支配を取得する以前に保有していた株式持分は、支配を取得した時点で公正価値により再測定され、利益または損失は損益計算書に認識される。

・ 子会社に対する親会社の所有持分の変動によって支配の変更が生じることがない場合、当該取引は株主間取引として処理され、資本に計上される。

・ 取得した事業体の非支配持分（以前は少数株主持分と称していた）を測定する際に、取引ごとに、公正価値あるいは取得した事業体の正味識別可能資産に対する非支配持分割合相当額のいずれかを選択することができる。

当該変更がグループの連結財務諸表および当行の個別財務諸表に及ぼす影響は、2010年１月１日以降の企業結合の発生頻度および時期によって決まる。

2008年２月14日に、IASBはIAS第32号「金融商品：表示」およびIAS第１号の改訂－「プット可能な金融商品および清算時に生じる債務」を公表した。当該改訂は、2009年１月１日以降開始される事業年度に適用される。グループは、当該改訂の適用がグループの連結財務諸表または当行の個別財務諸表に重要な影響を及ぼすことはないと考えている。

2008年５月22日に、IASBは「IFRSの改善」を公表した。当該改善は、必要ではあるが緊急ではない一連のIFRSの改定を含んでいる。これらの改訂は、主に2009年１月１日以降開始される事業年度に適用となるが、早期適用も容認されている。グループは、当該改訂の適用が連結財務諸表または当行の個別財務諸表に重要な影響を及ぼすことはないと考えている。

2008年５月22日に、IASBはIFRS第１号「国際財務報告基準の初度適用」およびIAS第27号の改訂－「個別財務諸表における投資原価の決定」を公表した。当該改訂は、2009年１月１日以降開始される事業年度に適用される。当該改訂が当行の個別財務諸表に重要な影響を及ぼすことはないとみられ、連結財務諸表に影響を及ぼすことはない。

2008年７月31日に、IASBはIAS第39号の改訂－「適格なヘッジ対象」を公表した。当該改訂は2009年７月１日以降開始される事業年度に適用される。当該改訂はヘッジ会計の基礎となる既存の会計原則をどのように適用すべきかについて明確化している。この改訂が連結財務諸表または当行の個別財務諸表に影響を及ぼすことはない。

IFRIC第15号「不動産の建設に関する契約」（IFRIC第15号）は2008年７月３日に公表され、2009年１月１日以降開始される事業年度に適用される。IFRIC第15号は、ユニットを販売する場合の不動産開発業者の収益認識についてガイダンスを提供している。グループは、IFRIC第15号の適用がグループの連結財務諸表に重要な影響を及ぼすことはないと考えている。また、当該解釈指針が当行の個別財務諸表に影響を及ぼすことはない。

IFRIC第16号「在外営業活動体に対する純投資のヘッジ」（IFRIC第16号）は2008年７月３日に公表され、2008年10月１日以降開始される事業年度に適用される。IFRIC第16号は、在外営業活動体に対する純投資のヘッジの連結財務諸表における会計処理についてガイダンスを提供している。IFRIC第16号による主な変更は、在外営業活動体の機能通貨と親会社連結財務諸表の表示通貨が異なることから生じる為替差額をヘッジする際に、ヘッジ会計が適用できなくなったことである。IFRIC第16号の適用がグループの連結財務諸表に影響を及ぼすことはない。

IFRIC第17号「非現金資産の株主への分配」（IFRIC第17号）は2008年11月27日に公表され、2009年７月１日以降開始される事業年度に適用される。IFRIC第17号は、現金以外の資産を配当として株主に分配する場合の会計処理についてガイダンスを提供している。グループは、IFRIC第17号の適用がグループの連結財務諸表または当行の個別財務諸表に重要な影響を及ぼすことはないと考えている。

IFRIC第18号「顧客からの資産の移転」（IFRIC第18号）は2009年１月29日に公表され、2009年７月１日以降の顧客からの資産の移転に対して非遡及的に適用することが要求されている。IFRIC第18号は、企業が顧客をネットワークに接続するため、もしくは顧客に財貨またはサービスの供給（電気、ガス、水道の供給等）への継続的なアクセスを提供するために使用しなければならないこととなる有形固定資産の一項目を顧客から受領する契約についてのIFRSの要件を明確化している。グループは、IFRIC第18号の適用がグループの連結財務諸表または当行の個別財務諸表に影響を及ぼすことはないと考えている。

2 重要な会計方針

(a) 受取利息および支払利息

トレーディング目的保有に分類された金融商品、または公正価値評価の指定を受けた金融商品（グループが発行した負債証券およびそれらの発行済負債証券とともに管理されているデリバティブは除く）を除くすべての金融商品の受取利息および支払利息は、実効金利法を用いて、損益計算書上の「受取利息」または「支払利息」に認識される。実効金利法は、金融資産または金融負債（金融資産グループまたは金融負債グループ）の償却原価を計算し、受取利息または支払利息を関連期間に配分する方法である。

実効金利は、金融商品の予想有効期間、もしくはより短い期間にわたる見積現金受取額または支払額を金融資産または金融負債の正味帳簿価額に割り引いた利率である。実効金利を計算する際に、グループは金融商品に関するすべての契約条件（将来の貸し倒れは含まない）を考慮に入れたキャッシュ・フローを見積もっている。この計算には、取引費用およびその他のプレミアムおよびディスカウントを含む金融商品の実効金利の重要な一部であるグループのすべての支払額または受取額が考慮されている。

減損金融資産に対する利息は、減損引当金控除後の当該金融資産の帳簿価額に当初の実効金利（または組替時に計算された実効金利）を適用することにより計算されている。

(b) 非利息収益

受取手数料は、顧客に様々なサービスを提供することにより、グループが受け取る手数料である。受取手数料は以下のとおり、会計処理される。

－重要な業務の実行により稼得した収益は、当該業務の完了時に収益認識される。（例：株式またはその他有価証券の取得に関する契約等、第三者のための取引交渉手数料または交渉参加手数料）

－サービスの提供により稼得した収益は、サービス提供時に収益認識される。（例：資産管理、ポートフォリオおよびその他の管理に関するアドバイザリーおよびサービス手数料）

－金融商品の実効金利の重要な一部を形成する収益は実効金利の調整として認識され、（例：特定の貸出契約手数料）「受取利息」に計上される。（注記2(a)）

トレーディング純収益は、トレーディング目的で保有されている金融資産および金融負債の公正価値の変動によるすべての損益、ならびに関連する受取利息、支払利息、配当金を含んでいる。

公正価値評価の指定を受けた金融商品からの純（費用）収益には、損益を通じて公正価値評価することを指定されている金融資産および金融負債の公正価値の変動によるすべての損益が含まれている。「公正価値評価の指定を受けた金融商品からの純収益」は、これらの金融商品から生じる受取利息、支払利息ならびに配当金を含む。ただし、発行済負債証券および発行済負債証券とともに管理されているデリバティブは「支払利息」として認識される。

配当金は、配当を受け取る権利が確定した際に認識される。持分証券については、配当落日に権利確定する。

(c) セグメント報告

グループは、英国、欧州大陸、その他諸国の３つの地理的地域に分類され、以下７つの事業セグメントを通じて事業を管理している。７つの事業部門とは、英国個人向け金融サービス、英国コマーシャル・バンキング、英国グローバル・バンキング・アンド・マーケット、インターナショナル・バンキング、フランス、プライベート・バンキング、HSBCトリンカウス・アンド・ブルクハルトである。「その他」セグメントは、その他の事業セグメントのいずれにも割り当てられない活動、事業ならびに収益および費用の発生源で構成されている。「その他」セグメントは、グループが発行し公正価値評価の指定を受けた負債証券の公正価値の変動およびグループが発行した外貨建て持分金融商品の為替変動を含んでいる。セグメント収益および費用は、地域間の振替および事業セグメント間の振替を含んでいる。これらの振替は、独立企業間原則に従って実施されている。

(d) 公正価値の決定

すべての金融商品は当初は公正価値で認識される。通常の業務過程において、当初認識時の公正価値は取引価格（すなわち、支払対価または受取対価の公正価値）である。しかし、特定の状況においては、当初の公正価値は、同様の商品（修正またはリパッケージ商品を除く）のその他の観測可能な現行市場取引、もしくは金利イールド・カーブ、オプションのボラティリティおよび為替レートといった観測可能な市場から得られるデータのみを変数として用いる評価手法に基づく。これらの証拠が存在する場合、グループは、金融商品の取引開始時にトレーディング損益を認識する。観測不可能な市場データが金融商品の評価に重要な影響を及ぼす場合、取引価格と当該評価モデルによって示される公正価値の当初の差額のすべては、損益計算書に直ちに認識されるのではなく、取引期間にわたり適切な基準に基づいて認識されるか、データが観測可能となった時点、または当該取引が満期を迎えるか、グループが相殺取引を行う場合は終了する時点で損益計算書に認識される。

当初認識後、公正価値で測定される活発な市場で取引されている金融商品の公正価値は、資産については買値で、発行済負債については売値で算定される。独立の価格が入手不可能な場合には、観測可能な市場データを参照する評価手法を用いて公正価値が決定される。このような評価手法には、市場の観測可能な価格が存在する類似商品との比較、割引キャッシュ・フロー分析、オプション価格モデルおよび市場参加者が一般的に利用するその他の評価モデルが含まれる。現在の価格または観測可能な市場データが入手できない場合、金融商品の公正価値は現行の市場取引あるいは観測可能な市場データからの価格以外の仮定に基づく評価手法用いることにより、その全体または一部が決定されている。

評価手法を用いて公正価値を算定する場合、ビッド/オファー・スプレッド、信用プロファイルおよび評価モデルの不確実性等の要因を状況に応じて考慮している。評価手法は、評価においてその他の市場参加者が利用する仮定（金利イールド・カーブ、為替レート、ボラティリティ、期前返済率および債務不履行率に関する仮定を含む）を取り入れている。金融商品のポートフォリオに活発な市場における市場価格が存在する場合、当該金融商品の公正価値はユニット数と市場価格の積として表され、大量保有による割引は適用されない。

公正価値で測定される金融資産の公正価値が負の値となれば、正の値になるまで金融負債が計上され、その時点で金融資産として計上される。

金融負債の公正価値は、市場価格（入手可能な場合）または評価手法を用いて測定される。これらの公正価値は、グループの負債に適用される適切な信用スプレッドについての市場参加者の評価を含んでいる。信用スプレッドの変動に起因する金融負債および貸付金の公正価値の期中および累積変動額は、市場リスクを発生させる市況の変化に起因しない公正価値の変動額として算定される。

(e) 金融資産の組替

非デリバティブ金融資産（当初認識時に損益を通じた公正価値評価に指定されたもの以外）は、下記の特定の状況で、損益を通じた公正価値評価の分類から組み替えられることがある。

- 当初認識時に貸出金および受取債権の定義を満たす金融資産（トレーディング目的保有への分類が要求されている金融資産は除く）は、当該金融資産を予測可能な将来または満期まで保有する意図と能力がある場合に、損益を通じた公正価値評価の分類から組み替えられることがある。
- 金融資産（貸出金および受取債権の定義を満たす金融資産を除く）は、限られた状況において、損益を通じた公正価値評価の分類から他の分類に組み替えられることがある。

上記のような状況のもとでの金融資産の組替は、組替日の公正価値によって行われる。損益計算書に既に認識されている損益が戻し入れられることはない。組替日の金融資産の公正価値が新たな原価もしくは償却原価となる。

(f) 銀行および顧客に対する貸付金

銀行および顧客に対する貸付金は、売買目的に分類されておらず、公正価値評価の指定も受けていないグループの貸付金を含んでいる。貸付金は借り手に現金が引き渡された時点で認識される。貸付金は借り手が債務を返済した場合や貸付金が売却または償却された場合、あるいは所有に伴うリスクおよび便益の大半が移転した場合に認識が中止される。貸付金は公正価値に直接帰属する取引費用を加算した金額で当初は認識され、その後、減損控除後の実効金利法を用いた償却原価で測定される。公正価値ヘッジとして指定され、適格であると判断されたデリバティブによって貸付金がヘッジされている場合、ヘッジされた貸付金の帳簿価額は、ヘッジ対象リスクのみに関する公正価値調整額を含んでいる。

特定のレバレッジ・ファイナンスおよびシンジケート・ローン貸出業務について、グループは特定期間の固定の契約条件により貸付金を引き受ける契約を締結する場合がある。このような場合、貸付金の実行は、グループによる管理の範囲外である一定の将来の事象の発生を条件とする。貸出契約から生じる貸付金がトレーディング目的保有であることが予想される場合、当該貸出契約はトレーディング・デリバティブとして計上され、損益を通じて公正価値で測定される。貸付金が実行された場合は、トレーディング目的保有に分類され、損益を通じて公正価値で測定される。グループに貸付金を売買する意図がない場合は、グループが損失を被る恐れがある場合に限り、貸出契約に対する引当金が計上される。例えば、元本に損失が生じる可能性がある場合や貸出金利が調達費用を下回る場合に、引当金が計上される。ローン開始時に、保有部分が公正価値で計上され、その後に実効金利法を用いて償却原価で測定される。（例えば、貸出金利が市場金利を下回ることにより）、当初の公正価値が現金による貸出額を下回る場合、評価損が損益計算書に計上される。評価損は、貸付金が減損している場合を除いて、貸付金の期間にわたり、実効金利法を用いて受取利息を認識することにより回収される。評価損は、その他営業収益の減少として計上される。

損益を通じた公正価値評価の分類から貸出金および受取債権の分類に組み替えられた金融資産は、当初は組替日の公正価値で計上される。組み替えられた資産は、その後、組替日の実効金利を用いて償却原価で

測定される。

(g) 貸付金の減損

貸付金または貸付金ポートフォリオが減損しているという客観的な証拠がある場合、減損損失が直ちに認識される。減損損失は、個別貸付金および集合的に評価される貸付金グループについて算定されている。減損損失は、損益計算書に費用として計上される。貸借対照表上の減損貸付金の帳簿価額は、減損引当金の計上によって減額される。将来の事象から予想される損失は、認識されない。

個別に評価される貸付金

個別に重要とみなされるすべての貸付金について、グループは、貸付金が減損しているという客観的証拠の有無について各貸借対照表日に個別の評価を行っている。貸付金に減損の客観的証拠が存在する場合は、以下の要因を考慮して減損損失が決定される。

－顧客に対するグループのエクスポージャー総額

－顧客のビジネス・モデルの実行可能性、財政困難な状況下で取引を成功させる能力、債務を弁済するための充分なキャッシュ・フローの有無

－予測される受取および回収の金額および時期

－清算または破産時の分配金の予測受取可能額

－優先順位がグループより上位またはグループと同位のその他の債権者のコミットメントの範囲、およびその他の債権者が会社を継続的に支援する可能性

－債権者の請求総額および優先順位を決定する際の複雑性、ならびに法的事項および保険に関する不確実性が明確になっている範囲

－担保(またはその他の信用補完)の実現可能価額および担保権実行の成功の可能性

－回収費用による貸付金残高の予測減少額

－現地通貨建てでない場合、貸付金の通貨で調達し、支払を行う借り手の能力

－入手可能であれば、負債の流通市場価格

減損損失は、貸付金の当初の実効利率で割り引かれた予想将来キャッシュ・フローの現在価値を現在の帳簿価額と比較することにより計算される。

集合的に評価される貸付金

減損の集合的評価は以下の２つの状況下で行われる。

－個別評価の対象となる貸付金において、発生しているが未だ特定されていない損失を補償する場合

－個別に重要とみなされない同種の貸付金グループの場合

発生しているが未だ特定されていない減損

個別評価の結果、損失の証拠が明確に特定されなかった貸付金は、集合的な損失を計算する目的で、信用リスク特性に従ってグループ化される。これは、個別には特定できないが、貸借対照表日より前に生じた事象の結果グループが被り、かつ信頼性を持って見積ることが可能な減損損失である。これらの損失は、将来においてのみ個別に特定される。グループ内の個別の貸付金に関して損失を特定する情報が入手された場合は、それらの貸付金は直ちに当該グループから取り除かれ、個別に減損を評価される。

集合的な減損に対する引当金は以下を考慮して決定される。

－同様の信用リスク特性(産業部門、貸付金の格付け、商品ごとの信用リスク特性等)を有するポートフォリオの過去の損失実績

－減損の発生からその損失が特定され個別の貸付金に対して適切な引当金が設定されるまでの見積期間

－現在の経済および信用状況によって示される、貸借対照表日の実際の固有の損失が過去の実績に基づく損失を上回る、あるいは下回る可能性についての経営陣の経験に基づく判断。

損失の発生から特定までの見積期間は、特定されたポートフォリオごとに地域の経営陣が決定する。

同種の貸付金グループ

個別に重要とみなされない同種の貸付金グループの集合的な減損損失を決定する際は、個別の評価は非現実的であることから、統計に基づく手法が用いられる。同種の貸付金グループの損失は、個別貸付金が償却された場合に個別に計上され、その時点でグループから除外される。集合的な減損に対する引当金の計算には、以下の２つの方法が用いられる。

－適切かつ経験に基づく情報が入手可能な場合、グループはロール・レート法を用いている。この手法は、延滞および債務不履行に関する過去のデータと実績の統計分析を取り入れており、グループが個別に特定することはできないが、確実に見積もることが可能な貸借対照表日より前に生じた事象の結果最終的に償却される貸付金の金額を見積もっている。この手法のもとでは、貸付金は延滞日数に基づいて期間別に分類され、統計分析を用いて、各期間の貸付金が延滞の様々な段階に進み、最終的に回収不能となる可能性が見積られる。見積損失はポートフォリオの予想将来キャッシュ・フロー（当初の実効金利で割り引いた後）の現在価値と帳簿価額の差異である。固有の損失を補填するために必要な引当金の適切な水準を計算する際には、現在の経済状況の評価も行われる。特定の成熟した市場においては、破産や債務の再編等の統計に示される財務活動および管理状況を考慮した高精度の評価モデルが用いられる。

－ポートフォリオの規模が小さい場合やロール・レート法を用いるための充分な情報が得られない、あるいは情報が信頼できない場合、グループは、顧客の貸付金の延滞期間が長くなるにつれて徐々に高い損失率を割り当てるという定型的アプローチを採用する。損失率は、過去の損失実績に基づいている。

通常、各ポートフォリオに固有の損失を評価するために最も客観的で関連性のある情報は、過去の実績である。特定の状況では、例えば経済状況、法規制または行動に関する変化があると、過去の損失実績からは貸借対照表日現在の特定のポートフォリオに固有の損失について関連性のある情報が得られず、その場合ポートフォリオ・リスク要因の最近の傾向が統計モデルに完全に反映されない。

これらの追加的なポートフォリオ・リスク要因は、最近の貸付金ポートフォリオの伸びおよび商品構成、失業率、破産傾向、地理的集中、貸付商品の特徴（金利の再設定により利息費用が増加する変動利付貸付金に関する借り手の返済能力等）、国内および地域における住宅市場と金利の動向等の経済状況、ポートフォリオの経過年数、口座管理方針および慣行、現在の償却状況、法規制の変更、ならびに自然災害等の顧客の貸付金返済傾向に影響を及ぼすようなその他の項目を含んでいる。これらのリスク要因は、過去の損失実績からのみ導き出された減損引当金への調整として、減損引当金の適切な水準を計算する際に考慮される。

ロール・レート、損失率および見積将来回収時期は適切性を確保するために、定期的に実際の結果と比較している。

貸付金の償却

貸付金（および関連する減損引当金）は、元本を回収できる見込みがほとんどない場合、また担保付貸付金の場合には担保の処分代金が受領できた時に、通常、その一部または全額を償却する。

減損の戻入

減損損失が減損認識後の期間に減少し、その減少を、減損が認識された後に発生した事象に客観的に関連付けることができる場合、減損引当金を相当額減少させることによって超過分が戻し入れられる。戻入額は損益計算書に計上される。

貸付金の組替

金融資産が損益を通じた公正価値評価の分類から貸出金および受取債権に組み替えられた場合、組替日の実効金利を用いて減損損失が計算される。

組替後、見積将来受取額がこれらの回収可能性の上昇に伴って増加した場合、その影響額は、資産の帳簿価額に対する調整として見積変更日に認識されるのではなく、実効金利の調整として見積変更日以降に認識される。

貸付金と引換えに取得した資産

順当な回収の一部として貸付金と引換えに取得した非金融資産は、売却目的資産として「その他資産」に計上される。取得した資産は、取引日における公正価値（売却費用控除後）または貸付金の帳簿価額（減損引当金控除後）のいずれか低い方の金額で計上される。売却目的資産に関する減価償却は費用計上しない。その後の売却費用控除後の取得資産の公正価値への評価減は、損益計算書の「その他営業収益」に認識される。また、その後の売却費用控除後の公正価値の増加についても、評価減の累計額を上限として、処分に係る実現損益と共に「その他営業収益」に認識される。

条件緩和貸付金

契約条件が緩和された集合的に減損を評価される貸付金は、新しい取り決めに基づく最低支払件数が満たされた時点で、評価目的により、延滞とみなされず新規貸付金として扱われる。契約条件が緩和された個別に減損を評価される貸付金については、これらが継続的に減損しているか、または延滞しているかについ

て判断するために継続的なレビューが行われる。条件緩和貸付金として分類されている貸付金の帳簿価額については、満期または認識が中止されるまで当該分類を維持する。

(h) トレーディング資産およびトレーディング負債

短期国債、負債証券、株式、貸付金、預金、発行済負債証券および有価証券のショート・ポジションは、主に短期間での売却または買戻しを目的として取得される場合、あるいは共に管理される特定された金融商品ポートフォリオの一部を形成し、直近の短期的な利益獲得パターンの証拠がある場合、トレーディング目的に分類される。これらの金融資産また金融負債は、取引日（グループが相手先と金融商品の売買に関する契約を締結した日）に認識され、通常、売却された日（資産の場合）または消滅した日（負債の場合）に認識が中止される。当初は公正価値で測定され、取引費用は損益計算書に計上される。その後、公正価値は再測定され、公正価値の変動による損益はすべて「トレーディング純収益」として発生時に損益計算書に認識される。

(i) 公正価値評価の指定を受けた金融商品

トレーディング目的以外の金融商品は、下記の条件のうちの１つ以上を満たしている場合にこのカテゴリーに分類され、経営陣により同様に指定される。グループは、以下の場合に公正価値評価を指定している。

－異なる基準で金融資産または金融負債の評価や関連する損益の認識を行うことから生じる可能性のある評価または認識の不一致を取り除く、あるいは大幅に削減する場合。この基準のもとでグループが指定する主な金融商品の種類は以下のとおりである。

長期負債証券－特定の発行済固定金利長期負債証券の支払金利は、文書化された金利リスク管理戦略の一環である固定受取／変動支払の金利スワップに適合している。発行済負債証券が償却原価で会計処理された場合には会計上のミスマッチが生じるが、これは、関連するデリバティブが公正価値で測定され、公正価値の変動は損益計算書に認識されるためである。長期債務の公正価値評価を指定することによって、その公正価値の変動もまた損益計算書に認識されることになる。

投資契約に基づく金融資産および金融負債－連動する契約に基づく顧客に対する負債は、連動するファンドに保有されている資産の公正価値に基づいて決定され、公正価値の変動は損益計算書に認識される。顧客の負債に関連する金融資産が公正価値評価の指定を受けていない場合、売却可能に分類され、公正価値の変動は資本に直接計上される。これらの金融商品は公正価値に基づいて管理されており、管理情報も同様の基準で作成されている。投資契約における金融資産および負債が公正価値評価の指定を受けることで、公正価値変動額を損益計算書上で認識し、これらを同一の項目に表示することができる。

－文書化されたリスク管理または投資戦略に従って公正価値に基づいて金融資産グループ、金融負債グループまたはこれら双方の管理および業績評価を行い、当該金融商品グループに関する情報が同様の基準で経営陣に報告される場合。この基準のもとで公正価値評価の指定を受ける主な金融商品の種類は、保険契約による負債を弁済するために保有される金融資産である。グループは当該資産を公正価値に基づいて管理するための文書化されたリスク管理および投資戦略を有している。これらは市場リスクを軽減するように資産と負債の関係を維持することが考慮されている。資産の公正価値について、経営陣に対する報告書が提出されている。公正価値

による評価は、適切な規定に基づく保険事業の報告要件にも準拠している。

－特定の発行負債証券および保有負債証券等の金融商品から生じるキャッシュ・フローを大幅に修正する１つ以上の組込デリバティブを含む金融商品に関連している場合。

公正価値評価の指定は、一度行われると取消が不可能である。指定を受けた金融資産および金融負債は、グループが相手先と契約上の取り決めを行った日（通常は取引日）に認識され、通常、売却された日（資産の場合）または消滅した日（負債の場合）に認識が中止される。当初は公正価値で測定され、取引費用は損益計算書に直接計上される。その後、公正価値は再測定され、公正価値の変動による損益は「公正価値評価の指定を受けた金融商品からの純収益」に認識される。

（j）金融投資

継続的な保有が意図されている短期国債、負債証券、株式で、公正価値評価の指定を受けていないもの、もしくは貸付金として分類されていないものは、売却可能または満期保有目的に分類される。金融投資は取引日（グループが相手先と有価証券の購入に関する契約を締結した日）に認識され、一般的に当該有価証券が売却された場合または借り手が債務を返済した場合に認識が中止される。

（ｉ）売却可能金融資産は、当初は、公正価値に直接付加的取引費用を加えた金額で評価される。その後、公正価値による再評価が行われ、公正価値の変動は当該金融資産が売却されるか減損するまで「売却可能公正価値準備金」として資本に認識される。売却可能金融資産が売却された場合は、過年度に資本に認識されていた損益の累計額は「金融投資による純収益」として損益計算書に認識される。

売却可能負債証券の受取利息は、実効金利法を用いて当該資産の見積有効期間にわたる算定により認識される。満期のある投資有価証券を購入することにより発生するプレミアムやディスカウントは実効金利の計算に含められる。配当金は、受け取る権利が確立した時点で損益計算書に認識される。

各貸借対照表日において、金融資産または金融資産グループの価値に減損の客観的な証拠があるかどうかが評価される。減損損失は、金融資産の当初認識後に生じた１つ以上の事象（「損失事象」）の結果、減損の客観的証拠が存在し、また、当該損失事象が金融資産の将来キャッシュ・フローに影響を及ぼし、その規模を確実に見積ることができる場合に、その場合に限り認識される。

売却可能金融資産が減損している場合、金融資産の取得原価（元本返済額および償却額控除後）と現在の公正価値の差異から損益計算書に認識されている過年度の減損損失を差し引いた金額が資本から控除され、損益計算書に認識される。

売却可能負債証券の減損損失は損益計算書上の「貸倒損失およびその他の信用リスク引当金」に計上され、売却可能持分証券の減損損失は損益計算書上の「金融投資による純収益」に計上される。

売却可能金融資産の減損損失が認識された場合、公正価値の変動に関するその後の会計処理は、該当する売却可能金融資産の性質に応じて異なる。

－ 売却可能負債証券の公正価値のその後の下落は、金融資産の将来キャッシュ・フローが更に減少することにより追加的な減損の客観的証拠が存在する場合に損益計算書において認識される。追加的な減損の客観的証拠が存在しない場合には、金融資産の公正価値の下落は資本に

直接認識される。負債証券の公正価値がその後の期間に増加し、その増加を減損が損益計算書上で認識された後に生じた事象に客観的に関連付けることができる場合、公正価値の増加分を限度として、減損累計額が損益計算書を通じて戻し入れられる。

－ 売却可能持分証券の公正価値のその後の上昇はすべて、再評価として扱われ、資本に直接認識される。持分証券の減損は、損益計算書を通じて戻し入れられることはない。売却可能持分証券の公正価値のその後の下落は、当該持分証券の取得原価に関連して発生した追加的な減損累計額を限度として、損益計算書に認識される。

（ii）満期保有目的投資は、グループが満期まで保有する積極的な意図および能力を有し、固定または確定的な支払および固定満期がある非デリバティブ金融資産である。満期保有目的投資は、当初は公正価値に直接帰属する取引費用を加算した金額で計上され、その後、減損控除後の実効金利法を用いた償却原価で測定される。

(k) 売戻および買戻契約（株式貸借契約を含む）

事前に決められた価格で買い戻すことを条件に売却される有価証券（レポ取引）は貸借対照表に計上され、受取対価は負債に計上される。売り戻すことを条件に購入される有価証券（リバース・レポ取引）は貸借対照表上で認識されることはなく、支払対価は「銀行に対する貸付金」または「顧客に対する貸付金」のいずれかに計上される。売戻価格と買戻価格の差異は利息として会計処理され、契約期間にわたり認識される。

証券貸借取引は通常、有価証券あるいは現金の支払または受取により担保されている。これらの契約に基づく相手先への有価証券の譲渡は通常は貸借対照表に反映されない。支払現金担保は資産として、受取現金担保は負債としてそれぞれ計上される。

借入有価証券は貸借対照表に認識されることはない。第三者へ売却された場合は、当該有価証券の返済義務がトレーディング負債に計上され、公正価値による評価が行われるとともに、公正価値の変動による損益が「トレーディング純収益」に計上される。

(l) デリバティブおよびヘッジ会計

デリバティブは当初は公正価値で認識され、その後、公正価値で再評価される。上場デリバティブの公正価値は市場価格から入手される。店頭取引デリバティブの公正価値は割引キャッシュ・フロー・モデルやオプション価格モデル等の評価手法を用いて決定される。

転換社債に転換オプションが組み込まれるように、その他の金融商品にデリバティブが組み込まれることがある。組込デリバティブは、その経済的特徴およびリスクを主契約のものと明確かつ密接に関連付けることができず、個別の契約に含まれていた場合には組込デリバティブの条件が独立のデリバティブの定義を満たし、組み合わされた契約がトレーディング目的で保有されたり、公正価値評価の指定を受けたりしていない場合に個別のデリバティブとして扱われる。これらの組込デリバティブは公正価値で評価され、公正価値の変動は損益計算書に認識される。

デリバティブは、公正価値が正の場合は資産に、負の場合は負債に分類される。異なる取引から生じるデリバティブ資産および負債は、同様の取引相手との取引であり、相殺する法的権利が存在し、当事者がキャッシュ・フローを純額で決済することを意図している場合に限り相殺される。

公正価値の変動による損益の認識方法は、デリバティブがトレーディング目的であるか、またはヘッジに指定されているかによって異なり、後者の場合は、ヘッジ対象のリスクの性質に基づいて認識される。トレーディング目的保有デリバティブの公正価値の変動によるすべての損益は、損益計算書に認識される。グループはヘッジに指定されたデリバティブを、(i) 認識資産または負債、もしくは確定契約の公正価値変動に対するヘッジ（「公正価値ヘッジ」）、(ii) 認識資産または負債もしくは予定取引によって発生する可能性の高い将来キャッシュ・フローの変動に対するヘッジ（「キャッシュ・フロー・ヘッジ」）、または (iii) 海外事業への純投資のヘッジ（「純投資ヘッジ」）のいずれかに分類している。ヘッジ会計は、一定の基準を満たしていることを条件に、公正価値ヘッジ、キャッシュ・フロー・ヘッジ、純投資ヘッジのヘッジ手段として指定されたデリバティブに適用される。

ヘッジ会計

ヘッジの開始時点で、グループはヘッジ手段とヘッジ対象の関係、およびヘッジの引受けに対するリスク管理目的および戦略を文書化している。グループはまた、ヘッジ開始時点およびその後にわたって継続的にヘッジ取引で使用されたヘッジ手段（主にデリバティブ）が、ヘッジ対象の公正価値またはキャッシュ・フローのリスクに起因する変動を極めて有効に相殺するかどうかに関する評価を文書化している。適格ヘッジの利息は「正味受取利息」に計上される。

公正価値ヘッジ

公正価値ヘッジとして指定され、適格なデリバティブの公正価値の変動は、ヘッジされたリスクに関係するヘッジされた資産および負債あるいは資産および負債グループの公正価値の変動とともに損益計算書に認識される。

ヘッジ関係がヘッジ会計の基準を満たさなくなった場合、ヘッジ対象の帳簿価額に対する累積調整額は再計算された実効金利に基づいて満期までの残存期間にわたり損益計算書に計上される。ただし、ヘッジ対象の認識が中止された場合は直ちに損益計算書に計上される。

キャッシュ・フロー・ヘッジ

キャッシュ・フロー・ヘッジとして指定され、適格なデリバティブの公正価値の変動の有効部分は、キャッシュ・フロー・ヘッジ準備金として資本の部に認識される。非有効部分の公正価値の変動による損益は、直ちに損益計算書に認識される。

資本の部における累積金額はヘッジ対象が損益に影響を及ぼす期間に損益計算書に振り替えられる。しかし、ヘッジされている予定取引により非金融資産または非金融負債を認識する結果となった場合、過年度に資本にて繰り延べられていた損益は、資産または負債に関する原価の当初評価に振り替えられる。

ヘッジ手段が失効または売却された場合、あるいはヘッジ会計基準を満たさなくなった場合、その時点の資本の部における累積損益は、予定取引が最終的に損益計算書に認識されるまで資本の部に引き続き計上される。予定取引が発生する見込みがなくなった場合は、資本の部に計上されていた累積損益は直ちに損益計算書に振り替えられる。

純投資ヘッジ

海外事業への純投資のヘッジはキャッシュ・フロー・ヘッジと同じように会計処理される。ヘッジ手段の有効部分に関する損益は資本の部に認識される。非有効部分に関する損益は、直ちに損益計算書に認識される。資本の部における累積損益は、海外事業が処分された時点で損益計算書に計上される。

ヘッジの有効性に関するテスト

グループは、ヘッジ会計の適用が認められるためには、ヘッジの開始から有効期間にわたり、ヘッジが極めて有効であることが見込まれること（将来的有効性）、および継続して実際の有効性が証明されること（遡及的有効性）が必要である。

ヘッジ関係の文書には、ヘッジの有効性がどのように評価されているかに関して記載されている。グループ会社がヘッジの有効性を評価するために採用する方法は、リスク管理戦略に基づいて決定される。

将来的有効性に関しては、ヘッジ手段が、ヘッジが指定された期間のリスクに起因する公正価値またはキャッシュ・フローの変動を相殺する上で極めて有効であることが要求される。実際の有効性は、公正価値またはキャッシュ・フローの変動が80%から125%の範囲で互いに相殺されることによって確保される。

ヘッジの非有効部分は損益計算書上の「トレーディング純収益」に認識される。

ヘッジ会計の適用が認められないデリバティブ

ヘッジ会計の適用が認められないデリバティブの公正価値の変動による損益は、損益計算書に直ちに認識される。これらの損益は「トレーディング純収益」に計上される。ただし、デリバティブが公正価値評価を指定された金融商品とともに管理されている場合（グループが発行した負債証券とともに管理されているデリバティブは除く）には、公正価値の変動による損益は「公正価値評価の指定を受けた金融商品からの純（費用）収益」に計上される。グループが発行した公正価値評価の指定を受けた負債証券とともに管理されているデリバティブに対する利息は「支払利息」に認識されている。これらのデリバティブに関するその他の損益は、「公正価値評価の指定を受けた金融商品からの純（費用）収益」に計上される。

(m) 金融資産および負債の認識中止

金融資産のキャッシュ・フローを受け取る約定権利が失効した場合、あるいはグループが金融資産のキャッシュ・フローを受け取る約定権利を移転し、さらに以下のいずれかに該当している場合に金融資産の認識は中止される。

- 所有に伴うリスクと便益の大半を他に移転した場合、または
- グループがリスクと便益の大半を維持することも移転することもないが、支配を維持していない場合

金融負債は、債務の解消、取消し、失効等により負債が消滅した場合に認識が中止される。

(n) 金融資産と金融負債の相殺

金融資産と金融負債は、これらの認識金額を相殺する法的に強制力のある権利が存在し、純額で決済す

る、もしくは資産の実現と同時に負債を決済する意図がある場合に相殺され、純額が貸借対照表に計上される。

(o) 子会社、関連会社および合弁事業

グループは、グループが支配している事業体への投資を子会社に分類している。グループが１つ以上の当事者と共同支配の対象となる経済活動を行うための契約上の取り決めを締結している場合、グループはその事業に対する投資を合弁事業として分類している。グループは、グループが重要な影響力を有する事業体への投資で、子会社にも合弁事業にも該当しないものを、関連会社として分類している。この分類を決定する上で、支配とは、事業体の活動から利益を得るために、その財務および経営方針を支配する力とみなされている。

関連会社および合弁事業への投資は、持分法で認識されている。この方法のもとでは、これらの投資を当初は関連するのれんを含む取得原価で計上し、その後に純資産に対するグループの持分の買収後の変動を調整している。

グループの関連会社および合弁事業との取引に関する利益は、これらの関連会社または合弁事業に対するグループの持分に基づいて消去されている。損失についても、譲渡された資産が減損しているという証拠がない限り、関連会社または合弁事業に対するグループの持分に基づいて消去される。

当行の子会社、関連会社および合弁事業への投資は、減損控除後の取得原価で計上されている。投資の回収可能額を算定する際に用いた見積りに変更があった場合は、減損の戻入が損益計算書に認識される。

(p) のれんおよび無形資産

（ｉ）企業結合（子会社の取得を含む）ならびに合弁事業および関連会社の持分の取得により生じるのれんは、取得費用が取得した識別可能な資産、負債および偶発債務におけるグループの持分の公正価値を上回る場合に生じる。取得事業の識別可能資産、負債および偶発債務におけるグループの持分の公正価値が取得費用を上回る場合は、超過額が損益計算書に直ちに認識される。

無形資産は、これらが分離可能であるか、約定権利またはその他の法的権利から生じており、公正価値を確実に見積ることができる場合にのれんとは別に認識される。

のれんは、減損テストを行うために現金生成単位に配分される。減損テストは、内部管理目的でのれんがモニターされる最小単位を対象に実施される。減損テストは少なくとも年に一度、また現金生成単位に減損の兆候があればいつでも、現金生成単位からの回収可能価額を純資産の帳簿価額（関連するのれんを含む）と比較することにより行われている。資産の回収可能価額は、売却費用控除後の公正価値と使用価値のうち、いずれか高い方の金額である。使用価値は、現金生成単位からの予想将来キャッシュ・フローの現在価値である。回収可能価額が帳簿価額を下回る場合には、損益計算書に減損が計上される。のれんは減損累計額控除後の取得原価で表示される。

合弁事業および関連会社の持分の取得により生じるのれんは「関連会社および合弁事業における持分」に計上される。

事業の処分日に、関連するのれんは純資産に対するグループの持分として処分時の損益の算定に含まれる。

(ⅱ) 無形資産は、有効な長期保険契約、コンピュータ・ソフトウェア、商号、抵当貸付サービス権、顧客リスト、コア預金関係、クレジット・カード顧客関係、商業またはその他ローン契約関係の現在価値を含む。無形資産は、帳簿価額が回収できない可能性を示す事象または状況の変化があった場合に減損について検討する。

－無期限の耐用年数を有する無形資産または未だ使用できる状態ではない無形資産は、年に一度の減損テストを行う。この減損テストは、毎年同じ時期に実施することを条件として、事業年度中であればいつでも実施することができる。当期において認識された無形資産の減損テストは期末までに実施される。

－有限の耐用年数を有する無形資産（有効な長期保険契約の現在価値を除く）は、償却費および減損累計額を控除後の取得原価で計上され、見積耐用年数にわたり償却される。見積耐用年数は法律で定められた期間または見積耐用年数のいずれか短い方の期間である。抵当貸付サービス権の償却費は、「正味受取手数料」に計上される。

有効な長期保険契約の現在価値に影響を及ぼす会計方針については、注記２(y)を参照のこと。

(ⅲ) 有限の耐用年数を有する無形資産は、以下の耐用年数にわたり、通常は定額法により償却されている。

商号	10年
抵当貸付サービス権	通常、５年から12年
内部開発されたソフトウェア	３年から５年
購入したソフトウェア	３年から５年
顧客または商業上の関係	３年から10年
その他	通常、10年

(q) 有形固定資産

土地および建物は、減損および減価償却費を控除後の取得原価またはIFRSへの移行日の公正価値（みなし原価）で計上される。これらの資産を見積耐用年数にわたって償却する際の減価償却費は以下のとおり算定されている。

－所有地は減価償却されない

－所有建物は、定額法による１年当たり２％の償却額、あるいは残存耐用年数に基づいて算定される償却額のいずれか大きい方の金額で減価償却される。

－リース建物は、リースの解約不能期間または残存耐用年数にわたり減価償却される。

設備および付帯設備（グループが貸し手であるオペレーティング・リースの設備を含む）は、減損および減価償却費を控除後の取得原価で計上される。減価償却費は、定額法により、通常５年から20年、最長で35年の耐用年数にわたって資産を償却するように算定されている。

有形固定資産は、帳簿価額が回収できない可能性を示す事象または状況の変化があった場合に減損について検討する。

グループは、特定の不動産を、賃貸料の稼得または投下資本の増加、あるいはその両方を目的とした投資として保有している。投資不動産は貸借対照表に公正価値で計上され、公正価値の変動は変動があった年度の損益計算書に認識される。公正価値は、独立の鑑定士が認められた評価手法を用いて決定している。

(r) ファイナンス・リースおよびオペレーティング・リース

資産の所有に伴う実質的にすべてのリスクおよび便益（法的所有権は必ずしも含まない）を相手先に移転する契約はファイナンス・リースとして分類される。グループがファイナンス・リースにおける貸し手である場合、リース債権（未収収益控除後）は「銀行に対する貸付金」または「顧客に対する貸付金」のいずれか適切な方に計上される。未収金融収益はリースに対する純投資の収益率が一定となるようにリース期間にわたり「正味受取利息」に認識される。

グループがファイナンス・リースにおける借り手である場合、リース資産は「有形固定資産」に計上され、これに対応する貸し手への負債は「その他負債」に計上される。ファイナンス・リースおよびこれに対応する負債は、当該資産の公正価値または最低リース支払額の現在価値のどちらか少ない方で当初は認識される。未払金融費用は負債残高に対する利率が一定となるようにリースに内在する利率に基づいてリース期間にわたり「正味受取利息」に認識される。

その他のリースはすべてオペレーティング・リースとして分類される。グループが貸し手である場合、グループはオペレーティング・リースに影響を受ける資産を「有形固定資産」に計上し、適切な会計処理を行っている。減損は、残存価値を全額回収することができないために、資産の帳簿価額に減損が生じた場合に認識される。グループが借り手である場合は、リース資産は貸借対照表に計上されない。オペレーティング・リースに基づく未払または未収賃料はリース期間にわたり定額法で会計処理され、「一般管理費」および「その他営業収益」にそれぞれ計上される。

セール・アンド・リースバック取引は、資産を売却し、その後、同一資産をリース・バックする取引である。結果として生じるリースは、ファイナンス・リースまたはオペレーティング・リースのいずれかに分類され、適宜、会計処理される。セール・アンド・リースバック取引がファイナンス・リースとして認識される場合、売却代金の帳簿価額超過額は繰延べられ、リース期間にわたって償却される。セール・アンド・リースバック取引がオペレーティング・リースとして認識され、かつ公正価値による取引が成立していることが明らかである場合、損益は即時認識される。売却価格が公正価値を下回る場合、損益は即時認識されるが、当該損失が市場価格を下回る将来リース支払額により補填されている場合には、繰り延べられ、資産の見積使用期間にわたるリース支払額に比例して償却される。売却価格が公正価値を上回る場合は、当該超過分は繰り延べられ、資産の見積使用期間にわたり償却される。

(s) 法人税

法人税は、当期法人税および繰延法人税から構成されている。法人税は資本に直接認識される項目に関連する場合は資本に計上されるが、それ以外は損益計算書に計上される。

当期法人税は、当事業年度の課税所得に対して支払われることが予定されている税金である。当期法人税は、貸借対照表日に有効または実質的に有効な税率で計算され、過年度に関して支払われる税金に対する調整を行っている。当期法人税資産と負債は、グループが純額決済する意図があり、相殺する法的権利が存在する場合に相殺される。

繰延法人税は貸借対照表上の資産および負債の帳簿価額と税務上の資産および負債の金額の一時差異に対して認識される。繰延税金負債は通常すべての課税対象の一時差異に関して認識され、繰延税金資産は減算可能な一時差異の利用対象となる将来の課税所得が発生する可能性が高い場合にそれを限度として認識される。

繰延法人税は、貸借対照表日に有効または実質的に有効な税率に基づいて、資産が実現される、あるいは負債が決済される年度に適用が見込まれる税率を用いて算定される。繰延税金資産と負債は、同一の税務報告グループから発生し、同一の税務当局によって課される法人税に関連し、当該グループが相殺する法的権利を有している場合に相殺される。

退職後給付の数理計算上の損益に関連する繰延税金は、資本の部に直接認識されている。資本の部に直接計上されている売却可能投資およびキャッシュ・フロー・ヘッジ手段の公正価値による再評価に関連する繰延税金も資本の部に直接計上され、その後、繰り延べられた公正価値による損益が損益計算書に認識される際に、損益計算書に計上される。

(t) 年金およびその他の退職後給付

グループは多数の年金制度およびその他の退職後給付制度を有している。これらの制度は、確定給付制度および確定拠出制度、ならびに退職後医療制度等の様々なその他の退職後給付制度からなる。

確定拠出制度および国が運営する退職給付制度（これらの制度におけるグループの債務が確定拠出制度と同様である場合）の支払額は、期限の到来と同時に費用計上される。

確定給付年金費用および確定給付債務の現在価値は、予想単位積増方式を用いて当該制度の数理士によって報告日に算定される。損益計算書に計上される正味費用は、主に年金資産の期待収益を控除後の現在勤務費用と年金債務に対する割引率のアンワインディングで構成され、営業費用に表示されている。過去勤務費用は給付が権利確定した部分は直ちに損益計算書に計上されるが、それ以外は、権利が確定するまで平均期間にわたり定額法で認識される。数理計算上の損益は、実績に基づく調整（数理計算上の仮定と実際の結果の差異による影響）および数理計算上の仮定の変動による影響から生じる。数理計算上の損益は「資本」に認識され、発生年度の認識収益費用計算書に表示される。

貸借対照表に認識される確定給付年金債務は、未認識の過去勤務費用および年金資産の公正価値を調整後の確定給付債務の現在価値を表している。確定給付制度の正味剰余金は未認識の過去勤務費用に将来の拠出額に対する払戻および控除の現在価値を加えた金額に制限されている。

確定給付医療制度等のその他の退職後確定給付制度から生じた債務に関する費用は、確定給付年金制度と同様の基準により会計処理されている。

(u) 株式報酬制度

従業員との株式報酬取引の費用は、付与日における持分金融商品の公正価値を参照して測定され、権利確定期間にわたって定額法により費用計上される。従業員が即座に利用できる権利確定期間のない持分金融商品の公正価値は、直ちに費用計上される。

公正価値は、持分金融商品が付与された場合の条件を考慮した上で、適切な評価モデルを用いて決定されている。付与日における持分金融商品の公正価値を見積る際に市場成果の条件が考慮されており、この結果、報奨は、その他の条件すべてが満たされているという前提で、市場成果の条件が満たされているかどうかに関係なく受給権が確定したものとして扱われる。

市場成果以外の権利確定条件は、付与日における公正価値の当初の見積りからは除外される。これらは、取引の測定に含められた持分金融商品の個数を調整することによって考慮されており、この結果、付与された持分金融商品の対価として受け取ったサービスに対する認識額は、最終的に受給権が確定する持分金融

商品の個数に基づくことになる。市場成果以外の条件または勤務条件を満たすことができなかったために受給権が確定していない持分金融商品に対して、累積ベースで、費用の計上はない。

報奨が修正された場合は、修正がなかったと仮定した場合の当初の報奨に対する費用が最低費用として引き続き認識される。修正により、報奨の公正価値または持分金融商品の個数が増加することになった場合は、当初付与の費用に加えて、修正日における報奨の公正価値増加分または追加持分金融商品の公正価値増加分が権利確定期間にわたり認識される。

権利確定期間に権利が失効した場合は権利確定の早期化として会計処理され、権利が確定していれば権利確定期間にわたって提供されたサービスについて認識されたであろう金額が即座に認識される。

(v) 外貨換算

グループ会社の財務諸表項目は、その事業体が事業活動を行う主な経済環境における通貨（「機能通貨」）を用いて評価される。

外貨での取引は、取引日の為替レートを用いて機能通貨に換算されている。外貨建ての貨幣性資産および負債は貸借対照表日の為替レートで機能通貨に換算されている。結果として生じる換算差額は損益計算書に計上される。取得原価で評価されている外貨建ての非貨幣性資産および負債は、当初の取引日の為替レートを用いて機能通貨に換算される。公正価値で評価される外貨建ての非貨幣性資産および負債は、当該公正価値が決定された日の為替レートで機能通貨に換算される。非貨幣性項目の損益が資本に直接認識される場合、非貨幣性項目の損益の為替構成部分は資本に認識される。非貨幣性項目の損益が損益計算書に認識される場合、非貨幣性項目の損益の為替構成部分は損益計算書に直接認識される。

連結財務諸表上、機能通貨が英国ポンドではない支店、子会社、合弁事業および関連会社の資産（該当する場合は資産に関連したのれんを含む）および負債は、貸借対照表日の為替レートでグループの表示通貨に換算される。機能通貨が英国ポンドではない支店、子会社、合弁事業および関連会社の損益は、報告期間の平均為替レートで英国ポンドに換算されている。期首の外貨純投資の再換算および平均レートから期末レートへの報告期間の損益の再換算による換算差額は、資本における「換算準備金」に認識される。海外事業への純投資の一部である貨幣性項目の換算差額は、個別財務諸表の損益計算書に認識される。連結財務諸表においては、換算差額は「換算準備金」として株主持分に認識される。海外事業の処分時には、関連する換算差額および過年度に準備金に認識されていた換算差額は、損益計算書に認識される。

(w) 引当金

引当金は、過去の事象から生じた現在の法的債務またはみなし債務を決済するために経済的便益が流出する可能性があり、当該債務の金額を確実に見積もることができる場合に認識される。

偶発債務（担保として供されている特定の保証および信用状を含む）は、グループが完全に支配できない１つ以上の不確実な事象が将来発生するか否かによってのみ存在が確認され得る過去の事象から生じる潜在的な債務、または、過去の事象から生じているが、決済によって経済的便益が流出する可能性がないため、あるいは当該債務を確実に見積ることができないために認識されない現在の債務である。偶発債務は、財務諸表では認識されないものの、決済の可能性が低い場合を除き、開示される。

(x) 金融保証契約

保険契約に分類されない金融保証契約に基づく負債は、当初は公正価値で、通常、受取手数料または未収手数料に計上される。その後、金融保証負債は、当初公正価値から累積償却額を控除後の金額または当該債務を決済するために必要な支出に関する最善の見積額のいずれか高い方で評価される。

エイチエスビーシー・バンク・ピーエルシーは、その他のグループ会社に対して金融保証を発行している。当行において、このような契約が保険契約とみなされることが過年度に明確に示され、保険契約に適用可能な会計処理が行われていた場合には、グループは保証を保険契約として会計処理することができる。保険契約としての会計処理は契約ごとに選択できるが、取り消すことはできない。これらの保証が保険契約に分類されている場合は保険負債として評価および認識される。

(y) 保険契約

グループは、保険子会社を通じて、保険リスク、金融リスクまたはこれら双方を伴う契約を顧客に提供している。特定の不確実な事象が将来発生した場合に当事者を補償する契約により、グループが当該当事者から重要な保険リスクを請け負っている場合に、当該契約は保険契約として分類される。保険契約では金融リスクも移転されるが、保険リスクが重要である場合は保険契約として計上される。

任意参加型の投資契約は金融商品であるが、IFRS第４号で認められているとおり、保険契約として会計処理される。

保険契約は以下のとおり会計処理される。

保険料

損害保険事業の保険料総額は、会計年度中に負担したリスクの割合に応じて保険契約期間にわたり収益に計上される。未収保険料（会計年度中に引き受けた貸借対照表日後のリスク期間に関連する事業の相当分）は、比例配分により日割または月割計算される。

生命保険の保険料は受取可能となった際に会計処理される。ただし、ユニット連動型保険の場合は負債の確定時に保険料が計上される。

再保険料はこれらが関連する直接保険の保険料と同一の会計年度に会計処理される。

保険金および再保険金

損害保険契約の保険金総額は、支払保険金および支払備金の変動を含む。

生命保険契約の保険金総額には、期中に生じた保険金の費用総額（手数料および配当予定額に基づく保険契約者配当を含む）が反映されている。期中に生じる保険金は、満期保険金、解約返戻金および死亡保険金を含む。

満期保険金は、支払期日到来時に認識される。解約返戻金は、支払時またはもっと早い段階（通知に従って関連する保険負債の計算に当該契約を含めることを中止した時点）で認識される。死亡保険金は、通知があった時点で認識される。

再保険料は関連する保険金と同一の期間に会計処理される。

保険契約に基づく負債

損害保険契約の支払備金は、報告済みか否かにかかわらず、貸借対照表日において発生済であるが未決済のすべての保険金に関する見積最終費用、ならびに関連する手数料の加算、見積回収価値およびその他回収額の減算に基づいて決定されている。発生済未報告の保険金に対する負債は、見積ベースで適切な統計に基づく手法を用いて決定される。

非連動型生命保険契約に基づく負債は、現地の数理計算原則に基づいて各生命保険事業別に計算されている。

ユニット連動型生命保険契約に基づく負債は、関連するファンドまたは指標の価値を参照して計算された解約返戻金または譲渡価格と少なくとも同等である。

負債十分性テストは、その負債の帳簿価額が将来キャッシュ・フローの現在の見積りに照らし合わせて十分であることを保証するために保険負債に対して実施される。負債十分性テストを実施する場合、すべての契約上のキャッシュ・フローは割引かれ、当該負債の帳簿価額と比較される。不足が確認された場合は、損益計算書上に直ちに費用計上される。

有効な長期保険契約の現在価値

貸借対照表日現在において有効な、長期保険契約に分類される保険契約の価値は、資産として認識される。

有効な長期保険契約の現在価値（「PVIF」）は、現在有効な事業から生じると予想される将来キャッシュ・フローを割り引くことによって算定される。算定に際しては、将来死亡率、失効率および費用水準、ならびに各長期保険契約に帰属するリスクプレミアムを反映したリスク割引率といった要因が仮定として用いられる。PVIFの変動は「その他営業収益」に税込みベースで計上される。

将来の利益配当

保険契約者に対する任意の利益配当金の給付を規定している保険契約の負債は、保険契約者が未実現利益から給付を得ることのできる範囲で、当該契約を裏付ける資産に関連して認識される正味未実現利益が含まれている。給付は、当該契約の契約条件、規制または過去の分配方針に基づいて生じる可能性がある。これに対応する負債の変動は、資産に関連する正味未実現利益と同一割合で資本または損益計算書に認識される。正味未実現損失に対しては、回収可能性が極めて高い場合に限り、繰延利益配当資産が認識される。

投資契約

連動型および特定の非連動型投資契約に基づく顧客の負債およびこれらに対応する金融資産は公正価値評価の指定を受けている。公正価値の変動は「公正価値評価の指定を受けた金融商品からの純（費用）収益」に認識される。受取保険料および支払保険金は投資契約に対して計上される負債の増加または減少として会計処理される。

連動型生命保険契約に基づく負債は、関連するファンドまたは指標の価値を参照して計算された解約返戻金または譲渡価格と少なくとも同等である。

投資管理手数料は投資管理サービスの提供期間にわたり損益計算書の「正味受取手数料」に認識され

る。

新規投資契約の獲得または既存の投資契約の更新に直接関連する費用は、繰り延べられ、投資管理サービスの提供期間にわたり償却される。

(z) 発行済負債証券ならびに顧客および銀行からの預金

金融負債は、グループが契約相手先と契約条項を締結した際（一般的に取引日）に認識される。金融負債は、当初は公正価値（通常、受取対価から直接帰属する取引費用を控除した金額）により測定される。その後は、損益を通じて公正価値評価されているものおよび金融保証を除き、金融負債は償却原価で測定され、直接帰属する取引費用を控除後の受取額と負債の償還金額の差額を実効金利法を用いて予想期間にわたり償却している。

(aa) 株式資本およびその他の持分金融商品

株式およびその他の金融商品は、現金または他の金融資産を譲渡する契約上の義務が存在しない場合に、資本に分類される。持分金融商品の発行に直接関連する付加的費用は、税引後の金額により受取額の減少項目として資本に計上される。

(ab) 現金および現金同等物

キャッシュ・フロー計算書においては、現金および現金同等物には、価格の変動リスクが非常に少なく既知の現金金額に容易に交換可能な流動性の高い投資が含まれている。このような投資は通常、取得日から３ヶ月未満で満期が到来するものであり、現金、中央銀行預け金、短期国債およびその他の適格手形、銀行に対する貸付金、他行から回収中または他行へ送金中の項目、および預金証書が含まれている。

3 仮定、見積りおよび判断の使用

グループの経営成績は、連結財務諸表の作成の基礎となる会計方針、仮定および見積りに影響を受ける。連結財務諸表を作成する際に適用された会計方針は、注記２に詳述されている。

英国法のもとでは、財務諸表を作成するにあたり、適切な会計方針を選択すること、および合理的で慎重な判断や見積りを行うことは、取締役の責任である。

会計方針が適用される項目の重要性という観点から、または仮定および見積りの使用を含む重要な判断を伴うことから、グループの経営成績および財政状態にとって重要とみなされる会計方針は、以下のとおりである。

貸付金の減損

顧客に対する貸付金の減損から生じる損失についてのグループの会計方針は、注記２(f)に記載されている。詳細については注記38「リスク管理」を参照のこと。減損引当金は、貸借対照表日現在の貸付金ポートフォリオにおいて発生した損失に関する、経営陣の最善の見積りを示している。

経営陣は、個別および集合的に評価される貸付金に係る減損引当金を算定する場合の仮定および見積り

を行う際に判断を行うことが求められている。最も重要な判断の分野は、集合的な減損引当金の算定である。

グループは、個別に重要とみなされない同種の貸付金グループの集合的な減損引当金を算定する２つの代替的な方法を利用している。

- 適切かつ経験に基づく情報が入手可能な場合、グループはロール・レート法を用いている。この方法は、延滞および債務不履行に関する過去のデータおよび実績に関する統計分析を取り入れて、延滞の様々な段階へと進む状況や最終的に回収不能となる可能性を見積もっている。見積損失は、ポートフォリオの当初の実効利率で割り引かれた予想将来キャッシュ・フローの現在価値とポートフォリオの帳簿価額との間の差額である。
- ポートフォリオの規模が小さい場合やロール・レート法を用いるための充分な情報が得られない、あるいは情報が信頼できない場合、グループは顧客の貸付金の延滞期間が長くなるにつれて徐々に高い損失率を割り当てるという定型的アプローチを用いている。損失率は過去の損失実績に基づいている。

両方の方法とも見積りの不確実性の影響を受けるが、その一因はポートフォリオにおいて個別に重要とみなされない貸付金が多く存在していることにより、個別の貸付金に係る損失を特定することが実用的でないためである。

また、統計的に評価された過去の情報は、現在の経済および信用状況に基づく実際の固有の損失が過去の実績によって示される損失を上回る、または下回る可能性について評価する、経営陣の重要な判断で補完されている。通常、各ポートフォリオに固有の損失を評価するために最も客観的で適切な情報は、過去の実績である。特定の状況では、例えば経済状況、法規制または行動に関する変化があると、過去の損失実績からは貸借対照表日現在の特定のポートフォリオに固有の損失について関連性のある情報が得られず、その場合ポートフォリオ・リスク要因の最近の傾向が統計モデルに完全に反映されない。このような場合、減損引当金の適切な水準を算定する際に、過去の損失実績のみから導き出される減損引当金の調整を行うことにより、当該リスク要因は考慮される。

判断における主要な分野は不確実性を伴っており、貸付金ポートフォリオの伸び、商品構成、失業率、破産傾向、地理的集中、貸付商品の特徴、国内および地域の住宅市場の動向等の経済状況、金利水準、ポートフォリオの経過年数、口座管理方針および慣行、法規制の変更ならびに顧客の支払動向に影響を与えるその他の要因などに大きな影響を受ける。様々な要因が様々な地域および国において異なる経済環境や法規制を反映するよう適用されている。この判断の基礎となる仮定は、非常に主観的である。減損損失を算定する際に使用される手法および仮定は、見積損失と実際損失の間の差額を考慮して、定期的に見直されている。例えば、ロール・レート、損失率および見積将来回収時期は適切性を確保するために、定期的に実際の結果と比較している。

同種の貸付金グループの減損引当金合計金額は、多くの地域にわたる経済および信用状況の変化に大きく影響を受けるため、本質的に不確実である。地域内の経済および信用状況は、多くの要因に影響を受けている。それらの要因は相互依存度が高く、グループの減損引当金全体として特に影響を受ける単一の要因はない。次年度の結果がモデルに組み込まれた仮定と異なる可能性があり、その結果、貸付金の帳簿価額に重要な調整が生じる可能性がある。

のれんの減損

のれんに関するグループの会計方針は注記２(p)に記載されている。のれんの減損を特定し、評価するプロセスは、一連の見積りを行う上で経営陣の重要な判断が必要となり、その結果は使用された仮定の影響を大きく受けるため本質的に不確実である。のれんの減損の再評価は、以下の要因に関する経営陣の最善の見積りを示す。

- 現金生成単位（「CGU」）の将来キャッシュ・フローは、詳細にわたる予測が入手可能な期間の見積キャッシュ・フローおよびその後のキャッシュ・フローの長期的かつ持続可能なパターンに関する仮定に影響を受ける。予測値は、将来において実績や検証可能な経済データと比較されるが、キャッシュ・フロー予測には、将来の事業見通しに関する経営陣の見解が評価時に必然的に、また適切に反映されることになる。
- 将来予想キャッシュ・フローを割引くために使用される割引率は、個別のCGUに割当てられる資本コストに基づいており、CGUの評価に重大な影響を及ぼす可能性がある。資本コストの比率は通常、資本資産価格モデルによって導き出され、このモデルは該当する国のリスク・フリー金利や評価対象である事業の固有リスクを反映するためのプレミアムを含む様々な財務・経済変数を反映する入力データを組み入れている。これらの変数は経営陣の重要な判断に基づいて設定されており、不確実性を伴う。

これを実行することによって、CGUの予想キャッシュ・フローの減少および/または資本コストの増加が認められた場合、CGUの見積回収可能価額が減少することになる。その結果、CGUの見積回収可能価額が帳簿価額を下回った場合、のれんの減損費用がグループの当事業年度の損益計算書に認識される。

予想キャッシュ・フローの正確性は、不安定な市況における高い不確実性に左右される。このような市況では、経営陣は、のれんの減損に関する再テストを年に一度以上行い、キャッシュ・フロー予測の基礎となる仮定が現在の市況および将来の事業見通しに関する経営陣の最善の見積りを反映していることを確保している。

経営陣は、のれんが割当てられる各CGUに含まれるのれんの回収可能価額が帳簿価額を超過したと結論付けた。しかし、既に経営陣によりCGUのキャッシュ・フロー予測に反映されている水準以上に経済および信用状況が大幅に悪化した場合、CGUの回収可能価額に重要な調整を行う可能性があり、その結果、損益計算書に減損費用を認識する場合がある。

注記21には、のれんの重要な残高を含むCGUの詳細および各CGUにおけるのれんの減損について評価する際に用いられる主要な仮定が記載されており、のれんの帳簿価額の主要な仮定の変更に対する感応度について検討されている。

金融商品の評価

金融商品の評価に関するグループの会計方針は注記２(d)に記載されている。公正価値の最も適切な証拠は、活発に取引されている市場における市場価格である。金融商品の市場が活発でない場合に評価手法が用いられる。評価手法の大半は観察可能な市場データのみを使用するため、公正価値測定の信頼性は高い。しかし、一部の金融商品は、観察不能な１つまたは複数の重要な市場データを用いた評価手法に基づいて評価されている。観察不能なデータに大きく依拠する評価手法には、完全に観察可能なデータに基づく評価手法よりも公正価値の計算に経営陣の重要な判断が求められる。

公正価値の算定に用いられる評価手法には、市場の観察可能な価格が存在する類似金融商品との比較、割引キャッシュ・フローの分析、オプション価格モデルおよび市場参加者が一般的に利用するその他の評価モデルが含まれる。評価手法は、評価においてその他の市場参加者が利用する仮定（金利イールド・カー

ブ、為替レート、ボラティリティ、期前返済率および債務不履行率に関する仮定を含む）を取り入れている。比較可能な金融商品を参照することで金融商品を評価する場合、経営陣は、保有ポジションの比較対象となっている金融商品の満期、仕組み、および格付けを考慮している。

評価手法を伴うモデルを適用する際に、経営陣が検討する主な仮定および見積りは以下のとおりである。

- 金融商品に関する将来キャッシュ・フローの可能性およびタイミングに関する予測。契約相手方の契約条件を履行する能力に疑義がある場合は、経営陣の判断が必要となる可能性があるが、通常これらのキャッシュ・フローは、金融商品の契約条件に基づいている。将来キャッシュ・フローは、市場金利の変動に影響を受ける可能性がある。
- 金融商品についての適切な割引率の選択。経営陣は、当該金融商品の適切なリスク・フリー・レートに対して市場参加者が適切なスプレッドとみなす評価に基づいてこの利率を決定している。
- 評価モデルの選択が特に主観的な分野（例えば、複雑なデリバティブ商品を評価する場合）における公正価値の算定に用いられるモデルを決定するための判断。

観察不能なデータを伴うモデルを適用する際、例えば、市場の流動性が低いために、市場データが皆無であることから生じる公正価値の不確実性を反映するために見積りが行われている。これらの商品の公正価値による測定は信頼性が低い。観察不能なデータに基づく評価への入力値は、独立した第三者間取引が通常の取引条件のもとで起こり得る価格水準を決定するために使用できる現行の市場データがほとんどない、または皆無であるため、本質的に不確実である。しかし、公正価値の決定の基礎となる入手可能な市場データ（例えば過去のデータ）が存在する場合も多く、大半の金融商品の公正価値は、観察不能なデータが重要であっても市場における観察可能な入力データに基づいている。

金融商品の公正価値による評価には不確実性と主観性が伴うことから、次年度の結果は、使用する仮定と異なる可能性があり、公正価値により測定された金融商品の帳簿価額に重要な調整を行うこととなる。

売却可能金融資産の減損

売却可能金融資産の減損に関するグループの会計方針は、財務諸表の注記２(j)に記載されている。

経営陣は、減損損失が発生しているという客観的な証拠の存在について決定する際に判断を行うことが求められている。減損が特定された場合、減損金額は、資産の公正価値に関連して測定される。金融商品の公正価値の決定に関して、経営陣の判断が求められる仮定および見積りに関する詳細な情報は、上述の「金融商品の評価」に記載されている。

売却可能負債証券の減損について決定するために必要となる客観的証拠は、損失事象の発生の証拠および損失事象により見積将来キャッシュ・フローが減少しているという証拠から構成される。キャッシュ・フローがすぐに決定できる場合は、重要でない判断を伴う。見積将来キャッシュ・フローの決定に多くの変数の検討が必要となり、その一部が現在の市況において観察不能である場合は、より重要な判断が求められる。

最も重要な判断は、担保のプールに係る見積将来キャッシュ・フロー、市場価格の下落の範囲および程度ならびに信用格付けの変更等の要因を考慮する必要があるアセット・バック証券（「ABS」）等のより複雑な商品に関連している。担保に係る見積将来キャッシュ・フローの見直しは、評価が資産プールの過去の情報に基づいている場合、見積りの不確実性を伴い、過去の運用成績が現在の経済および信用状況を示している可能性が高いかどうかを決定するために判断が求められる。

保有する有価証券の様々な種類、保有する有価証券の地理的範囲、損失事象の発生および様々な種類の担保を含む有価証券のキャッシュ・フローに影響を与える様々な要因が存在するため、グループの売却可能負債証券の減損費用が特に影響を受ける単一の要因はない。

次年度の結果が売却可能負債証券の減損を特定する際に使用される仮定および見積りと異なるという合理的な可能性があるため、過年度に減損していないと判断された売却可能負債証券において、減損の証拠が特定されることがあり、次年度において重大な減損損失の認識につながる可能性がある。

年金

用いられた仮定は、注記７「従業員報酬および給付」に開示されている。

株式に基づく報酬

用いられた仮定は、注記９「株式に基づく報酬」に開示されている。

連結

グループが特別目的会社を連結する状況については、注記１(c)に概要が記載されており、注記38「リスク管理」に開示されている。

4 正味保険料収入

	損害保険	生命保険(非連動型)	生命保険(連動型)	任意参加型の投資契約	合計
			百万ポンド		
2008年					
計上保険料総額	418	1,252	238	1,500	3,408
未経過保険料の変動	42	(84)	―	―	(42)
保険料収入総額	460	1,168	238	1,500	3,366
再保険会社に出再した計上保険料総額	(63)	(423)	(3)	―	(489)
未経過保険料の変動における再保険会社の持分	(2)	16	―	―	14
保険料収入総額における再保険会社の持分	(65)	(407)	(3)	―	(475)
正味保険料収入	395	761	235	1,500	2,891
2007年					
計上保険料総額	372	723	129	933	2,157
未経過保険料の変動	6	2	―	―	8
保険料収入総額	378	725	129	933	2,165
再保険会社に出再した計上保険料総額	(73)	(154)	(9)	―	(236)
未経過保険料の変動における再保険会社の持分	(8)	―	―	―	(8)

保険料収入総額における再保険会社の持分	(81)	(154)	(9)	—	(244)
正味保険料収入	297	571	120	933	1,921

5 正味発生保険金および保険契約準備金の変動

	損害保険	生命保険（非連動型）	生命保険（連動型）	任意参加型の投資契約	合計
			百万ポンド		
2008年					
支払保険金、給付金および解約払戻金	318	374	135	1,047	1,874
保険契約準備金の変動	(8)	682	(189)	(138)	347
発生保険金および保険契約準備金の変動、総額	310	1,056	(54)	909	2,221
支払保険金、給付金および解約払戻金における再保険会社の持分	(46)	(83)	(7)	—	(136)
保険契約準備金変動における再保険会社の持分	42	(313)	21	—	(250)
発生保険金および保険契約準備金の変動における再保険会社の持分	(4)	(396)	14	—	(386)
正味発生保険金および保険契約準備金の変動	306	660	(40)	909	1,835
2007年					
支払保険金、給付金および解約払戻金	250	132	139	537	1,058
保険契約準備金の変動	36	(123)	19	536	468
発生保険金および保険契約準備金の変動、総額	286	9	158	1,073	1,526
支払保険金、給付金および解約払戻金における再保険会社の持分	(65)	(73)	(8)	—	(146)
保険契約準備金変動における再保険会社の持分	29	263	2	—	294
発生保険金および保険契約準備金の変動における再保険会社の持分	(36)	190	(6)	—	148
正味発生保険金および保険契約準備金の変動	250	199	152	1,073	1,674

6 正味営業収益

正味営業収益は、以下の収益、費用、利益および損失の項目を控除後の金額で計上されている。

	2008年	2007年
	百万ポンド	百万ポンド
収益		
減損金融資産について認識された利息	21	28

トレーディング目的以外で保有されている、または公正価値評価の指定を受けていない金融資産または負債に関する受取手数料で、実効金利の計算に含まれていないもの	**2,997**	2,966
グループが顧客を代理して資産を保有または投資している信託およびその他の受託活動に関連して稼得した手数料	**751**	767
費用		
金融商品の利息－トレーディング目的で保有されている、または公正価値評価の指定を受けている金融負債に係る利息を除く	**12,968**	12,310
トレーディング目的以外で保有されている、または公正価値評価の指定を受けていない金融資産または負債に関する支払手数料で、実効金利の計算に含まれていないもの	**606**	571
グループが顧客を代理して資産を保有または投資している信託およびその他の受託活動に係る支払手数料	**21**	18
利益/(損失)		
売却目的資産の処分による利益	**53**	111
売却可能株式の減損	**(282)**	(20)
貸出金および受取債権に係る利益/(損失)	**－**	－
償却原価で測定されている金融負債に係る利益/(損失)	**15**	－
有形固定資産、無形固定資産および非金融投資の処分による利益		
－フランス地方銀行の処分による利益（注23参照）	**644**	－
－エイチエスビーシー・マーチャント・サービシズ・エルエルピーの処分による利益	**215**	－
－その他	**60**	－
カナダ・スクエア８向け資金供与に係る利益（注22参照）	**265**	－
貸倒損失およびその他の信用リスク引当金		
貸付金に係る正味減損	**(1,716)**	(1,043)
売却可能負債証券の減損	**(147)**	(3)
その他の信用リスク引当金に関する正味戻入	**2**	3
	(1,861)	(1,043)

7 従業員報酬および給付

従業員報酬合計

	グループ		**当行**	
	2008年	2007年（修正再表示）	**2008年**	2007年（修正再表示）
	百万ポンド		**百万ポンド**	
賃金および給与	**3,758**	3,483	**1,985**	1,950
社会保障費用	**495**	478	**197**	195
退職後給付	**245**	344	**178**	287
	4,498	4,305	**2,360**	2,432

当事業年度におけるグループの平均雇用人員数は、以下のとおりである。

	2008年	2007年
英国個人向け金融サービス（UK PFS）、英国コマーシャル・バンキング、英国グローバル・バンキング・アンド・マーケットおよび英国その他	**51,788**	51,050
インターナショナル・バンキング	**15,395**	12,671

エイチエスビーシー・フランス	**13,215**	14,905
プライベート・バンキング	**4,842**	4,486
エイチエスビーシー・トリンカウス・アンド・ブルクハルト	**2,252**	1,817
合計	**87,492**	84,929

退職後給付制度

損益計算書上の費用

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
確定給付年金制度				
－エイチエスビーシー・バンク(UK)年金制度	**140**	245	**140**	245
－その他の制度	**3**	(5)	**－**	1
確定拠出制度	**110**	95	**30**	33
確定給付医療制度	**(8)**	9	**8**	8
	245	344	**178**	287

確定給付型退職後給付制度

確定給付制度に関連して貸借対照表上で認識された正味負債

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
確定給付年金制度				
－エイチエスビーシー・バンク(UK)年金制度	**269**	403	**269**	403
－その他の制度	**265**	107	**15**	12
確定給付医療制度	**130**	164	**130**	136
	664	674	**414**	551

年金制度

現行制度は拠出型の確定給付制度で、年金資産はグループとは独立した信託または類似する基金において保有されている。この制度は少なくとも年に一度、または各国の慣習および規定に従って、資格を有する保険数理士によって見直されている。確定給付債務および関連する当期勤務費用の算定に用いられる数理上の仮定は、保険制度が運営されている国の経済状況に応じて異なっている。

銀行の従業員を対象とした確定給付年金契約は、エイチエスビーシー・バンク(UK)年金制度（「制度」）によって提供されており、その制度資産は個別の信託基金に保有されている。当該年金制度は、受託会社であるエイチエスビーシー・バンク・ペンション・トラスト(UK)リミテッド（「受託会社」）によって管理されている。その取締役会は13名の取締役で構成され、うち４名は従業員によって、また２名は年金受給者によって選出される。年金制度の受託会社の取締役は、制度の年金受給者の最善の利益のために行動

することが要求されている。

医療給付制度

グループは、英国およびフランスにおける制度に基づいて非拠出型の退職後医療給付を提供している。退職後医療給付制度は、確定給付年金制度と同じ方法で会計処理されている。当該制度は、少なくとも年に一度、または各国の慣習および規定に従って、資格を有する保険数理士によって見直されている。確定給付債務および関連する当期勤務費用の算定に用いられる数理上の仮定は、当該制度が運営されている国の経済状況に応じて異なっている。当期において、グループは合計８百万ポンドの医療費控除（2007年：９百万ポンドの医療費）を計上した。

退職後確定給付制度の主要な数理上の仮定

2008年12月31日現在における確定給付年金制度および退職後医療制度におけるグループの債務の算定に用いられた主要な数理上の財務仮定は以下のとおりである。これらの仮定は、2009年の両制度における期間費用の測定の基礎を成すものでもある。

	割引率	インフレ率	支払中の年金の増加率－年金受給者	支払中の年金の増加率－現役制度加入者および受給待期者	繰延再評価	昇給率	医療費用趨勢比率
				%			
英国	6.50	2.90	3.00	2.80	2.90	3.40	6.90
フランス	5.75	2.00	2.00	2.00	2.00	3.00	6.00
スイス	2.60	1.50	該当なし	該当なし	該当なし	2.50	該当なし
ドイツ	5.75	2.00	2.00	2.00	2.00	3.00	該当なし

2007年12月31日現在における確定給付年金制度および退職後医療制度におけるグループの債務の算定に用いられた主要な数理上の財務仮定は以下のとおりである。これらの仮定は、2008年の両制度における期間費用の測定の基礎を成すものでもある。

	割引率	インフレ率	支払中の年金の増加率－年金受給者	支払中の年金の増加率－現役制度加入者および受給待期者	繰延再評価	昇給率	医療費用趨勢比率
				%			
英国	5.80	3.30	3.30	3.30	3.30	4.30	7.30
フランス	4.50	2.00	2.00	2.00	2.00	3.00	6.00
スイス	2.25	1.50	該当なし	該当なし	該当なし	2.25	該当なし
ドイツ	4.50	2.00	2.00	2.00	2.00	3.00	該当なし

グループは、両制度の現地保険数理士と相談の上、高格付（AAまたは同等）で確定給付債務と同じ満期を有する負債証券の現行平均利回りに基づき、グループの債務に適用する割引率を決定している。また制度資産の期待収益率は、長期将来資産収益に関する最善の見積りであり、過去の市場における収益率に加え、現行のインフレ率や金利などの追加的な要素を加味して決定している。

2008年12月31日現在、用いられた生命表および65歳時における平均余命は以下のとおりである。

	生命表	男性加入者の65歳時における余命		女性加入者の65歳時における余命	
		現在65歳	現在45歳	現在65歳	現在45歳
英国	PA92(1)	20.80	22.80	24.10	26.20
フランス	TG05	23.10	25.90	26.60	29.40
スイス	BVG2005（負荷３％）	17.90	17.90	20.98	20.98
ドイツ	Heubeck 2005G	18.00	20.70	22.10	24.70

(1) PA92は2005年に対する標準改善率およびそれ以降は最低１％の年間改善率を下限とする中期コーホート改善率を採用したものである。

2007年12月31日現在、用いられた生命表および65歳時における平均余命は以下のとおりである。

	生命表	男性加入者の65歳時における余命		女性加入者の65歳時における余命	
		現在65歳	現在45歳	現在65歳	現在45歳
英国	PA92(1)	20.40	21.70	23.40	24.60
フランス	TG05	22.93	25.73	26.41	29.29
スイス	BVG2005（負荷３％）	17.90	17.90	20.98	20.98
ドイツ	Heubeck 2005G	18.06	20.84	22.20	24.85

(1) PA92は2005年に対する標準改善率およびそれ以降は中期コーホート改善率を採用したものである。

数理上の仮定の感応度

割引率は、報告期間中に生じた市況の変動に影響を受ける。使用されている死亡率は、制度加入者のプロファイルから得られる実績値の影響を受ける。下表は、これらの仮定およびその他の主要な仮定が変動した場合の主要制度への影響を示したものである。

	エイチエスビーシー・バンク（UK）年金制度	
	2008年	2007年
	百万ポンド	
割引率		
25ベーシスポイント増加した場合の期末現在における年金債務の変動	(383)	(493)
25ベーシスポイント減少した場合の期末現在における年金債務の変動	408	530
25ベーシスポイント増加した場合の次年度における年金費用の変動	(6)	(10)
25ベーシスポイント減少した場合の次年度における年金費用の変動	7	10
インフレ率		
25ベーシスポイント増加した場合の期末現在における年金債務の変動	360	530

25ベーシスポイント減少した場合の期末現在における年金債務の変動	**(338)**	(493)
25ベーシスポイント増加した場合の次年度における年金費用の変動	**31**	40
25ベーシスポイント減少した場合の次年度における年金費用の変動	**(28)**	(37)
支払中の年金および繰延再評価の増加率		
25ベーシスポイント増加した場合の期末現在における年金債務の変動	**239**	410
25ベーシスポイント減少した場合の期末現在における年金債務の変動	**(225)**	(378)
25ベーシスポイント増加した場合の次年度における年金費用の変動	**20**	30
25ベーシスポイント減少した場合の次年度における年金費用の変動	**(16)**	(28)
昇給率		
25ベーシスポイント増加した場合の期末現在における年金債務の変動	**118**	120
25ベーシスポイント減少した場合の期末現在における年金債務の変動	**(115)**	(115)
25ベーシスポイント増加した場合の次年度における年金費用の変動	**11**	11
25ベーシスポイント減少した場合の次年度における年金費用の変動	**(10)**	(10)
投資収益率		
25ベーシスポイント増加した場合の次年度における年金費用の変動	**25**	28
25ベーシスポイント減少した場合の次年度における年金費用の変動	**(25)**	(28)
死亡率		
仮定生存年数が１年延びることから生じる年金債務の変動	**250**	340

下表は、割引率および死亡率が変動した場合の主要制度以外の確定給付制度への影響を示したものである。

	その他の制度	
	2008年	2007年
	百万ポンド	
仮定生存年数が１年延びることから生じる年金債務の増加	**13**	9

確定給付年金制度

貸借対照表に計上された価値

	エイチエスビーシー・バンク(UK)年金制度			
	2008年		2007年	
	期待収益率	**価値**	期待収益率	価値
	%	**百万ポンド**	%	百万ポンド
制度資産の公正価値		**10,191**		11,316
株式	**8.1**	**1,536**	8.3	2,283
社債	**5.7**	**7,541**	6.1	7,646
不動産	**6.9**	**812**	7.3	936
その他	**4.2**	**302**	5.1	451
確定給付債務		**(10,460)**		(11,719)
拠出型債務の現在価値		**(10,460)**		(11,719)
非拠出型債務の現在価値		**—**		—
最低積立要件の調整		**—**		—

正味負債 (1)	(269)	(403)

	その他の制度			
	2008年		2007年	
	期待収益率(2)	価値	期待収益率(2)	価値
	%	百万ポンド	%	百万ポンド
制度資産の公正価値		617		557
株式	7.4	128	7.2	196
社債	4.2	368	3.6	260
不動産	5.3	13	5.2	11
その他	5.0	108	4.9	90
確定給付債務		(889)		(643)
拠出型債務の現在価値		(750)		(610)
非拠出型債務の現在価値		(139)		(33)
制度剰余金に関する制限の影響		―		(21)
未認識過去勤務費用		7		―
最低積立要件の調整		―		―
正味負債(1)		(265)		(107)

(1) 確定給付年金制度の正味負債284百万ポンドは、当行に関連したものである（2007年：415百万ポンド）。

(2) 期待収益率は制度資産の公正価値を基準に加重計算される。

主要制度は、ポートフォリオから生じるリスクを管理するために当行とデリバティブ取引を締結している。これらのデリバティブの内訳は、金利（ロンドン銀行間取引金利－「LIBOR」）スワップおよびインフレ（小売価格指数－「RPI」）スワップである。これらのスワップの条件に基づき、主要制度は、制度加入者への将来給付支払額の予測に基づいて、当該制度に払い込まれるキャッシュ・フローと引き換えにLIBOR関連の利息を支払うことを約束している。これらのスワップについては、注記42「関連当事者間取引」で詳述されている。

確定給付債務の現在価値の変動

	2008年		2007年	
	エイチエスビーシー・バンク(UK)年金制度	その他の制度	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド	
1月1日現在残高	11,719	643	12,392	627
当期勤務費用	211	23	227	23
利息費用	670	27	623	23
従業員拠出額	―	20	―	16
数理上の(利益)/損失	(1,664)	53	(1,208)	(49)
支払給付	(476)	(43)	(315)	(37)

過去勤務費用				
－即時権利確定	**－**	**5**	－	3
－権利未確定給付	**－**	**6**	－	－
買収	**－**	**2**	－	－
削減による負債の減少	**－**	**－**	－	(29)
決済時に消滅した負債	**－**	**(40)**	－	－
換算差額	**－**	**193**	－	66
12月31日現在残高	**10,460**	**889**	11,719	643

制度資産の公正価値の変動

	2008年		2007年	
	エイチエスビーシー・バンク(UK)年金制度	**その他の制度**	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド	
１月１日現在残高	**11,316**	**557**	10,485	460
制度資産の期待収益	**741**	**31**	605	25
グループ拠出額				
－標準	**252**	**21**	235	13
－特別	**－**	**－**	300	**－**
従業員拠出額	**－**	**20**	**－**	16
実際利益/(損失)	**(1,643)**	**(130)**	6	3
支払給付	**(475)**	**(33)**	(315)	(24)
削減時に分配された資産	**－**	**－**	**－**	**－**
決済時に分配された資産	**－**	**(19)**	**－**	(3)
換算差額	**－**	**170**	**－**	67
12月31日現在残高	**10,191**	**617**	11,316	557

2008年12月31日に終了した事業年度における制度資産の実際運用収益は負の収益1,001百万ポンド（2007年：正の収益639百万ポンド）であった。グループは、2009年に確定給付年金制度に対して274百万ポンドの拠出を行う予定である。

損益計算書の「従業員報酬および給付」に計上された費用合計

	2008年		2007年	
	エイチエスビーシー・バンク(UK)年金制度	**その他の制度**	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド	
当期勤務費用	**211**	**23**	227	23
利息費用	**670**	**27**	623	23
制度資産の期待収益	**(741)**	**(31)**	(605)	(25)
過去勤務費用	**－**	**5**	－	3
削減による利益	**－**	**－**	－	(29)

決済による利益	―	(21)	―	―
費用合計	140	3	245	(5)

正味数理利益（損失）合計

	2008年		2007年	
	エイチエスビーシー・バンク(UK)年金制度	その他の制度	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド	
制度負債における実際損失	(7)	(6)	(30)	(4)
制度資産における実際利益/(損失)	(1,643)	(130)	6	3
数理上の仮定の変更による利益/(損失)	1,671	(47)	1,238	53
正味数理利益/(損失)合計	21	(183)	1,214	52

IFRSへの移行後、資本に計上された正味数理利益合計は573百万ポンドである。2008年に、数理損失として資本に計上された制度剰余金に関する制限の影響額合計は、25百万ポンドの利益であった（2007年：17百万ポンドの損失）。

主要制度に対して３年ごとに実施される保険数理評価は、直近では受託会社に代わって制度保険数理士により2005年12月31日に実施された。この評価によって1,200百万ポンドの積立不足が確認された。採用された評価方法は、予測単位積増方式であった。制度からの予想キャッシュ・フローは、2005年12月31日における小売価格指数（「RPI」）スワップ損益分岐曲線を参照して予測された。昇給率はRPIを年率１％上回り、インフレによる年金増加率はRPIと同率（ただし、年率０％（下限）から５％（上限）の間）と仮定されていた。予想キャッシュ・フローは、2005年12月31日現在のLIBORスワップ曲線に投資戦略の期待収益に対するマージンである年110ベーシスポイントを加えた利率を用いて割り引かれた。前回の評価以降３年間における制度年金受給者の死亡実績について分析が行われ、当該分析結果および評価日以降の生命表PA92シリーズにおける中期コーホートの将来改善率に基づき死亡率の仮定を行った。

2005年12月31日の評価の一部として、当該制度が廃止されて制度加入者の給付金が保険会社に買い取られる場合（この制度の規模では現実に起こる可能性は低い）、または当行の支援を受けずに受託会社が制度を継続的に運営すると仮定した場合に、負債の支払いに必要となる制度資産の金額も算定された。この方法によって算定された必要額は、2005年12月31日現在で15,500百万ポンドと見積もられた。この目的でのソルベンシー・ポジションを見積るにあたり、継続的なポジション評価の場合よりも慎重な将来の死亡率に関する仮定が用いられ、受託会社は、現物と金利およびインフレ・スワップが適切に組み合わされたポートフォリオになるように、投資戦略を変更すると仮定されている。この費用のための明確な引当金も含まれている。

2005年の評価結果を予測して、2005年12月22日、エイチエスビーシー・バンク・ピーエルシーは、制度の積立不足額を減らすために10億ポンドの追加拠出を行った。評価結果を受けて、当行は、以下に記載した将来の追加積立計画に従い、積立不足額を削減することについて受託会社と合意している。

	百万ポンド

2012年	465
2013年	465
2014年	465

当行はまた、2007年１月１日から2008年12月31日に実施される次回の保険数理評価の完了までの期間にわたり、年金計算の対象となる給与の36パーセントの割合で、確定給付制度加入者の未払給付金に関する当該制度への継続的な拠出を行うことを決定している。2006年において、当行は年金計算の対象となる給与の20パーセントの割合で拠出を行っていた。2006年の拠出額との差額を補うために、さらに年金計算の対象となる給与の２パーセントに相当する金額を、2007年１月１日から2014年12月31日までの期間にわたって支払う予定である。

受託会社および当行は、2008年12月31日現在で実施中の３年毎の評価に向けて、積立不足の解消に向けての進捗状況を監視していく予定である。この評価過程は現在進行中であり、2009年後期の完了を予定している。将来積立支払額は保険数理評価の結果に応じて決定される。

要約

	エイチエスビーシー・バンク(UK)年金制度				
	2008年	2007年	2006年	2005年	2004年
	百万ポンド	百万ポンド	百万ポンド	百万ポンド	百万ポンド
確定給付債務	**(10,460)**	(11,719)	(12,392)	(11,961)	(10,335)
制度資産の公正価値	**10,191**	11,316	10,485	10,107	7,810
制度剰余金に関する制限の影響	**—**	—	—	—	—
正味積立不足額	**(269)**	(403)	(1,907)	(1,854)	(2,525)
制度負債における実際利益	**(7)**	(30)	300	40	219
制度資産における実際利益/(損失)	**(1,643)**	6	—	905	276
数理上の仮定の変更による利益/(損失)	**1,671**	1,238	(298)	(1,166)	(741)
正味数理利益/(損失)合計	**21**	1,214	2	(221)	(246)

	その他の制度				
	2008年	2007年	2006年	2005年	2004年
	百万ポンド	百万ポンド	百万ポンド	百万ポンド	百万ポンド
確定給付債務	**(889)**	(643)	(627)	(601)	(505)
制度資産の公正価値	**617**	557	460	404	240
制度剰余金に関する制限の影響	**—**	(21)	2	—	—
正味積立不足額	**(272)**	(107)	(165)	(197)	(265)
制度負債における実際利益	**(6)**	(4)	1	3	—
制度資産における実際利益/(損失)	**(130)**	3	7	9	(20)

数理上の仮定の変更による利益/(損失)	**(47)**	53	14	(71)	(9)
正味数理利益/(損失)合計	**(183)**	52	22	(59)	(29)

確定給付医療制度

貸借対照表で認識された負債

	2008年	2007年
	百万ポンド	百万ポンド
非拠出型債務の現在価値	**130**	164
未認識過去勤務費用	**—**	—
正味負債 (1)	**130**	164

(1) 確定給付医療制度の正味負債130百万ポンドは、当行に関連するものである（2007年：136百万ポンド）。

確定給付債務の現在価値の変動

	2008年	2007年
	百万ポンド	百万ポンド
1月1日現在残高	**164**	180
当期勤務費用	**—**	1
利息費用	**9**	8
数理上の利益	**(8)**	(22)
支払給付	**(21)**	(6)
削減による負債の減少	**—**	—
決済により消滅した負債	**(17)**	—
換算差額	**3**	3
12月31日現在残高	**130**	164

損益計算書の「従業員報酬および給付」に計上された費用合計

	2008年	2007年
	百万ポンド	百万ポンド
当期勤務費用	**—**	1
利息費用	**(8)**	8
過去勤務費用	**—**	—
費用合計	**(8)**	9

正味数理利益/(損失)合計

	12月31日に終了した事業年度	
	2008年	2007年
	百万ポンド	百万ポンド
制度負債における実際/(損失)利益	**(5)**	8

数理上の仮定の変更による利益	13	14
正味数理利益合計	8	22

医療費用趨勢比率の数理上の仮定は、計上額に重要な影響を与える。医療費用趨勢比率に関する仮定が１％変動した場合の2008年の計上額への影響は以下のとおりである。

	１％上昇	１％低下
	百万ポンド	百万ポンド
当期勤務費用および利息費用の合計額の増加/（減少）	1	1
確定給付債務の増加/（減少）	16	16

退職後給付制度（当行）

上記に開示されているように、確定給付制度の加入者である当行の従業員は、主にエイチエスビーシー・バンク（UK）年金制度の加入者である。

役員報酬

会社法第６章１部に準拠して算定された当行の役員報酬の合計は、以下のとおりである。

	2008年	2007年
	千ポンド	千ポンド
手当	452	466
給与およびその他の報酬	2,706	2,026
賞与(1)	3,430	8,448
	6,588	10,940
株式オプションの行使による利益	13	37
制限付株式制度報奨の権利確定分	1,621	4,243

(1) 2008年には、業績条件は付されていないが、期間制限が設定されている株式への繰延額2,357,019ポンド（2007年：4,274,098ポンド）が含まれている。

2008年に提供された適格勤務に関連して、長期インセンティブ制度に基づき取締役に支払われた報奨はなかった。（2007年：取締役１名に対して157,576ポンドが支払われた。）

確定給付制度に基づく退職給付が取締役１名に対して計上され、マネー・パーチェス制度に基づく退職給付が取締役１名に対して計上されている。さらに、他の１名の取締役は雇用者拠出型退職給付制度に基づく給付金を受け取ることになっている。2008年12月31日現在、当該制度に基づく非拠出型債務は259,000ポンドであった。取締役の役職勤務に関するマネー・パーチェス契約への当事業年度中の拠出金総額は65,000ポンド（2007年：395,023ポンド）であった。

さらに、旧取締役との退職給付契約に基づき742,874ポンド（2007年：700,887ポンド）が支払われており、ここには旧取締役に対する非拠出型年金債務に関連する支払410,251ポンド（2007年：386,873ポンド）が含まれている。2008年12月31日現在、旧取締役に対する非拠出型年金債務に関する引当金は、4,238,032ポンド（2007年：4,653,000ポンド）であった。当事業年度の取締役の年金制度への拠出金総額は65,000ポンド（2007年：395,023ポンド）であった。

取締役に対する変動賞与は、個人および会社の業績に基づいており、当行の親会社であるエイチエスビーシー・ホールディングス・ピーエルシーの報酬委員会によって決定される。2000年エイチエスビーシー・ホールディングス制限付株式制度およびエイチエスビーシー株式制度に基づく条件付報奨の費用は、これらの報奨の公正価値および株式の権利が確定する水準をもとに算定された金額が、報奨の対象となる勤務期間にわたって毎年認識される。

これらの総額のうち、以下の金額が最高額の報酬を受け取った取締役（「最高報酬取締役」）に対して支払われている。

	2008年	2007年
	千ポンド	千ポンド
手当	－	－
給与およびその他の報酬	608	208
賞与 (1)	1,493	3,064

(1) 2008年には、業績条件は付されていないが、期間制限が設定されている株式への繰延額1.1百万ポンド（2007年：1.2百万ポンド）が含まれている。

最高報酬取締役は、当事業年度中に権利確定した長期インセンティブ制度に基づく報奨により28,537株を受領した。最高報酬取締役は、当事業年度中に、567株のエイチエスビーシー・ホールディングス・ピーエルシーの普通株式に関する株式オプションを行使した。

最高報酬取締役の当事業年度の勤務に対する、当行からの年金拠出金はなかった。

当行の親会社であるエイチエスビーシー・ホールディングス・ピーエルシーの報酬委員会は、最高報酬取締役が当事業年度中に提供した役職勤務に対して、エイチエスビーシー株式制度に基づくエイチエスビーシー・ホールディングス・ピーエルシー普通株式による条件付報奨を付与しないことを決定した。エイチエスビーシー株式制度および業績条件の詳細については、エイチエスビーシー・ホールディングス・ピーエルシーの取締役報酬報告書の中に含まれている。

8 一般管理費

監査人報酬

法定監査に関連する監査人報酬は、9.8百万ポンド（2007年：9.0百万ポンド）であった。

以下は、グループの主要な監査人であるケーピーエムジー・オーディット・ピーエルシーおよびその関連会社（「ケーピーエムジー」と総称）に対するグループの支払報酬である。

	2008年	2007年
	百万ポンド	百万ポンド
エイチエスビーシー・バンク・ピーエルシーの法定監査に対する監査報酬：		
－当事業年度に関連する報酬	2.3	2.2
－過年度に関連する報酬	0.2	0.1
	2.5	2.3
グループに提供されたその他のサービスに対するケーピーエムジーへの支払報酬		

監査関連のサービス：		
－法律に基づくグループ子会社の監査	**7.1**	6.1
－法律に基づくその他のサービス	**5.7**	2.2
税務サービス	**0.4**	0.2
その他のサービス：		
－情報技術関連サービス	**0.2**	0.2
－コーポレート・ファイナンス取引関連サービス	**0.2**	－
－その他のすべてのサービス	**1.4**	2.0
	15.0	10.7
支払報酬合計	**17.5**	13.0

「エイチエスビーシー・バンク・ピーエルシーの法定監査に対する監査報酬」は、グループの連結財務諸表およびエイチエスビーシー・バンク・ピーエルシーの個別財務諸表の法定監査に関して、ケーピーエムジー・オーディット・ピーエルシーに支払われる報酬である。エイチエスビーシー・バンク・ピーエルシー子会社の法定監査に関する支払報酬はここには含まれておらず、「グループに提供されたその他のサービスに対するケーピーエムジーへの支払報酬」に含まれている。

エイチエスビーシー・バンク・ピーエルシーに対する非監査サービスに関して、ケーピーエムジーに支払われる報酬は、当該報酬がグループ連結ベースで開示されているため、個別には開示されていない。

9 株式報酬

2008年において、持分決済型株式報酬取引に関する費用225百万ポンドが損益計算書に計上された（2007年： IFRIC第11号の影響による修正再表示後の182百万ポンド（注記１a参照のこと））。この費用は、契約時の株式報酬取引の公正価値から算出され、エイチエスビーシー・グループの報酬体系の中で付与された従業員株式報奨に基づいて発生したものである。

公正価値の計算

株式オプション/報奨の付与日現在における公正価値は、ブラック・ショールズ・モデルの基礎的な仮定に基づいた二項モデルを用いて算定されている。一定期間のエイチエスビーシーの株主総利回り（「TSR」）に応じて権利が確定するオプション/株式報奨をモデル化する場合、TSRの業績目標は、モンテ・カルロ・シュミレーションを用いたモデルの中に組み込まれる。オプションの予想年数は、オプション保有者の行動によって異なるものであり、その情報は過去の観察可能なデータに基づいてオプション・モデルに組み込まれる。公正価値の算定には仮定を使用しており、また使用するモデルにも限界があるため、算定された公正価値は、本質的に主観的で不確実なものである。

付与されたオプションの公正価値の見積りに用いられた重要な仮定の加重平均値は、以下のとおりである。

	１年貯蓄型株式オプション制度	**３年貯蓄型株式オプション制度**	**５年貯蓄型株式オプション制度**

2008年			
リスク・フリー金利(1)（%）	**4.5**	**4.5**	**4.5**
予想年数(2)（年数）	**1**	**3**	**5**
予想ボラティリティ(3)（%）	**25**	**25**	**25**
付与日における株価（ポンド）	**8.80**	**8.80**	**8.80**
2007年			
リスク・フリー金利(1)（%）	5.6	5.5	5.4
予想年数(2)（年数）	1	3	5
予想ボラティリティ(3)（%）	17	17	17
付与日における株価（ポンド）	9.24	9.24	9.24

(1) リスク・フリー金利は、英国貯蓄型株式オプション制度についての英国債イールド・カーブをもとに決定された。海外貯蓄型株式オプション制度についても同様のイールド・カーブが使用された。
(2) 予想年数は単独の入力パラメーターではなく、様々な行動に関する仮定の関数である。
(3) 予想ボラティリティは、過去の平均株価ボラティリティ、および当該従業員オプションと類似する満期を有し、取引されているエイチエスビーシー株式に関するオプションから得られるインプライド・ボラティリティの両方を考慮することによって見積られている。

予想配当金は（該当する場合）、株式オプション/報奨の評価モデルに組み込まれている。米ドル建ての予想配当成長率は、初年度は７パーセント（2007年：最初の３年間は10パーセント）、それ以降は８パーセント（2007年：８パーセント）と決定されたが、これは一般的なアナリストの予測と一致したものである。

エイチエスビーシー株式制度

エイチエスビーシー株式制度は、2005年にエイチエスビーシー・グループによって採用された。この制度に基づき、業績株式報奨、制限付株式報奨、および株式オプション報奨が付与される可能性がある。エイチエスビーシー株式制度の目的は、役員の関心を株主価値の創出にあわせ、また個人の実績および潜在的可能性を認識することである。さらに、人材雇用と留保を目的として本制度に基づく報奨が付与されている。

業績株式報奨

業績株式報奨は、前年度の各個人の業績を考慮して、専務取締役およびその他の上級執行役員に付与される。各報奨は、予め定められた基準に対する達成度を測るため、２つの均等な要素に分割されている。報奨のうち１つは、TSRに基づくもので、28の大手銀行から成る比較グループに対するエイチエスビーシーの順位に基づいて決定される。もう１つは、１株当たり利益目標の達成を条件とした報奨である。報奨の各要素について、各業績評価の最低基準値を満たしていることを前提に、目標の達成度に応じて、報奨の30%から100%のスライド制で従業員に株式が提供される。これらの株式は、受給条件を満たしている限りにおいて、３年後に受給権が確定される。

	2008年	2007年
	株数（千株）	株数（千株）
１月１日現在残高	**2,184**	1,966
期中における増加	**167**	421
期中における引渡	**(809)**	(203)
期中における権利失効	**(314)**	—
12月31日現在残高(1)	**1,228**	2,184

(1) 上表は当行従業員の報奨金809,522株（2007年：1,735,782株）を含む。

2008年に業績株式報酬としてグループが付与した株式の加重平均公正価値は、8.56ポンド（2007年：8.96ポンド）であった。

制限付株式報奨

制限付株式は、人材雇用支援として、または年次賞与の繰延べとして、従業員の勤務実績、潜在的可能性および留保要求に基づき、その他の従業員に対して付与される。当該株式報奨には会社の業績条件は付されておらず、通常は、付与日から１年から３年の間に受給権が確定するが、従業員がその期間継続してグループに雇用されていることが条件となる。

	2008年	2007年
	株数（千株）	株数（千株）
１月１日現在残高	29,590	13,333
期中における増加	25,202	21,035
期中における引渡	(9,328)	(2,454)
期中における権利失効	(2,583)	(2,324)
12月31日現在残高	42,881	29,590

2008年に制限付株式報奨としてグループが付与した株式の加重平均公正価値は、8.56ポンド（2007年：8.96ポンド）であった。

株式オプション

株式オプションは、2005年にエイチエスビーシー株式制度のもとで、前年度の業績に基づいてフランスの従業員に対して付与された。この株式オプションには、グループの１株当たり利益の絶対測度および28の大手銀行から成る比較グループに対するエイチエスビーシー・グループの順位に基づいて決定されるTSRの測度を含む業績条件が付されている。このオプションは付与の３年後に権利が確定する。2005年６月に付与されたオプションは、付与日から４年目まで行使可能であり、それ以降は権利が失効する。2005年９月に付与されたオプションは、付与日から10年目まで行使可能であり、それ以降は権利が失効する。

	2008年		2007年	
	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	525	8.85	628	8.84
期中における権利失効	(225)	8.79	(103)	8.79
12月31日現在残高	300	8.89	525	8.85

2008年に付与されたオプションはなかった（2007年：ゼロ）。貸借対照表日現在、未行使オプションの加重平均残存契約期間は2.1年であった（2007年：2.4年）。貸借対照表日現在、未行使オプションの行使価格の範囲は8.79ポンドから9.17ポンドであった。これらのオプションのうち、貸借対照表日現在において行使

可能なものはなかった。

貯蓄型株式オプション制度

貯蓄型株式オプション制度は、一定の条件を満たした従業員を対象として、月額最高250ポンドまでの積立てを行い、その貯蓄を株式取得に使用することを認めるオプションを付した貯蓄契約の締結を推奨する制度である。この制度の目的は、すべての従業員の関心を株主価値の創出にあわせることである。オプションは、１年契約の貯蓄契約は、契約開始から１年目の応答日から３ヶ月間、３年または５年契約の貯蓄契約は、契約開始から３年目または５年目の応答日から６ヶ月間行使可能である。行使価格は、上記推奨日の直前の日の市場価格に対して20%（2007年：20%）割り引いた価格に設定される。

	2008年		2007年	
	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	41,029	6.59	37,053	6.46
期中における付与	13,718	6.82	10,845	7.08
期中における権利行使	(13,273)	5.73	(3,623)	6.45
期中における移管	(1,404)	7.20	(1,242)	6.89
期中における行使期限切れ	(2,955)	7.02	(2,004)	6.76
12月31日現在残高(1),(2)	37,115	6.94	41,029	6.59

(1) 上表には、当行従業員に対するオプションが2008年１月１日現在残高に34,569,476個（2007年：33,571,481個）、期中における付与に12,085,353個（2007年：8,269,034個）、および2008年12月31日現在残高に33,404,227個（2007年：34,569,476個）含まれている。
(2) 当行従業員に対するオプションの加重平均行使価格は、2008年１月１日現在において6.57ポンド（2007年：6.44ポンド）、2008年12月31日現在において6.94ポンド（2007年：6.57ポンド）であった。

当事業年度中に付与されたオプションの加重平均公正価値は、2.17ポンド（2007年：2.12ポンド）であった。株式オプションが行使された日における加重平均株価は8.56ポンド（2007年：8.96ポンド）であった。以下は、貸借対照表日現在のオプション残高について、オプション数、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2008年	2007年
行使価格の範囲（ポンド）	5.35-8.02	5.35-8.02
加重平均残存契約期間（年数）	2.19	1.77
上記のうち行使可能：		
－オプション数（千個）	605	154
－加重平均行使価格（ポンド）	5.91	6.49

当行

	2008年	2007年

行使価格の範囲（ポンド）	**5.35-8.02**	5.35-8.02
加重平均残存契約期間（年数）	**2.26**	1.76
上記のうち行使可能：		
－オプション数（千個）	**485**	85
－加重平均行使価格（ポンド）	**5.83**	6.49

2000年エイチエスビーシー・ホールディングス制限付株式制度

2000年エイチエスビーシー・ホールディングス制限付株式制度（「制限付株式制度」）に基づき付与された業績株式報奨

制限付株式制度に基づく業績株式報奨は、1996年から2004年までの間に上級執行役員に付与された。この制度の目的は、役員の関心を株主価値の創出にあわせることであった。この目的は、比較対象の大手銀行の数値に対して一定のTSR目標を設定し、通常、当該目標の達成を報奨の権利確定条件とすることで達成された。これらの業績条件以外に、エイチエスビーシー・グループ報酬委員会が当該業績期間にエイチエスビーシーが持続的成長を達成したことを認めない限り、いかなる未行使報奨も権利確定することはない。2005年のエイチエスビーシー株式制度導入後、株式配当再投資による報奨を除き、当該制度のもとで更なる報奨を付与する予定はない。

	2008年	2007年
	株数（千株）	株数（千株）
1月1日現在残高	**1,052**	1,977
期中における増加(1)	**23**	849
期中における引渡	**(985)**	(1,750)
期中における移管	**(90)**	(24)
12月31日現在残高	**－**	1,052

(1) 株式配当再投資を含む期中における増加。

2007年12月31日現在における加重平均残存権利確定期間は、10ヶ月であった。

2000年エイチエスビーシー・ホールディングス制限付株式制度に基づき付与された制限付株式報奨

2000年から2005年の間に、前年度における従業員の勤務実績、潜在的可能性および留保要求を考慮した上で、一定の条件を満たした従業員に、制限付株式制度に基づく制限付株式報奨が付与された。制限付株式はまた、年次賞与の一部繰延べまたは雇用支援を目的として付与された。当該株式報奨には、会社の業績条件は付されておらず、通常は、付与日から1年から3年の間に受給権が確定するが、従業員がその期間継続してグループに雇用されていることが条件となる。

	2008年	2007年
	株数（千株）	株数（千株）
1月1日現在残高	**6,111**	12,867
期中における増加(1)	**223**	452
期中における引渡	**(5,896)**	(7,299)
期中における権利失効	**(304)**	(792)

期中における移管	19	883
12月31日現在残高(2)	153	6,111

(1) 株式配当再投資を含む期中における増加。
(2) 上表には、当行従業員に対する株式が、2008年１月１日現在残高に3,569,950株（2007年：7,525,817株）、期中に付与された株式にゼロ（2007年：ゼロ）および2008年12月31日現在残高に85,051株（2007年：3,569,950株）含まれている。

2008年または2007年には、2000年エイチエスビーシー・ホールディングス制限付株式制度に関連してグループが付与した株式はなかった。

2008年12月31日現在の加重平均残存権利確定期間は５ヶ月（2007年：２ヵ月）であった。

エイチエスビーシー・ホールディングス・グループ株式オプション制度

エイチエスビーシー・ホールディングス・グループ株式オプション制度は長期インセンティブ制度であり、当該制度のもとで2000年から2005年の間に特定のグループの従業員に株式オプションが付与された。当該制度の目的は、高い実績をおさめている従業員の関心を株主価値の創出にあわせることであった。この目的は、一定のTSR目標を設定し、通常、当該目標の達成を報奨の権利確定条件とすることで達成された。オプションは市場価値で付与され、権利確定条件を満たしていることを条件として、通常、付与日より３年目から10年目まで行使可能である。

2005年５月以後のオプションはエイチエスビーシー株式制度に基づいて付与された。

	2008年		2007年	
	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	42,222	7.86	45,352	7.82
期中における権利行使	(1,596)	7.16	(2,098)	6.96
期中における移管	2,059	7.78	1,141	7.72
期中における権利失効	(108)	8.15	—	—
期中における行使期限切れ	(2,354)	8.09	(2,173)	7.97
12月31日現在残高	40,223	7.87	42,222	7.86

当該株式オプションの行使日現在の加重平均株価は7.87ポンド（2007年：7.86ポンド）であった。2008年にエイチエスビーシー・ホールディングス・グループ株式オプション制度のもとでグループによって付与された株式オプションはなかった（2007年：ゼロ）。以下は、貸借対照表日現在のオプション残高について、オプション数、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2008年		2007年	
行使価格の範囲（ポンド）	6.00-8.00	8.01-10.00	6.00-8.00	8.01-10.00
オプション数（千個）	12,611	27,612	13,573	28,649

加重平均行使価格（ポンド）	**6.91**	**8.30**	6.91	8.30
加重平均残存契約期間（年数）	**－**	**－**	－	0.06
上記のうち行使可能：				
－オプション数(千個)	**12,611**	**27,612**	13,573	23,383
－加重平均行使価格（ポンド）	**6.91**	**8.30**	6.91	7.78

当行

	2008年		2007年	
行使価格の範囲（ポンド）	**6.00-8.00**	**8.01-10.00**	6.00-8.00	8.01-10.00
オプション数（千個）	**6,169**	**13,165**	7,029	14,241
加重平均行使価格（ポンド）	**6.91**	**8.29**	6.91	8.29
加重平均残存契約期間（年数）	**－**	**－**	－	0.002
上記のうち行使可能：				
－オプション数(千個)	**6,169**	**13,165**	7,029	14,143
－加重平均行使価格（ポンド）	**6.91**	**8.29**	6.91	8.28

エイチエスビーシー・フランスおよび子会社制度

2000年のグループによる買収以前に、エイチエスビーシー・フランスおよび一部の子会社は従業員株式制度を運営し、当該制度に従ってそれぞれ自社の株式に関する株式オプションを付与していた。

1994年から1999年の間にエイチエスビーシー・フランスの株式に関して付与されたオプションは、グループがエイチエスビーシー・フランスの買収契約を発表した時点で権利が確定したため、エイチエスビーシー・フランスの評価の中に含まれた。

買収の公式発表後の2000年に、エイチエスビーシー・フランスは909,000株のオプションを付与したが、これらのオプションの権利は、支配権の変更時に確定しなかった。当該オプションは、継続雇用を条件として付与され、2002年１月１日に権利が確定した。当該オプションの行使により取得したエイチエスビーシー・フランス株式は、その交換比率と同様の割合（エイチエスビーシー・フランス株１株に対して１株当たり0.50米ドルの普通株式13株）で、１株当たり0.50米ドルのエイチエスビーシー普通株式と交換可能である。オプションは市場価値で付与され、付与日より10年間行使可能である。

	2008年		2007年	
	オプション数（千個）	**行使価格（ユーロ）**	オプション数（千個）	行使価格（ユーロ）
１月１日現在残高	**604**	**142.50**	646	142.50
期中における行使	**－**	**142.50**	(42)	142.50
12月31日現在残高および行使可能	**604**	**142.50**	604	142.50

2008年12月31日現在における未行使オプションの加重平均残存契約期間は、1.3年（2007年：2.3年）であった。

2007年の株式オプション行使日現在の加重平均株価は、9.03ポンドであった。

2000年の買収日時点で、エイチエスビーシー・フランスの一部の子会社も、それぞれ自社の株式に関するオプションを付与することが可能な従業員株式オプション制度を運営していた。当該オプションが行使された場合、子会社の株式はエイチエスビーシー普通株式と交換される。2008年に、このような契約に基づき交換されたエイチエスビーシー・ホールディングス普通株式の総数は12,810株であった（2007年：113,240株）。

IFRS第２号適用前の報奨

下記は、2002年11月７日のIFRS第２号適用日以前に付与されたため、貸借対照表または損益計算書には計上されていない株式報酬に関する詳細情報である。

エイチエスビーシー・ホールディングス・グループ株式オプション制度

	2008年		2007年	
	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	34,411	8.20	35,798	8.17
期中における権利行使	(2,281)	6.92	(3,695)	7.87
期中における移管	368	8.51	2,552	8.22
期中における行使期限切れ	(1,556)	8.20	(244)	7.81
12月31日現在残高(1),(2)	30,942	8.30	34,411	8.20

(1) 上表には、当行従業員に対するオプションが、2008年１月１日現在残高に20,236,879個（2007年：21,402,021個）、および2008年12月31日現在残高に17,857,524個（2007年：20,236,879個）含まれている。

(2) 当行従業員に対するオプションの加重平均行使価格は、2008年１月1日現在において8,02ポンド（2007年：7.97ポンド）、および2008年12月31日現在において8.17ポンド（2007年: 8.02ポンド）であった。

以下は、貸借対照表日現在のオプション残高について、オプション数、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2008年		2007年	
行使価格の範囲（ポンド）	6.38-7.46	7.47-9.54	6.38-7.46	7.47-9.54
オプション数（千個）	4,801	26,142	7,121	27,290
加重平均行使価格（ポンド）	6.92	8.56	6.85	8.56
加重平均残存契約期間（年数）	―	―	―	―
上記のうち行使可能：				
－オプション数（千個）	4,801	26,142	7,121	27,290
－加重平均行使価格（ポンド）	6.92	8.56	6.85	8.56

当行

	2008年		2007年	
行使価格の範囲（ポンド）	**6.38-7.46**	**7.47-9.54**	6.38-7.46	7.47-9.54
オプション数（千個）	**4,240**	**13,618**	6,281	13,956
加重平均行使価格（ポンド）	**6.92**	**8.56**	6.82	8.56
加重平均残存契約期間（年数）	**－**	**－**	－	－
上記のうち行使可能：				
－オプション数（千個）	**4,240**	**13,618**	6,281	13,956
－加重平均行使価格（ポンド）	**6.92**	**8.56**	6.82	8.56

貯蓄型株式オプション制度

	2008年		2007年	
	オプション数（千個）	**加重平均行使価格（ポンド）**	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	**103**	**6.32**	3,650	6.33
期中における権利行使	**(85)**	**6.32**	(3,465)	6.33
期中における移管	**2**	**6.59**	(24)	6.29
期中における行使期限切れ	**(20)**	**6.32**	(58)	6.46
12月31日現在残高[1],[2]	**－**	**－**	103	6.32

(1) 上表には、当行従業員に対するオプションが、2008年１月１日現在残高に98,706個（2007年：3,500,932個）、および2008年12月31日現在残高にゼロ（2007年：98,706個）含まれている。

(2) 当行従業員に対するオプションの加重平均行使価格は、2008年１月１日現在において6.32ポンド（2007年：6.33ポンド）、および2008年12月31日現在においてゼロ（2007年：6.32ポンド）であった。

以下は、貸借対照表日現在のオプション残高について、オプション数、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2008年	2007年
行使価格の範囲（ポンド）	**－**	6.04-6.75
オプション数（千個）	**－**	103
加重平均行使価格（ポンド）	**－**	6.32
加重平均残存契約期間（年数）	**－**	－
上記のうち行使可能：		
－オプション数（千個）	**－**	103
－加重平均行使価格（ポンド）	**－**	6.32

当行

	2008年	2007年
行使価格の範囲（ポンド）	**－**	6.04-6.75
オプション数（千個）	**－**	99
加重平均行使価格（ポンド）	**－**	6.32

加重平均残存契約期間（年数）	―	―
上記のうち行使可能：		
－オプション数（千個）	―	99
－加重平均行使価格（ポンド）	―	6.32

10 法人所得税費用

	2008年	2007年
	百万ポンド	百万ポンド
当期税金		
英国法人所得税費用－当期利益に対する税金	592	661
英国法人所得税費用－過年度に関する調整	(22)	7
海外の税金－当期利益に対する税金	298	331
海外の税金－過年度に関する調整	1	26
	869	1,025
繰延税金		
一時差異の発生および解消	(16)	(220)
税率の変更の影響	―	(20)
過年度に関する調整	(10)	(18)
	(26)	(258)
法人所得税費用	843	767

エイチエスビーシー・バンク・ピーエルシーおよび子会社に適用されている英国法人所得税率は2008年４月１日より30%から28%に変更された（2007年：30%）。その他海外子会社および海外支店は、業務を展開している国における適切な税率を用いて税金を計上した。2007年に制定され、2008年から施行される、2007年金融法のもとでの英国の法人所得税率の30%から28%への引き下げおよびドイツの連邦税の引き下げの結果、繰延税金資産および負債を一回に限り再評価することとなった。この再評価により2007年のグループの法人所得税費用が20百万ポンド減少した。

下表はすべての利益が英国法人所得税率で課税された場合に適用する法人所得税費用を調整したものである。

	2008年		2007年	
	百万ポンド	法人所得税費用総額に対する割合 %	百万ポンド	法人所得税費用総額に対する割合 %
法人所得税費用総額の分析				
英国法人所得税率28.5%の課税（2007年：30%）(1)	1,244	28.5	1,219	30.0
主要な海外拠点における利益に対する異なる税率での課税の影響	(51)	(1.2)	(61)	(1.5)

非課税利益	**(333)**	**(7.6)**	(253)	(6.2)
関連会社および合弁事業における利益の影響	**(2)**	**0.0**	(12)	(0.3)
過年度に未認識の一時差異の影響	**(27)**	**(0.6)**	(53)	(1.3)
グループ持分の再構成により生じた繰延税金の戻入	**—**	**—**	(180)	(4.4)
過年度の負債に関する調整	**(31)**	**(0.7)**	15	0.4
その他項目	**43**	**0.9**	92	2.2
法人所得税費用総額	**843**	**19.3**	767	18.9

(1) 2008年４月１日より英国法人所得税率が30%から28%に変更されたことにより、2008年の調整後の税率は28.5%となった。

損益計算書に計上された金額に加えて、資本に直接計上された項目に関連する当期税金と繰延税金の総額は、438百万ポンドの資本の増加をもたらした（2007年：311百万ポンドの資本の減少）。

期中の繰延税金の変動

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
１月１日現在	**(252)**	(113)	**513**	840
損益計算書への計上額	**26**	258	**(223)**	52
資本：				
－売却可能投資	**121**	49	**2**	3
－キャッシュ・フロー・ヘッジ	**(151)**	10	**(153)**	(8)
－株式報酬	**5**	(19)	**5**	(18)
－数理計算上の損益	**26**	(364)	**(9)**	(357)
子会社の処分	**(44)**	—	**—**	—
パートナーシップ持分の再構築に伴う将来控除の喪失	**(52)**	—	**—**	—
為替およびその他の調整	**(9)**	(73)	**1**	1
12月31日現在	**(330)**	(252)	**136**	513

貸借対照表に計上された繰延税金（各国の残高相殺前）は、下記の繰延税金資産および負債を含む。

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
繰延税金資産				
退職給付	**21**	35	**135**	262
貸倒引当金	**3**	8	**56**	63
未使用の税務上の欠損金	**—**	1	**—**	43
追加の資本控除	**—**	—	**(37)**	(50)
売却可能投資	**85**	(22)	**(2)**	(31)
キャッシュ・フロー・ヘッジ	**1**	37	**(160)**	(7)

株式報酬	**－**	8	**24**	43
その他の一時差異	**3**	(17)	**122**	192
	113	50	**138**	515
繰延税金負債				
顧客にリースした資産	**(499)**	(577)	**－**	－
不動産再評価	**(71)**	(36)	**－**	－
追加の資本控除	**(35)**	(49)	**－**	－
その他の一時差異	**246**	397	**(2)**	(2)
海外から送金される利益に係る税金引当金	**－**	－	**－**	－
売却可能投資	**15**	(35)	**－**	－
キャッシュ・フロー・ヘッジ	**(99)**	(2)	**－**	－
	(443)	(302)	**(2)**	(2)
正味繰延税金資産/（負債）	**(330)**	(252)	**136**	513

グループの貸借対照表上に繰延税金資産が認識されていない一時差異の金額は61百万ポンド（2007年：53百万ポンド）である。これは未実現キャピタル・ロスのうち、潜在的な便益の回収可能性が低いとみなされる金額に関するものである。

当行の貸借対照表上に繰延税金資産が認識されていない一時差異の金額は55百万ポンド（2007年：46百万ポンド）である。これは未実現キャピタル・ロスのうち、潜在的な便益の回収可能性が低いとみなされる金額に関するものである。

財務諸表に開示された残高（各国の残高相殺後）は以下のとおりである。

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
繰延税金資産	**113**	50	**138**	515
繰延税金負債	**(443)**	(302)	**(2)**	(2)
	(330)	(252)	**136**	513

繰延税金は、送金が計画されていない、または追加課税が予定されていない子会社、支店、関連会社に対するグループの投資、ならびに合弁事業における持分に関しては認識されていない。このような投資に関連する一時差異の総額は7,477百万ポンド（2007年：3,486百万ポンド）である。

11 配当金

親会社の株主への配当金は以下のとおりである。

	2008年		2007年	
	一株当たり ポンド	**合計 百万ポンド**	一株当たり ポンド	合計 百万ポンド
普通株式に係る配当金				
過年度に関する第２回中間配当金	**1.25**	**1,000**	1.05	840
当期に関する第１回中間配当金	**1.04**	**825**	1.03	825
当期に関する第２回中間配当金	**1.30**	**1,037**	－	－
	3.59	**2,862**	2.08	1,665

	2008年	2007年

	一株当たり ポンド	合計 百万ポンド	一株当たり ポンド	合計 百万ポンド
資本に分類される優先株式に係る配当金				
エイチエスビーシー・バンク・ピーエルシーの非累積第三次米ドル優先株式に関する配当金	**1.17**	**41**	0.91	32
	1.17	**41**	0.91	32

	2008年	2007年
	百万ポンド	百万ポンド
資本に分類される資本証券の利息		
第１四半期に関する利息	**18**	―
第２四半期に関する利息	**18**	―
第３四半期に関する利息	**17**	―
第４四半期に関する利息	**18**	9
	71	9

12 セグメント別分析

主要セグメントの報告形式は地域別である。

地域別

地域情報は、子会社の主要な事業の所在地別に分類されており、銀行の場合は、業績の報告または資金の貸出を行っている支店の所在地別に分類されている。

	英国	欧州大陸	その他の国	グループ内	合計
			百万ポンド		
2008年					
正味受取利息	**3,725**	**1,482**	**190**	**300**	**5,697**
正味受取手数料	**2,499**	**1,365**	**93**	**―**	**3,957**
トレーディング純収益	**1,877**	**1,274**	**105**	**(289)**	**2,967**
公正価値評価の指定を受けた金融商品による純収益	**(238)**	**(848)**	**―**	**(11)**	**(1,097)**
金融投資による純収益	**85**	**(3)**	**―**	**―**	**82**
配当金	**61**	**24**	**―**	**―**	**85**
正味保険料収入	**1,223**	**1,668**	**―**	**―**	**2,891**
その他営業収益	**1,026**	**573**	**2**	**(8)**	**1,593**
営業収益合計	**10,258**	**5,535**	**390**	**(8)**	**16,175**
関連会社および合弁事業における利益/（損失）持分	**9**	**―**	**―**	**―**	**9**
税引前当期純利益	**2,552**	**1,631**	**183**	**―**	**4,366**
株主に帰属する利益	**1,899**	**1,386**	**156**	**―**	**3,441**
有形固定資産の減価償却および減損	**(351)**	**(113)**	**(2)**	**―**	**(466)**
無形資産の償却および減損ならびにのれんの減損	**(87)**	**(22)**	**―**	**―**	**(109)**

貸倒損失およびその他の信用リスク引当金	**(1,542)**	**(310)**	**(9)**	**－**	**(1,861)**
有形固定資産取得費用	**(584)**	**(195)**	**(3)**	**－**	**(782)**
無形資産取得費用	**(137)**	**(39)**	**－**	**－**	**(176)**
資産合計	**613,600**	**348,150**	**24,255**	**(61,774)**	**924,231**
負債合計	**608,273**	**333,205**	**23,866**	**(61,774)**	**903,570**

	英国	欧州大陸	その他の国	グループ内	合計
			百万ポンド		
2007年					
正味受取利息	2,275	1,188	88	303	3,854
正味受取手数料	2,723	1,355	106	－	4,184
トレーディング純収益	2,525	1,080	185	(303)	3,487
公正価値評価の指定を受けた金融商品による純収益	93	33	－	－	126
金融投資による純収益	364	188	－	－	552
配当金	19	23	1	－	43
正味保険料収入	693	1,228	－	－	1,921
その他営業収益	191	106	15	(5)	307
営業収益合計	8,883	5,201	395	(5)	14,474
関連会社および合弁事業における利益/（損失）持分	(1)	49	(1)	－	47
税引前当期純利益	2,513	1,313	237	－	4,063
株主に帰属する利益	2,054	963	192	－	3,209
有形固定資産の減価償却および減損	(338)	(84)	－	－	(422)
無形資産の償却および減損ならびにのれんの減損	(122)	(19)	(1)	－	(142)
貸倒損失	(953)	(91)	1	－	(1,043)
有形固定資産取得費用	(371)	(203)	(4)	－	(578)
無形資産取得費用	(97)	(25)	－	－	(122)
資産合計	440,411	218,927	14,333	(51,391)	622,280
負債合計	430,604	203,830	14,238	(51,391)	597,281

事業種類別

グループの業務には、いくつかのサポート・サービスおよび本社機能が含まれる。これらの機能に関する費用は、体系的かつ一貫した基準に基づいて適宜に事業部門に配分されている。

	2008年	2007年
	百万ポンド	百万ポンド
正味営業収益（貸倒損失控除前）		
英国個人向け金融サービス	**3,859**	3,745
英国コマーシャル・バンキング	**2,581**	2,207

英国グローバル・バンキング・アンド・マーケット	**1,561**	2,065
英国その他	**196**	106
インターナショナル・バンキング	**1,424**	1,104
フランス	**2,847**	1,910
プライベート・バンキング	**1,448**	1,299
エイチエスビーシー・トリンカウス・アンド・ブルクハルト	**424**	364
	14,340	12,800

	2008年	2007年 （修正再表示）
	百万ポンド	百万ポンド
税引前経常利益/(損失)		
英国個人向け金融サービス	**918**	740
英国コマーシャル・バンキング	**1,221**	1,004
英国グローバル・バンキング・アンド・マーケット	**(188)**	468
英国その他	**227**	137
インターナショナル・バンキング	**165**	397
フランス	**1,297**	526
プライベート・バンキング	**627**	643
エイチエスビーシー・トリンカウス・アンド・ブルクハルト	**99**	148
	4,366	4,063
資産合計		
英国個人向け金融サービス	**77,940**	69,837
英国コマーシャル・バンキング	**48,152**	44,905
英国グローバル・バンキング・アンド・マーケット	**422,278**	273,791
英国その他	**—**	—
インターナショナル・バンキング	**32,948**	22,190
フランス	**271,464**	156,533
プライベート・バンキング	**53,905**	40,900
エイチエスビーシー・トリンカウス・アンド・ブルクハルト	**17,544**	14,124
	924,231	622,280

	2008年	2007年 （再表示）
	百万ポンド	百万ポンド
有形固定資産取得費用		
英国個人向け金融サービス	**205**	165
英国コマーシャル・バンキング	**95**	77
英国グローバル・バンキング・アンド・マーケット	**284**	130
英国その他	**—**	—
インターナショナル・バンキング	**98**	62
フランス	**72**	42
プライベート・バンキング	**19**	13

エイチエスビーシー・トリンカウス・アンド・ブルクハルト	9	89
	782	578
無形資産取得費用		
英国個人向け金融サービス	84	51
英国コマーシャル・バンキング	34	26
英国グローバル・バンキング・アンド・マーケット	31	25
英国その他	―	―
インターナショナル・バンキング	4	4
フランス	14	12
プライベート・バンキング	―	―
エイチエスビーシー・トリンカウス・アンド・ブルクハルト	9	4
	176	122

13 測定基準別の金融資産および負債の分析

下表は金融資産および負債の帳簿価額を、IAS第39号に定義されているカテゴリーおよび貸借対照表の項目ごとに分析したものである。

グループ

	2008年12月31日現在								
	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	―	―	―	―	―	9,470	―	―	9,470
他行から回収中の項目	―	―	―	―	―	1,917	―	―	1,917
トレーディング資産	172,026	―	―	―	―	―	―	―	172,026
公正価値評価の指定を受けた金融資産	―	13,895	―	―	―	―	―	―	13,895
デリバティブ	241,132	―	―	―	―	―	87	1,865	243,084
銀行に対する貸付金	―	―	―	50,719	―	―	―	―	50,719
顧客に対する貸付金	―	―	―	298,304	―	―	―	―	298,304
金融投資	―	―	25	―	103,486	―	―	―	103,511
その他資産	―	―	―	7	―	7,328	―	―	7,335
未収収益	―	―	―	―	―	5,279	―	―	5,279
金融資産合計	413,158	13,895	25	349,030	103,486	23,994	87	1,865	905,540
非金融資産合計									18,691
資産合計									924,231
金融負債									

銀行からの預金	—	—	—	—	—	61,431	—	—	61,431
顧客からの預金	—	—	—	—	—	369,880	—	—	369,880
他行へ送金中の項目	—	—	—	—	—	1,802	—	—	1,802
トレーディング負債	124,450	—	—	—	—	—	—	—	124,450
公正価値評価の指定を受けた金融負債	—	15,184	—	—	—	—	—	—	15,184
デリバティブ	239,394	—	—	—	—	—	432	1,205	241,031
発行済負債証券	—	—	—	—	—	52,308	—	—	52,308
その他負債	—	—	—	—	—	6,565	—	—	6,565
未払費用	—	—	—	—	—	4,930	—	—	4,930
劣後債務	—	—	—	—	—	7,259	—	—	7,259
金融負債合計	363,844	15,184	—	—	—	504,175	432	1,205	884,840
非金融負債合計									18,730
負債合計									903,570

グループ

	2007年12月31日現在								
	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	—	—	—	—	—	7,146	—	—	7,146
他行から回収中の項目	—	—	—	—	—	2,434	—	—	2,434
トレーディング資産	153,206	—	—	—	—	—	—	—	153,206
公正価値評価の指定を受けた金融資産	—	14,969	—	—	—	—	—	—	14,969
デリバティブ	60,103	—	—	—	—	—	—	367	60,470
銀行に対する貸付金	—	—	—	60,764	—	—	—	—	60,764
顧客に対する貸付金	—	—	—	227,687	—	—	—	—	227,687
金融投資	—	—	38	—	69,490	—	—	—	69,528
その他資産	—	—	—	—	—	4,385	—	—	4,385
未収収益	—	—	—	—	—	5,647	—	—	5,647
金融資産合計	213,309	14,969	38	288,451	69,490	19,612	—	367	606,236
非金融資産合計									16,044
資産合計									622,280
金融負債									
銀行からの預金	—	—	—	—	—	48,786	—	—	48,786

顧客からの預金	—	—	—	—	—	268,269	—	—	268,269
他行へ送金中の項目	—	—	—	—	—	1,975	—	—	1,975
トレーディング負債	117,454	—	—	—	—	—	—	—	117,454
公正価値評価の指定を受けた金融負債	—	15,659	—	—	—	—	—	—	15,659
デリバティブ	60,908	—	—	—	—	—	138	493	61,539
発行済負債証券	—	—	—	—	—	50,921	—	—	50,921
その他負債	—	—	—	—	—	6,332	—	—	6,332
未払費用	—	—	—	—	—	5,726	—	—	5,726
劣後債務	—	—	—	—	—	5,205	—	—	5,205
金融負債合計	178,362	15,659	—	—	—	387,214	138	493	581,866
非金融負債合計									15,415
負債合計									597,281

当行

	2008年12月31日現在								
	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	—	—	—	—	—	6,779	—	—	6,779
他行から回収中の項目	—	—	—	—	—	692	—	—	692
トレーディング資産	130,205	—	—	—	—	—	—	—	130,205
公正価値評価の指定を受けた金融資産	—	4,592	—	—	—	—	—	—	4,592
デリバティブ	195,758	—	—	—	—	—	—	1,370	197,128
銀行に対する貸付金	—	—	—	18,295	—	—	—	—	18,295
顧客に対する貸付金	—	—	—	217,309	—	—	—	—	217,309
金融投資	—	—	—	—	46,608	—	—	—	46,608
未収収益	—	—	—	—	—	3,159	—	—	3,159
その他資産	—	—	—	—	—	2,541	—	—	2,541
金融資産合計	325,963	4,592	—	235,604	46,608	13,171	—	1,370	627,308
非金融資産合計									18,473

資産合計									**645,781**
金融負債									
銀行からの預金	**—**	**—**	**—**	**—**	**—**	**54,986**	**—**	**—**	**54,986**
顧客からの預金	**—**	**—**	**—**	**—**	**—**	**240,397**	**—**	**—**	**240,397**
他行へ送金中の項目	**—**	**—**	**—**	**—**	**—**	**772**	**—**	**—**	**772**
トレーディング負債	**98,389**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**98,389**
公正価値評価の指定を受けた金融負債	**—**	**9,429**	**—**	**—**	**—**	**—**	**—**	**—**	**9,429**
デリバティブ	**196,549**	**—**	**—**	**—**	**—**	**—**	**93**	**605**	**197,247**
発行済負債証券	**—**	**—**	**—**	**—**	**—**	**8,670**	**—**	**—**	**8,670**
その他負債	**—**	**—**	**—**	**—**	**—**	**3,163**	**—**	**—**	**3,163**
未払費用	**—**	**—**	**—**	**—**	**—**	**2,434**	**—**	**—**	**2,434**
劣後債務	**—**	**—**	**—**	**—**	**—**	**7,310**	**—**	**—**	**7,310**
金融負債合計	**294,938**	**9,429**	**—**	**—**	**—**	**317,732**	**93**	**605**	**622,797**
非金融負債合計									**729**
負債合計									**623,526**

当行

	2007年12月31日現在								
	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	—	—	—	—	—	3,677	—	—	3,677
他行から回収中の項目	—	—	—	—	—	1,377	—	—	1,377
トレーディング資産	149,102	—	—	—	—	—	—	—	149,102
公正価値評価の指定を受けた金融資産	—	3,439	—	—	—	—	—	—	3,439
デリバティブ	46,093	—	—	—	—	—	—	232	46,325
銀行に対する貸付金	—	—	—	32,028	—	—	—	—	32,028
顧客に対する貸付金	—	—	—	150,649	—	—	—	—	150,649
金融投資	—	—	—	—	13,821	—	—	—	13,821

その他資産	—	—	—	—	—	3,477	—	—	3,477
未収収益	—	—	—	—	—	1,372	—	—	1,372
金融資産合計	195,195	3,439	—	182,677	13,821	9,903	—	232	405,267
非金融資産合計									18,762
資産合計									424,029
金融負債									
銀行からの預金	—	—	—	—	—	41,061	—	—	41,061
顧客からの預金	—	—	—	—	—	184,899	—	—	184,899
他行へ送金中の項目	—	—	—	—	—	1,056	—	—	1,056
トレーディング負債	99,755	—	—	—	—	—	—	—	99,755
公正価値評価の指定を受けた金融負債	—	8,082	—	—	—	—	—	—	8,082
デリバティブ	47,339	—	—	—	—	—	—	197	47,536
発行済負債証券	—	—	—	—	—	8,117	—	—	8,117
その他負債	—	—	—	—	—	2,767	—	—	2,767
未払費用	—	—	—	—	—	3,745	—	—	3,745
劣後債務	—	—	—	—	—	4,744	—	—	4,744
金融負債合計	147,094	8,082	—	—	—	246,389	—	197	401,762
非金融負債合計									1,490
負債合計									403,252

14 金融資産の組替

IASBは2008年10月、IAS第39号「金融商品：認識および測定」およびIFRS第７号「金融商品：開示」の改訂を公表した。この改訂により、財務諸表注記２(e)に記載されているように、事業体はデリバティブ以外の金融資産の分類をトレーディング目的保有の区分から組み替えることができるようになった。

2008年下半期に、グループおよび当行は以下の金融資産をトレーディング目的保有区分から組み替えた。

	組替日			2008年12月31日現在	
	組み替えられた金額(1)	将来キャッシュ・フローの見積り(2)	実効金利	帳簿価額	公正価値
	百万ポンド		%	百万ポンド	
貸出金および受取債権への組替					
アセット・バック証券	3,521	6,121	8	4,292	3,207
トレーディング・ローン－商業用抵当貸付	344	508	5	403	383
レバレッジド・ファイナンス・ローン	2,086	3,685	7	2,432	1,877
	5,951	10,314		7,127	5,467
売却可能への組替					
企業の債務およびその他の証券	1,596	2,394	6	1,592	1,592
	7,547	12,708		8,719	7,059

(1) 組み替えられた金額は、組替日の為替レートを用いて換算されている。その他の外貨建ての金額はす

べて貸借対照表日の為替レートで機能通貨に換算されている。

(2) 将来キャッシュ・フローの見積りは組替日に回収が予想されるキャッシュ・フローを表している。

組み替えられた金額は組替日の金融資産の公正価値を基準にしている。2008年10月、グループおよび当行はトレーディング目的保有資産として分類された金融資産50億ポンドおよび２億ポンドをそれぞれ貸出金および受取債権、ならびに売却可能に組み替えた。これらの組替は2008年７月１日から効力を有している。2008年11月および12月、グループおよび当行はトレーディング目的保有資産として分類された金融資産９億ポンドおよび14億ポンドをそれぞれ貸出金および受取債権、ならびに売却可能に組み替えた。これらの売却可能への組替は非遡及的に実施された。

これらの資産の市場流動性が著しく低下し、グループが近い将来または満期まで資産を保有する様に意思を変更したことにより、組替が行われた。このような状況は、広範にわたる市場の混乱の一部であり、稀にしか発生しない事象であると考えられるため、このようにIAS第39号の改訂版に基づく組替が許容されている。

組替日の資産の公正価値は資産の新しい償却原価とみなされ、その後、資産に対して減損テストが行われる。これらの組替が行われなかったと仮定した場合、グループの税引前利益は4,366百万ポンドから2,573百万ポンドへと、1,793百万ポンド減少することになる。グループの利益の減少はすべて英国グローバル・バンキング・アンド・マーケットセグメントに含まれている。

下表は、組替日前および組替日後の損益計算書に認識された公正価値損益および収益費用である。

	損益計算書への影響			
	組替前		組替後(1)	組替がないと想定した場合
	2008年	2007年	2008年	2008年
	百万ポンド		百万ポンド	
貸出金および受取債権への組替				
アセット・バック証券	**(451)**	(134)	**167**	(918)
トレーディング・ローン－商業用抵当貸付	**(8)**	－	**11**	(9)
レバレッジド・ファイナンス・ローン	**(106)**	(52)	**77**	(478)
	(565)	(186)	**255**	(1,405)
売却可能への組替				
企業の債務およびその他の証券	**(53)**	(1)	**13**	(120)
	(618)	(187)	**268**	(1,525)

(1) 組替後に損益計算書に計上された収益費用は実効金利で計算された未払分であり、レバレッジド・ファイナンス・ローンの減損に関連する18百万ポンドも含む。グループは2008年下半期に組み替えられたその他の金融資産に関して減損費用を計上しなかった。

次へ

15 トレーディング資産

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
トレーディング資産：				
－契約相手方により再担保または再売却される可能性のある資産	**50,364**	57,912	**16,903**	37,040
－契約相手方により再担保または再売却されない資産	**121,662**	95,294	**113,302**	112,062
	172,026	153,206	**130,205**	149,102
短期国債およびその他適格手形	**21**	445	**7**	437
負債証券	**77,241**	58,741	**32,132**	37,902
持分証券	**13,126**	22,419	**11,050**	13,095
銀行に対する貸付金	**37,898**	37,020	**45,299**	59,451
顧客に対する貸付金	**43,740**	34,581	**41,717**	38,217
	172,026	153,206	**130,205**	149,102

グループに関する上記の数値は、銀行およびその他の金融機関が発行した負債証券24,371百万ポンド（2007年：27,947百万ポンド）を含み、そのうち831百万ポンド（2007年：399百万ポンド）は様々な政府機関により保証されている。

当行に関する上記の数値は、銀行およびその他の金融機関が発行した負債証券14,140百万ポンド（2007年：22,535百万ポンド）を含み、そのうち37百万ポンド（2007年：ゼロ）は様々な政府機関により保証されている。

16 損益を通じた公正価値評価の指定を受けた金融資産

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
公正価値評価の指定を受けた金融資産				
－契約相手方により再担保または再売却されない資産	**13,895**	14,969	**4,592**	3,439
短期国債およびその他適格手形	**43**	25	**—**	—
負債証券	**7,380**	7,822	**4,514**	3,439
持分証券	**5,822**	7,033	**—**	—
銀行に対する貸付金	**153**	89	**78**	—
顧客に対する貸付金	**497**	—	**—**	—
	13,895	14,969	**4,592**	3,439

17 デリバティブ

デリバティブの商品契約種類別の公正価値

グループ

	2008年12月31日現在					
	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替	59,121	11	59,132	(59,891)	(10)	(59,901)
金利	140,158	1,941	142,099	(138,094)	(1,627)	(139,721)
株式	11,260	—	11,260	(12,383)	—	(12,383)
クレジット・デリバティブ	29,972	—	29,972	(28,331)	—	(28,331)
コモディティおよびその他	621	—	621	(695)	—	(695)
公正価値合計	241,132	1,952	243,084	(239,394)	(1,637)	(241,031)

	2007年12月31日現在					
	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替	17,279	—	17,279	(17,757)	(30)	(17,787)
金利	31,397	367	31,764	(31,393)	(601)	(31,994)
株式	7,014	—	7,014	(6,719)	—	(6,719)
クレジット・デリバティブ	3,629	—	3,629	(4,294)	—	(4,294)
コモディティおよびその他	784	—	784	(745)	—	(745)
公正価値合計	60,103	367	60,470	(60,908)	(631)	(61,539)

当行

	2008年12月31日現在					
	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替	58,265	—	58,265	(59,163)	—	(59,163)
金利	105,828	1,370	107,198	(104,887)	(698)	(105,585)
株式	1,134	—	1,134	(3,575)	—	(3,575)
クレジット・デリバティブ	29,667	—	29,667	(27,988)	—	(27,988)
コモディティおよびその他	864	—	864	(936)	—	(936)
公正価値合計	195,758	1,370	197,128	(196,549)	(698)	(197,247)

	2007年12月31日現在					
	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
	百万ポンド			百万ポンド		
為替	17,428	―	17,428	(17,493)	―	(17,493)
金利	22,240	232	22,472	(23,005)	(197)	(23,202)
株式	2,036	―	2,036	(1,825)	―	(1,825)
クレジット・デリバティブ	3,607	―	3,607	(4,276)	―	(4,276)
コモディティおよびその他	782	―	782	(740)	―	(740)
公正価値合計	46,093	232	46,325	(47,339)	(197)	(47,536)

デリバティブの利用

グループは主に、顧客のためのリスク・マネジメント・ソリューションの策定、自己売買目的およびグループ自身のリスクの管理およびヘッジという３つの目的でデリバティブ取引を行っている。デリバティブ（IAS第39号に定義される有効なヘッジ手段として指定されているデリバティブを除く）はトレーディング目的で保有されている。トレーディング目的保有の分類には、以下の２種類のデリバティブが含まれている。販売およびトレーディング活動に利用されるデリバティブ、ならびにリスク管理目的で利用されるが、様々な理由でヘッジ会計の要件を満たさないデリバティブである。後者には、公正価値評価の指定を受けた金融商品とあわせて管理されているデリバティブが含まれる。これらの活動については以下に詳述される。

グループのデリバティブ活動は、デリバティブ・ポートフォリオにおいて重要な未決済残高を生じさせる。これらのポジションを確実に受容可能なリスク水準内に維持するための継続的な管理が行われており、必要に応じてポジションの相殺が可能となる取引が実施されている。デリバティブ取引開始時において潜在的な信用エクスポージャーを評価・承認する際に、グループは、従来の貸付取引と同様の信用リスク管理手続きを用いている。

トレーディング・デリバティブ

グループのデリバティブ取引の大部分は販売およびトレーディング活動に関連している。販売活動は、顧客が既存のリスクまたは予想されるリスクの引受け、移転、変更または軽減ができるようなデリバティブ商品の組成および販売を含む。デリバティブのトレーディング活動は主に、価格またはマージンの短期的変動から利益を得るために行われている。ポジションは、活発に取引される場合や、あるいは為替レート、金利、株価もしくはその他の市場パラメーターの予想変動から利益を得るために一定期間にわたり保有される場合がある。トレーディング活動には、値付け、ポジショニングおよび裁定活動が含まれる。値付けは、スプレッドおよび取引高に基づき収益を生み出す目的で別の市場参加者に対して価格を提示するものである。ポジショニングは、価格、レートまたは指標がグループにとって有利な変動をすることにより便益を得ることを目的として市場リスクのポジションを管理するものである。裁定は市場間および商品間の価格差を特定し、その価格差から利益を得るものである。

上記のように、トレーディング目的保有に分類されているその他デリバティブには、非適格ヘッジ・デリバティブ、非有効ヘッジ・デリバティブ、およびヘッジの有効性評価から除外されたヘッジ・デリバティブ

の構成要素が含まれる。非適格ヘッジ・デリバティブは、リスク管理目的で利用されているが、ヘッジ会計上の要件を満たしていないものである。これらには、公正価値評価の指定を受けた金融商品とあわせて管理されているデリバティブが含まれる。

トレーディング目的保有デリバティブの商品種類別の想定契約額

	12月31日に終了した事業年度			
	グループ		当行	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
為替	1,490,980	1,027,254	1,366,091	996,917
金利	6,971,748	4,089,512	4,860,786	2,815,793
株式	133,737	119,493	23,059	31,186
クレジット	655,423	485,976	659,262	482,397
コモディティ	28,937	13,837	28,550	15,283
デリバティブ合計	9,280,825	5,736,072	6,937,748	4,341,576

これらの商品の想定元本または契約金額は、貸借対照表日における取引残高の名目価値を示すものであり、リスクの金額を表すものではない。

観察不能なデータを用いるモデルにより評価されるデリバティブ

当初に認識した公正価値（取引価格）と、その後の測定に用いられた評価手法が当初に認識した時に適用された場合の価値との差額から、その後の減少額を控除した金額は以下のとおりである。

	グループ		当行	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
1月1日現在の未償却残高	90	84	59	66
新規取引に関する繰延額	123	102	37	46
期中の損益計算書認識額：				
－償却	(46)	(26)	(16)	(9)
－観察不能なデータが観察可能となった後	(47)	(33)	(7)	(26)
－満期または解約、またはデリバティブの相殺	(32)	(37)	(19)	(18)
換算差額	11	－	1	－
リスク・ヘッジ	(1)	－	(1)	－
12月31日現在の未償却残高(1)	98	90	54	59

(1) この金額は未だ損益計算書には認識されていない。

ヘッジ手段

グループは、自社の資産および負債ポートフォリオならびに組成ポジションの管理において、ヘッジ目的でデリバティブ（主に金利スワップ）を利用している。その結果、グループの債券発行市場の利用による総

合的なコストを最適化し、資産・負債の満期やその他の特性の構造上の不均衡から生じる市場リスクを緩和することが可能となる。

ヘッジ目的で保有されているデリバティブの商品種類別の想定契約額

	グループ			
	2008年12月31日現在		2007年12月31日現在	
	キャッシュ・フロー・ヘッジ	公正価値ヘッジ	キャッシュ・フロー・ヘッジ	公正価値ヘッジ
	百万ポンド		百万ポンド	
為替レート契約	197	585	93	444
金利契約	92,661	6,478	69,323	9,065
株式契約	―	―	―	12

	当行			
	2008年12月31日現在		2007年12月31日現在	
	キャッシュ・フロー・ヘッジ	公正価値ヘッジ	キャッシュ・フロー・ヘッジ	公正価値ヘッジ
	百万ポンド		百万ポンド	
金利契約	43,810	943	21,001	3

当該商品の想定契約額は、貸借対照表日における取引残高の名目価値を示すものであり、リスクの金額を表すものではない。

公正価値ヘッジ

グループの公正価値ヘッジは主に金利スワップを使用するものであり、市場金利の変動による固定金利長期金融商品の公正価値の変動を抑えるために利用されている。

グループ

	2008年12月31日現在		2007年12月31日現在	
	資産	負債	資産	負債
	百万ポンド		百万ポンド	
為替	―	(9)	―	―
金利	87	(423)	―	(138)
	87	(432)	―	(138)

当行

	2008年12月31日現在		2007年12月31日現在	
	資産	負債	資産	負債
	百万ポンド		百万ポンド	
為替	―	―	―	―
金利	―	(93)	―	―

－	**(93)**	－	－

公正価値ヘッジの公正価値の変動により生じる利益または損失

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
（損失）利益				
－ヘッジ手段	**(189)**	(58)	**(49)**	－
－ヘッジされたリスクに起因するヘッジ対象	**196**	62	**50**	－

公正価値ヘッジの非有効部分に係る利益および損失は「トレーディング純収益」に直ちに認識される。2008年12月31日に終了した事業年度において、公正価値ヘッジの非有効部分に関して損益計算書上に報告された金額は僅少であった。

キャッシュ・フロー・ヘッジ

グループのキャッシュ・フロー・ヘッジは主に金利スワップおよび通貨スワップを使用するものであり、変動金利が付されている、または将来に借換えもしくは再投資が想定されている非トレーディング資産および負債について、将来の金利キャッシュ・フローが変動するエクスポージャーをヘッジするために使用されている。金融資産および負債の各ポートフォリオについて、元本および金利からの将来キャッシュ・フローの金額およびタイミングが、契約条件や、期限前返済および債務不履行の見積りを含むその他関連要因に基づき予測されている。一定期間にわたるすべてのポートフォリオからの元本残高および金利キャッシュ・フローの総額をもとに、予定取引のキャッシュ・フロー・ヘッジとして指定されたデリバティブの有効部分に係る利益および損失が特定される。

キャッシュ・フロー・ヘッジとして指定されたデリバティブの公正価値

グループ

	2008年12月31日現在		2007年12月31日現在	
	資産	**負債**	資産	負債
	百万ポンド		百万ポンド	
為替	**11**	**(1)**	－	(30)
金利	**1,854**	**(1,204)**	367	(463)
	1,865	**(1,205)**	367	(493)

当行

	2008年12月31日現在		2007年12月31日現在	
	資産	**負債**	資産	負債
	百万ポンド		百万ポンド	
金利	**1,370**	**(605)**	232	(197)

2008年12月31日現在、期待金利キャッシュ・フローを生じさせる予定元本残高の明細は以下のとおりである。下表は基礎となるヘッジ対象の金利更改の状況を反映している。

グループ

	2008年12月31日現在			
	3ヶ月以内	**3ヶ月超 1年以内**	**1年超 5年以内**	**5年超**
	百万ポンド			
資産	**41,517**	**32,994**	**29,743**	**42**
負債	**(20,624)**	**(20,985)**	**(18,170)**	**(1,836)**
純資金収支エクスポージャー	**20,893**	**12,009**	**11,573**	**(1,794)**

	2007年12月31日現在			
	3ヶ月以内	3ヶ月超 1年以内	1年超 5年以内	5年超
	百万ポンド			
資産	22,133	24,583	16,648	13
負債	(11,007)	(10,736)	(11,582)	(571)
純資金収支エクスポージャー	11,126	13,847	5,066	(558)

当行

	2008年12月31日現在			
	3ヶ月以内	**3ヶ月超 1年以内**	**1年超 5年以内**	**5年超**
	百万ポンド			
資産	**28,892**	**26,477**	**22,777**	**41**
負債	**(12,825)**	**(12,707)**	**(11,350)**	**(190)**
純資金収支エクスポージャー	**16,067**	**13,770**	**11,427**	**(149)**

	2007年12月31日現在			
	3ヶ月以内	3ヶ月超 1年以内	1年超 5年以内	5年超
	百万ポンド			
資産	12,703	12,305	10,435	13
負債	(7,516)	(7,516)	(8,955)	(181)
純資金収支エクスポージャー	5,187	4,789	1,480	(168)

これらのデリバティブの非有効部分に係る利益および損失は、「トレーディング純収益」に直ちに認識される。2008年12月31日に終了した事業年度において、３百万ポンド（2007年：１百万ポンド）の損失がヘッジの非有効部分に関して認識された。

18 金融投資

	グループ		当行	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
金融投資				
－契約相手方により再担保または再売却される可能性のある投資	6,558	3,710	5,843	3,047
－契約相手方により再担保または再売却されない投資	96,953	65,818	40,765	10,774
	103,511	69,528	46,608	13,821

	グループ		当行	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
短期国債およびその他適格手形	10,562	1,882	9,818	1,397
－売却可能	10,562	1,882	9,818	1,397
－満期保有	-	-	-	-
負債証券	90,281	64,594	35,701	11,497
－売却可能	90,256	64,556	35,701	11,497
－満期保有	25	38	-	-
持分証券	2,668	3,052	1,089	927
－売却可能	2,668	3,052	1,089	927
金融投資合計	103,511	69,528	46,608	13,821

銀行およびその他の金融機関が発行した負債証券のうち、グループに関しては12,364百万ポンド（2007年：30百万ポンド）および当行に関しては10,607百万ポンド（2007年：22百万ポンド）が様々な政府機関により保証されている。

19 買戻条件付契約および証券貸付契約

グループは通常の業務において、認識済みの金融資産を第三者に直接譲渡する、または特別目的事業体に譲渡する取引を行っている。これらの譲渡により、関連する金融資産のすべてまたは一部の認識が中止される場合がある。

認識の中止が認められない譲渡

金融資産で認識の中止が認められないものの多くは、(ｉ) 買戻条件付契約のもとで契約相手方により保有されている負債証券、(ii) 証券貸付契約に基づいて貸し付けられた持分証券である。下表は当期中に認識の中止が認められなかった金融資産および関連する金融負債の12月31日現在における帳簿価額を分析し

たものである。

グループ

	2008年		2007年	
	資産の帳簿価額	関連負債の帳簿価額	資産の帳簿価額	関連負債の帳簿価額
	百万ポンド		百万ポンド	
取引の性質				
買戻条件付契約	**53,965**	**52,531**	50,868	51,338
証券貸付契約	**2,989**	**2,977**	10,818	10,813
合計	**56,954**	**55,508**	61,686	62,151

当行

	2008年		2007年	
	資産の帳簿価額	関連負債の帳簿価額	資産の帳簿価額	関連負債の帳簿価額
	百万ポンド		百万ポンド	
取引の性質				
買戻条件付契約	**19,993**	**18,655**	29,376	29,942
証券貸付契約	**2,753**	**2,753**	10,713	10,713
合計	**22,746**	**21,408**	40,089	40,655

20 関連会社および合弁事業における持分

グループの主要な関連会社

	2008年12月31日現在		
	設立国	株主資本におけるグループの持分	発行済株主資本
ボーカリンク・ホールディングス・リミテッド	英国	13.95%	100,000

関連会社に係る合算財務情報の要約

エイチエスビーシーの持分

	2008年	2007年
	百万ポンド	百万ポンド
資産	**44**	46
負債	**36**	41
純利益	**(2)**	56

重要な合弁事業における持分

	2008年12月31日現在

	主要な活動	株主資本における エイチエスビー シーの持分	発行済 株主資本
エイチエスビーシー・マーチャント・サービシズ・エルエルピー	加盟店債権買取業務	49%	―
ボールテックス（UK）リミテッド	現金管理	50%	10百万ポンド
ホーンウッズ・タームタイム・クレジット・リミテッド	インベストメント・ホールディングスおよび管理	50%	1ポンド

2008年７月１日、当行およびグローバル・ペイメント・インクは英国でカード処理業務を行う合弁事業を開始した。当行は新会社のエイチエスビーシー・マーチャント・サービシズ・エルエルピーの49%の株式を所有している。エイチエスビーシー・マーチャント・サービシズ・エルエルピーは、その活動に関して戦略上の財務および業務意思決定を行う場合に、支配を共有している当事者全員の同意が必要となるため、合弁事業として扱われる。

合弁事業に係る合算財務情報の要約

エイチエスビーシーの持分

	2008年	2007年
	百万ポンド	百万ポンド
資産	**176**	268
負債	**159**	207
純利益	**15**	4

21 のれんおよび無形資産

	グループ		当行	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
のれん	**10,649**	8,974	**296**	291
有効な長期保険契約の現在価値（「PVIF」）	**579**	444	**―**	―
その他の無形資産	**552**	459	**302**	249
	11,780	9,877	**598**	540

のれん

グループ

	2008年	2007年
	百万ポンド	百万ポンド
原価		
１月１日現在	**8,974**	8,395
増加	**6**	1
処分(1)	**(747)**	―

償却(2)	**—**	(33)
換算差額	**2,419**	585
その他の変動	**(3)**	26
12月31日現在	**10,649**	8,974
減損損失累計額		
１月１日現在	**—**	—
認識された減損損失(2)	**—**	(33)
償却(2)	**—**	33
12月31日現在	**—**	—
12月31日現在の正味帳簿価額	**10,649**	8,974

(1) 2008年の処分は、フランスの地方銀行の売却に関連している。

(2) 2007年の減損費用33百万ポンドは、損益計算書の「無形資産の償却および減損」に認識されており、当期中に特定のHFCカ－ド・ポ－トフォリオが売却目的資産に組み替えられたことにより生じた。これらのポ－トフォリオは2007年に売却され、その結果、のれんおよび関連する減損引当金33百万ポンドは償却された。

当行

	2008年	2007年
	百万ポンド	百万ポンド
原価		
１月１日現在	**291**	331
減損損失の戻入(1)	**—**	(33)
換算差額	**—**	**1**
その他の変動	**5**	(8)
12月31日現在	**296**	291
減損損失累計額		
１月１日現在	**—**	—
認識された減損損失(1)	**—**	(33)
減損損失の戻入(1)	**—**	33
12月31日現在	**—**	—
12月31日現在の正味帳簿価額	**296**	291

(1) 2007年の減損費用33百万ポンドは、損益計算書の「無形資産の償却および減損ならびにのれんの減損」に認識されており、当期中に特定のHFCカ－ド・ポ－トフォリオが売却目的資産に組み替えられたことにより生じた。これらのポ－トフォリオは2007年に売却され、その結果、のれんおよび関連する減損引当金33百万ポンドは償却された。

2008年にのれんの減損はなかった（2007年：33百万ポンド）。のれんに関する減損テストは、使用価値の計算に基づいて2008年７月１日現在で決定された現金生成単位（「CGU」）の回収可能価額を比較することによって、毎年実施される。当該計算は、経営陣のキャッシュ・フロー予測をもとに、CGUが営業を行っている国における現在のGDPの市場評価およびインフレに基づく名目長期成長率を使用して永久的に推定したキャッシュ・フローの見積りを使用している。キャッシュ・フローは、CGUを構成している事業単位グループにおける長期的な展望に基づき、永久的に推定されている。使用される割引率は、CGUが運用されている

国への投資に対してグループが割当てている資本コストに基づいている。

個別のCGUに割当てられ、CGUの将来キャッシュ・フローを割引くために使用される資本コストは、CGUの評価に重大な影響を及ぼす可能性がある。資本コストの比率は通常、適切な資本資産価格モデルによって導き出され、当該モデルに用いられる入力データは、該当する国のリスク・フリー・レートや評価対象である事業の固有リスクを反映するためのプレミアムまたはディスカウントを含む様々な財務・経済変数を反映している。これらの変数は経営陣の判断および現在の経済変数の市場評価に基づいて設定されている。

のれんの減損の見直しは、注記３に記載されている要因に関する経営陣の最善の見積りを表している。これらの値は、詳細にわたる予測が入手可能な期間の見積キャッシュ・フローおよびその後のキャッシュ・フローの長期的かつ持続可能なパターンに関する仮定に影響を受ける。予測値は、将来において実績や検証可能な経済データと比較することが求められるため、基礎となる仮定の適用可能な範囲は抑制されるが、キャッシュ・フロー予測には、将来の事業予測に関する経営陣の見解が必然的に、また適切に反映されることになる。のれんの減損を特定し、評価するプロセスは、一連の見積りを行う上で経営陣の重要な判断が必要となり、その結果は使用された仮定の影響を大きく受けるため本質的に不確実である。

以下のCGUの帳簿価額には、グループが報告するのれん総額に対して重要な割合を占めるのれんが含まれている。これらのCGUの貸借対照表には、のれん以外に、耐用年数が不確定な無形資産は計上されていない。

現金生成単位（「CGU」）	2008年７月１日現在ののれん	割引率	当初キャッシュ・フロー予測を超える名目成長率
	百万ポンド	%	%
プライベート・バンキング	2,552	9.0	3.6
フランス	6,303	9.0	4.0
上記のCGUにおけるのれん総額	8,855		

フランスのCGUに配分されたのれんの回収可能価額は帳簿価額を323百万ポンド超過している。しかし、長期成長率の合理的に可能性のある変動によって帳簿価額が回収可能価額を超え、結果的にのれんが減損する場合がある。その他の変数に影響がないと仮定した場合、CGUの回収可能価額を帳簿価額と同じにするためには長期成長率を15ベーシス・ポイント減少させる必要がある。

2008年７月１日、のれん総額694百万ポンド（2007年：694百万ポンド）は個別に重要とみなされなかったCGUに配分された。これらのCGUの貸借対照表には、のれん以外に、耐用年数が無期限の無形資産は計上されていない。

有効な長期保険契約の現在価値

PVIFの変動

グループ

	2008年	2007年
	百万ポンド	百万ポンド
１月１日現在	444	407
当年度の新規契約による増加	105	67
有効な契約における変動（投資収益の変動および投資の仮定の変動を含む）	(94)	(50)

換算差額およびその他の変動	**124**	20
12月31日現在	**579**	444

PVIF-個別の仮定

グループの主な生命保険事業のPVIFの計算に用いられた主要な仮定は以下のとおりである。

	2008年	2007年
	UKライフ	UKライフ
リスク・フリー・レート	**4.30%**	4.30%
リスク割引率	**8.00%**	8.00%
費用インフレ率	**3.50%**	3.40%

PVIFは有効な生命保険事業における株主持分の価値を表している。PVIFはリスクおよび不確実性を考慮した仮定に基づいて算定される。これらのキャッシュ・フローを予測するために、将来のキャッシュ・フローに関する様々な仮定が保険事業ごとに行われており、これらは各地の市況および各地の将来の動向に関する経営陣の判断を反映している。グループの保険事業の一部はリスク・マージンを個別に各商品の予測仮定に盛り込んでいるが、一方でリスク・マージンを全般的な割引率に盛り込んでいる保険事業もある。その結果、広範囲にわたるリスク割引率が適用されている。

その他の無形資産

PVIFを除く無形資産の変動は以下のとおり分析される。

グループ

	商号	**内部開発されたソフトウェア**	**購入したソフトウェア**	**顧客または商業上の関係**	**その他**	**合計[2]**
			百万ポンド			
原価						
2008年１月１日現在	**15**	**788**	**78**	**204**	**12**	**1,097**
増加[1]	**－**	**148**	**20**	**2**	**6**	**176**
子会社の買収	**－**	**－**	**33**	**－**	**－**	**33**
処分	**－**	**(20)**	**(3)**	**(1)**	**(3)**	**(27)**
換算差額	**1**	**33**	**35**	**4**	**1**	**74**
その他の変動	**－**	**－**	**(3)**	**－**	**(4)**	**(7)**
2008年12月31日現在	**16**	**949**	**160**	**209**	**12**	**1,346**
償却および減損累計額						
2008年１月１日現在	**(7)**	**(526)**	**(51)**	**(52)**	**(2)**	**(638)**
当期償却費用	**(1)**	**(75)**	**(15)**	**(18)**	**－**	**(109)**
処分	**－**	**7**	**3**	**－**	**1**	**11**
換算差額	**－**	**(33)**	**(20)**	**(1)**	**－**	**(54)**
その他の変動	**－**	**3**	**(7)**	**－**	**－**	**(4)**
2008年12月31日現在	**(8)**	**(624)**	**(90)**	**(71)**	**(1)**	**(794)**

2008年12月31日現在の正味帳簿価額	**8**	**325**	**70**	**138**	**11**	**552**

	商号	内部開発されたソフトウェア	購入したソフトウェア	顧客または商業上の関係	その他	合計[2]
	百万ポンド					
原価						
2007年１月１日現在	13	675	58	244	17	1,007
増加[1]	―	103	15	―	4	122
処分	―	―	(2)	―	―	(2)
換算差額	2	9	7	―	1	19
その他の変動	―	1	―	(40)	(10)	(49)
2007年12月31日現在	15	788	78	204	12	1,097
償却および減損累計額						
2007年１月１日現在	(5)	(441)	(38)	(73)	(1)	(558)
当期償却費用	(1)	(75)	(12)	(19)	(1)	(108)
当期減損費用	―	(1)	―	―	―	(1)
処分	―	―	3	―	―	3
換算差額	(1)	(9)	(4)	―	―	(14)
その他の変動	―	―	―	40	―	40
2007年12月31日現在	(7)	(526)	(51)	(52)	(2)	(638)
2007年12月31日現在の正味帳簿価額	8	262	27	152	10	459

(1) 2008年12月31日現在、グループは無形資産の取得に係る契約債務を有していなかった（2007年：２百万ポンド）。

(2) 上記には、マークス・アンド・スペンサー・リテール・ファイナンシャル・サービシズ・ホールディングス・リミテッドに関連する無形資産の正味帳簿価額124百万ポンド（2007年：141百万ポンド）が含まれており、2008年12月31日に終了した事業年度の償却費用は16百万ポンド（2007年：17百万ポンド）であった。残存償却期間は６年である。

当行

	内部開発されたソフトウェア	顧客または商業上の関係	その他	合計
原価	百万ポンド			
2008年１月１日現在	**668**	**―**	**3**	**671**
増加	**132**	**―**	**―**	**132**
処分	**(20)**	**―**	**(3)**	**(23)**
2008年12月31日現在	**780**	**―**	**―**	**780**
償却および減損累計額				
2008年１月１日現在	**(420)**	**―**	**(2)**	**(422)**
当期償却費用	**(68)**	**―**	**―**	**(68)**
処分	**7**	**―**	**2**	**9**

その他の変動	**3**	**—**	**—**	**3**
2008年12月31日現在	**(478)**	**—**	**—**	**(478)**
2008年12月31日現在の正味帳簿価額	**302**	**—**	**—**	**302**

	内部開発されたソフトウェア	顧客または商業上の関係	その他	合計
原価		百万ポンド		
2007年１月１日現在	572	41	3	616
増加	96	—	—	96
その他の変動	—	(41)	—	(41)
2007年12月31日現在	668	—	3	671
償却および減損累計額				
2007年１月１日現在	(348)	(41)	(1)	(390)
当期償却費用	(72)	—	(1)	(73)
当期減損費用	(1)	—	—	(1)
その他の変動	1	41	—	42
2007年12月31日現在	(420)	—	(2)	(422)
2007年12月31日現在の正味帳簿価額	248	—	1	249

22 有形固定資産

グループ

	自己保有の土地および建物(4)	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品(1)	オペレーティング・リース資産	合計(2)
			百万ポンド			
原価または公正価値						
2008年１月１日現在	**924**	**45**	**357**	**2,903**	**3,005**	**7,234**
増加－原価(3)	**87**	**2**	**79**	**421**	**193**	**782**
売却目的からの組替	**31**	**300**	**—**	**63**	**—**	**394**
子会社の買収	**—**	**—**	**—**	**1**	**—**	**1**
公正価値調整	**(5)**	**—**	**—**	**—**	**—**	**(5)**
処分	**(102)**	**(3)**	**(8)**	**(220)**	**(81)**	**(414)**
振替	**22**	**(22)**	**—**	**—**	**—**	**—**
換算差額	**87**	**1**	**25**	**155**	**—**	**268**
2008年12月31日現在	**1,044**	**323**	**453**	**3,323**	**3,117**	**8,260**
減価償却および減損累計額						
2008年１月１日現在	**(75)**	**(15)**	**(169)**	**(1,888)**	**(968)**	**(3,115)**
当期減価償却費	**(19)**	**(13)**	**(29)**	**(297)**	**(101)**	**(459)**
売却目的からの組替	**(13)**	**(12)**	**—**	**(20)**	**—**	**(45)**
処分	**6**	**—**	**4**	**130**	**19**	**159**
振替	**(7)**	**7**	**—**	**—**	**—**	**—**
認識された減損損失	**(7)**	**—**	**—**	**—**	**—**	**(7)**

換算差額	(4)	－	(10)	(82)	－	(96)
2008年12月31日現在	(119)	(33)	(204)	(2,157)	(1,050)	(3,563)
2008年12月31日現在の正味帳簿価額	**925**	**290**	**249**	**1,166**	**2,067**	**4,697**

(1) ファイナンス・リースに基づいて保有している資産の帳簿価額139百万ポンド（2007年：171百万ポンド）を含んでいる。

(2) 負債に対する担保として供されている資産の帳簿価額143百万ポンド（2007年：173百万ポンド）を含んでいる。

(3) 2008年12月31日現在、グループは、有形固定資産の取得に関する契約債務367百万ポンド（2007年：281百万ポンド）を保有していた。

(4) 99ページ（訳注：原文のページ数である。）の投資不動産を含んでいる。

	自己保有の土地および建物 (1)	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品	オペレーティング・リース資産	合計
	百万ポンド					
原価または公正価値						
2007年１月１日現在	966	362	275	2,657	3,004	7,264
増加－原価	104	3	84	321	66	578
子会社の買収	49	－	－	1	－	50
公正価値調整	13	－	－	－	－	13
処分	(257)	(320)	(12)	(135)	(65)	(789)
振替	－	－	4	(1)	－	3
換算差額	55	－	4	69	－	128
その他の変動	(6)	－	2	(9)	－	(13)
2007年12月31日現在	924	45	357	2,903	3,005	7,234
減価償却および減損累計額						
2007年１月１日現在	(97)	(27)	(150)	(1,656)	(926)	(2,856)
当期減価償却費	(22)	(3)	(22)	(281)	(100)	(428)
処分	48	15	8	76	58	205
振替	－	－	(2)	－	－	(2)
認識された減損損失	－	－	－	－	－	－
減損損失の戻入	6	－	－	－	－	6
換算差額	(4)	－	(2)	(39)	－	(45)
その他の変動	(6)	－	(1)	12	－	5
2007年12月31日現在	(75)	(15)	(169)	(1,888)	(968)	(3,115)
2007年12月31日現在の正味帳簿価額	849	30	188	1,015	2,037	4,119

(1) 99ページ（訳注：原文のページ数である。）の投資不動産を含んでいる。

当行

	自己保有の土地および建物	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品	合計
			百万ポンド		

原価または公正価値					
2008年１月１日現在	**221**	**50**	**311**	**2,206**	**2,788**
増加－原価[1]	**60**	**－**	**65**	**268**	**393**
売却目的からの組替	**31**	**300**	**－**	**63**	**394**
処分	**(13)**	**－**	**(6)**	**(137)**	**(156)**
振替	**22**	**(22)**	**－**	**－**	**－**
換算差額	**1**	**－**	**3**	**8**	**12**
2008年12月31日現在	**322**	**328**	**373**	**2,408**	**3,431**
減価償却および減損累計額					
2008年１月１日現在	**(35)**	**(15)**	**(147)**	**(1,513)**	**(1,710)**
当期減価償却費	**(10)**	**(13)**	**(24)**	**(197)**	**(244)**
処分	**2**	**－**	**4**	**84**	**90**
売却目的への組替	**(13)**	**(12)**	**－**	**(20)**	**(45)**
振替	**(7)**	**7**	**－**	**－**	**－**
換算差額	**－**	**－**	**(2)**	**(5)**	**(7)**
2008年12月31日現在	**(63)**	**(33)**	**(169)**	**(1,651)**	**(1,916)**
2008年12月31日現在の正味帳簿価額	**259**	**295**	**204**	**757**	**1,515**

	自己保有の土地および建物	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品	合計
			百万ポンド		
原価または公正価値					
2007年１月１日現在	397	368	240	2,105	3,110
増加－原価[1]	18	2	78	209	307
処分	(191)	(320)	(9)	(109)	(629)
振替	－	－	－	(1)	(1)
換算差額	－	－	1	2	3
その他の変動	(3)	－	1	－	(2)
2007年12月31日現在	221	50	311	2,206	2,788
減価償却および減損累計額					
2007年１月１日現在	(59)	(27)	(136)	(1,367)	(1,589)
当期減価償却費	(11)	(3)	(18)	(201)	(233)
処分	35	15	7	56	113
振替	－	－	－	－	－
換算差額	－	－	－	(1)	(1)
2007年12月31日現在	(35)	(15)	(147)	(1,513)	(1,710)
2007年12月31日現在の正味帳簿価額	186	35	164	693	1,078

(1) 2008年12月31日現在、当行は有形固定資産の取得に関する契約債務84百万ポンド(2007年：103百万ポンド)を保有していた。

2007年５月31日、グループは、ロンドン市カナダ・スクエア８の不動産および長期賃借土地に関して、メトロバセサ・エスエー（「メトロバセサ」）と1,090百万ポンドでのセールス・アンド・リースバック契約を締結した。グループは、メトロバセサに対して810百万ポンドのつなぎ融資を提供することによって重要な持分を留保しており、これにより当該売却は即時認識されない。その結果、2007年12月31日現在の当該不動産は「売却目的資産」に組み替えられ、受領した純収入は貸借対照表に繰延収益として認識された。2008年12月４日、当行はメトロバセサの子会社であるプロジェクト・メイプルII、B.V.（カナダ・スクエア８の法的所有者）を838百万ポンドで買収した。グループが認識した繰延収益は損益計算書に計上され、不動産および長期賃借土地はそれぞれ「有形固定資産」および「前払金および未収収益」に組み替えられている。2008年12月31日に終了した事業年度のグループの営業利益への影響は244百万ポンドの純利益であり、その内訳は「その他営業収益」に含まれる265百万ポンドの利益および「有形固定資産の減価償却および減損」に含まれる21百万ポンドの費用である。

投資不動産

当期の投資不動産の内訳（公正価値）は、以下のとおりであった。

グループ

	自己保有の土地および建物(1)
	百万ポンド
公正価値	
2008年１月１日現在	**152**
増加－原価	**21**
公正価値調整	**(5)**
為替およびその他の変動	**(63)**
2008年12月31日現在	**105**
公正価値	
2007年１月１日現在	31
増加－原価	82
子会社の買収	49
公正価値調整額	13
売却目的への組替	(30)
為替およびその他の変動	7
2007年12月31日現在	152

(1) 97ページ（訳注：原文のページ数である。）の有形固定資産に含まれている。

投資不動産は、各年の12月31日現在において、不動産の所在地および種類に関して最近の知識を有する独立した専門鑑定人によって公開市場価格基準で評価されている。

「その他営業収益」には、グループが投資不動産に関して稼得した賃貸収益２百万ポンド（2007年：２百万ポンド）が含まれていた。当期中に投資不動産に関して発生した直接営業費用ゼロ百万ポンド（2007年：ゼロ）は、「一般管理費」に認識された。投資不動産に含まれた直接営業費用はなかった（2007年：ゼ

ロ）。当期中に賃貸収益がなかった投資不動産に関して生じた直接営業費用はゼロ百万ポンド（2007年：ゼロ）であった。投資不動産の為替換算差額（正味）は67百万ポンド（2007年：19百万ポンド）であった。

当行

2008年または2007年12月31日現在、当行は投資不動産を所有していなかった。

顧客にリースしたグループの不動産

2008年12月31日現在、顧客にリースしたグループの不動産には、オペレーティング・リースに基づく賃貸分４百万ポンド（2007年：４百万ポンド）が含まれており、これは減価償却累計額６百万ポンド（2007年：５百万ポンド）控除後の金額である。当行は当該不動産を所有していなかった。

23 投資

エイチエスビーシー・バンク・ピーエルシーの主要な子会社

	設立または登録国	株主資本におけるエイチエスビーシー・バンク・ピーエルシーの持分 %
エイチエスビーシー・フランス	フランス	99.99
エイチエスビーシー・アセット・ファイナンス（UK）リミテッド	イングランド	100.00
エイチエスビーシー・バンク・エーエス	トルコ	100.00
エイチエスビーシー・バンク・インターナショナル・リミテッド	ジャージー島	99.84
エイチエスビーシー・バンク・マルタ・ピーエルシー	マルタ	68.25
エイチエスビーシー・グエルツェラー・バンク・アーゲー	スイス	99.84
エイチエスビーシー・インボイス・ファイナンス（UK）リミテッド	イングランド	100.00
エイチエスビーシー・ライフ（UK）リミテッド	イングランド	100.00
エイチエスビーシー・レイル（UK）リミテッド	イングランド	100.00
エイチエスビーシー・プライベート・バンク（C.I.）リミテッド	ガーンジー島	99.84
エイチエスビーシー・プライベート・バンク（スイス）エスエー	スイス	94.41
エイチエスビーシー・プライベート・バンク（UK）リミテッド	イングランド	99.84
エイチエスビーシー・トリンカウス・アンド・ブルクハルト・アーゲー	ドイツ	78.60
エイチエスビーシー・トラスト・カンパニー（UK）リミテッド	イングランド	100.00
マークス・アンド・スペンサー・リテール・フィナンシャル・サービシズ・ホールディングス・リミテッド	イングランド	100.00

エイチエスビーシー・バンク・ピーエルシーが議決権の50%未満を保有している連結対象の特別目的事業体（「SPE」）

	連結総資産の帳簿価額	
	十億ポンド	SPEの性質
バリオン・ファンディング・リミテッド	3.1	証券投資導管会社
ブライアント・パーク・ファンディング・エルエルシー	3.7	導管会社
マラカイト・ファンディング・リミテッド	2.9	証券投資導管会社
マザラン・ファンディング・リミテッド	7.9	証券投資導管会社
マトリックス・ファンディング・ピーエルシー	2.5	証券化事業体
リージェンシー・アセッツ・リミテッド	5.6	導管会社
ソリティア・ファンディング・リミテッド	8.3	証券投資導管会社
ターコイズ・リシーバブル・トラスト・リミテッド	1.5	証券化事業体

上記の子会社はすべて12月31日までの財務諸表を作成している。

買収

2008年にエイチエスビーシー・バンク・ピーエルシーは子会社の買収を行い、既存の子会社への投資を増加した。これらの取引はパーチェス法で会計処理され、６百万ポンドののれんが生じた。

処分

2008年７月２日、グループはバンク・フェデラーレ・デ・バンク・ポピュレールにフランスの地方銀行７行を21億ユーロ（17億ポンド）で売却した。2008年７月２日現在、これらのフランスの地方銀行子会社に帰属する資産総額は58億ポンドであり、2008年７月２日までの期間の税引後利益は48百万ポンドであった。グループの税引前売却益は644百万ポンドであった。

24 その他資産

	グループ		当行	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
金地金	**570**	147	**423**	70
売却目的資産	**70**	626	**56**	555
売却目的の処分グループ資産(1)	**－**	78	**－**	78
保険契約に基づく再保険会社の負債持分	**618**	528	**－**	－
裏書および支払承諾見返	**370**	375	**224**	251
その他	**7,174**	4,115	**2,934**	1,122
	8,802	5,869	**3,637**	2,076

(1) 2007年12月31日現在、帳簿価額78百万ポンドのHFCカード・ポートフォリオ資産は、売却目的の処分グループに分類された。

売却目的資産

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
売却目的非流動資産				
有形固定資産	**62**	586	**56**	555
投資不動産	**－**	31	**－**	－
金融資産	**7**	7	**－**	－
その他	**1**	2	**－**	－
売却目的に分類される資産合計	**70**	626	**56**	555

売却目的に分類された有形固定資産には、顧客によって担保に供されていた担保権実行済み不動産が含まれる。これらの担保権実行済み資産は買収より12ヶ月以内に処分される予定である。

注記22に記載されているとおり、カナダ・スクエア８は「売却目的資産」から組み替えられている。

25 トレーディング負債

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
銀行からの預金	**43,882**	39,382	**46,928**	48,390
顧客からの預金	**29,347**	21,999	**25,039**	17,636
その他の発行済負債証券	**15,677**	14,353	**12,152**	10,597
その他負債－正味売りポジション	**35,544**	41,720	**14,270**	23,132
	124,450	117,454	**98,389**	99,755

26 公正価値評価の指定を受けた金融負債

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
銀行からの預金	**4,357**	3,635	**4,162**	3,513
投資契約に基づく顧客に対する負債	**3,641**	5,842	**－**	－
発行済負債証券	**3,584**	2,820	**1,658**	1,204
劣後負債	**3,374**	3,084	**3,609**	3,365
優先株式	**228**	278	**－**	－
	15,184	15,659	**9,429**	8,082

2008年12月31日現在、グループの公正価値評価の指定を受けた金融負債の帳簿価額は、契約上の満期金額を491百万ポンド上回っていた（2007年：37百万ポンド下回っていた）（当行については2008年：439百万ポンド上回り、2007年：19百万ポンド下回っていた）。2008年12月31日現在、グループの信用リスクの変動に起因する公正価値の累積変動額は、672百万ポンドの利益（2007年：165百万ポンドの利益）（当行については2008年：623百万ポンドの利益、2007年：163百万ポンドの利益）であった。

27 その他負債

	グループ		当行	
	2008年	2007年 (修正再表示)	2008年	2007年 (修正再表示)
	百万ポンド		百万ポンド	
グループが連結したファンドの投資家帰属額	782	1,225	—	—
ファイナンス・リースに基づく債務	332	327	—	—
裏書および支払承諾	367	375	224	251
その他負債	5,416	4,916	2,939	2,623
	6,897	6,843	3,163	2,874

28 発行済保険契約に基づく負債

	2008年12月31日現在		
	総額	再保険会社の持分	純額
	百万ポンド	百万ポンド	百万ポンド
損害保険負債			
未経過保険料引当金	445	(71)	374
通知済保険金	345	(109)	236
既発生未報告保険金	77	(19)	58
その他	16	(1)	15
	883	(200)	683
生命保険契約準備金			
生命保険（非連動型）	2,031	(411)	1,620
任意参加型の投資契約(1)	12,157	—	12,157
生命保険（連動型）	1,061	(7)	1,054
	15,249	(418)	14,831
保険契約に基づく負債合計	16,132	(618)	15,514

	2007年12月31日現在		
	総額	再保険会社の持分	純額
	百万ポンド	百万ポンド	百万ポンド

損害保険負債			
未経過保険料引当金	387	(48)	339
通知済保険金	301	(129)	172
既発生未報告保険金	112	(15)	97
その他	18	(18)	―
	818	(210)	608
生命保険契約準備金			
生命保険（非連動型）	1,128	(290)	838
任意参加型の投資契約(1)	9,447	―	9,447
生命保険（連動型）	858	(28)	830
	11,433	(318)	11,115
保険契約に基づく負債合計	12,251	(528)	11,723

(1) 任意参加型の投資契約は金融商品であるが、グループはIFRS第４号で認められているとおり、引き続きそれらを保険契約として処理した。

当事業年度中の保険契約に基づく負債の変動は、以下のとおりであった。

損害保険負債

	2008年		
	総額	再保険会社の持分	純額
	百万ポンド	百万ポンド	百万ポンド
未経過保険料準備金（「UPR」）			
１月１日現在	387	(48)	339
（収益）／費用として認識されたUPRの変動	(42)	2	(40)
－計上保険料総額	418	(63)	355
－稼得保険料総額	(460)	65	(395)
換算差額およびその他の変動	100	(25)	75
12月31日現在	445	(71)	374
通知済および既発生未報告保険金			
１月１日現在	413	(144)	269
－通知済保険金	301	(129)	172
－既発生未報告保険金	112	(15)	97
当事業年度の支払保険金	(318)	46	(272)
当事業年度に関する既発生保険金	152	(43)	109
過年度に関する既発生保険金	66	(1)	65
換算差額およびその他の変動	109	14	123
12月31日現在	422	(128)	294
－通知済保険金	345	(109)	236
－既発生未報告保険金	77	(19)	58
その他	16	(1)	15
損害保険負債合計	883	(200)	683

	2007年		
	総額	再保険会社の持分	純額
	百万ポンド	百万ポンド	百万ポンド
未経過保険料準備金（「UPR」）			
１月１日現在	286	(27)	259
（収益）／費用として認識されたUPRの変動	(6)	8	2
－計上保険料総額	372	(73)	299
－稼得保険料総額	(378)	81	(297)
換算差額およびその他の変動	107	(29)	78
12月31日現在	387	(48)	339
通知済および既発生未報告保険金			
１月１日現在	116	(52)	64
－通知済保険金	75	(32)	43
－既発生未報告保険金	41	(20)	21
当事業年度の支払保険金	(250)	65	(185)
当事業年度に関する既発生保険金	244	36	280
過年度に関する既発生保険金	58	(7)	51
換算差額およびその他の変動	245	(186)	59
12月31日現在	413	(144)	269
－通知済保険金	301	(129)	172
－既発生未報告保険金	112	(15)	97
その他	18	(18)	－
損害保険負債合計	818	(210)	608

生命保険契約準備金

	2008年		
	総額	再保険会社の持分	純額
	百万ポンド	百万ポンド	百万ポンド
生命保険（非連動型）			
１月１日現在	**1,128**	**(290)**	**838**
給付金支払額	**(374)**	**83**	**(291)**
保険契約準備金の増加	**1,056**	**(396)**	**660**
換算差額およびその他の変動	**221**	**192**	**413**
12月31日現在	**2,031**	**(411)**	**1,620**
任意参加型の投資契約			
１月１日現在	**9,447**	**－**	**9,447**
給付金支払額	**(1,047)**	**－**	**(1,047)**
保険契約準備金の増加	**909**	**－**	**909**
換算差額およびその他の変動	**2,848**	**－**	**2,848**
12月31日現在	**12,157**	**－**	**12,157**

生命保険（連動型）			
１月１日現在	**858**	**(28)**	**830**
給付金支払額	**(135)**	**7**	**(128)**
保険契約準備金の増加	**(54)**	**14**	**(40)**
換算差額およびその他の変動(1)	**392**	**—**	**392**
12月31日現在	**1,061**	**(7)**	**1,054**
保険契約準備金合計	**15,249**	**(418)**	**14,831**

	2007年		
	総額	**再保険会社の持分**	**純額**
	百万ポンド	**百万ポンド**	**百万ポンド**
生命保険（非連動型）			
１月１日現在	837	(525)	312
給付金支払額	(132)	73	(59)
保険契約準備金の増加	9	190	199
換算差額およびその他の変動	414	(28)	386
12月31日現在	1,128	(290)	838
任意参加型の投資契約			
１月１日現在	—	—	—
給付金支払額	(537)	—	(537)
保険契約準備金の増加	1,073	—	1,073
換算差額およびその他の変動(2)	8,911	—	8,911
12月31日現在	9,447	—	9,447
生命保険（連動型）			
１月１日現在	647	(29)	618
給付金支払額	(139)	8	(131)
保険契約準備金の増加	158	(6)	152
換算差額およびその他の変動(1)	192	(1)	191
12月31日現在	858	(28)	830
保険契約準備金合計	11,433	(318)	11,115

(1) 再保険契約から生じる金額を含む。

(2) 2007年にエイチエスビーシー・アシュアランスVIE（フランス）およびエイチエスビーシー・アシュアランスIARD（フランス）の支配権を取得した結果、発行済保険契約に基づく負債8,929百万ポンドがグループによって認識された。

保険契約準備金の増加は、当事業年度における保険契約準備金の増加につながるすべての事象の合計額を表している。これらは、死亡保険金、解約、失効、契約開始時に契約者に対して設定する保険契約準備金、配当宣言額および契約者に帰属するその他の金額を含む。

29 引当金

グループ

	引当金	
	2008年	2007年
	百万ポンド	百万ポンド
１月１日現在	**427**	402
追加引当金/引当金の増加[(1)]	**140**	406
子会社の買収	**4**	―
引当金取崩額	**(143)**	(317)
戻入額	**(39)**	(86)
換算差額およびその他の変動	**39**	22
12月31日現在	**428**	427

(1) 空室引当金に関する割引のアンワインディング１百万ポンド（2007年：１百万ポンド）を含む。

上記には以下が含まれる。

（ｉ）特定の個人年金制度および抵当養老保険契約の売却に関して発生する可能性のある補償費用に係る引当金35百万ポンド（2007年：60百万ポンド）ならびに補償回収金に係る引当金。当該引当金はモデル・ケースから推定した数理計算に基づいている。支出の発生時期は個別の請求の決済時期によって決まる。

（ⅱ）数多くの信託に対する当行の子会社によるサービスの提供に関連した見積補償費用に関する引当金84百万ポンド（2007年：85百万ポンド）。当行は、当初見積補償費用に関して子会社に弁済を行っている。引当金合計は、モデル・ケースから推定した計算に基づいている。引当金の通知および弁済時期に影響を及ぼす要因が不安定要素となっている。

当行

	引当金	
	2008年	2007年
	百万ポンド	百万ポンド
１月１日現在	**163**	105
追加引当金/引当金の増加[(1)]	**30**	251
引当金取崩額	**(22)**	(172)
戻入額	**(14)**	(29)
換算差額およびその他の変動	**1**	8
12月31日現在	**158**	163

(1) 空室引当金に関する割引のアンワインディング１百万ポンド（2007年：１百万ポンド）を含む。

上記には有償不動産契約に関する引当金27百万ポンド（2007年：28百万ポンド）が含まれる。このうち５百万ポンド（2007年：７百万ポンド）は、2002年に当行がカナリー・ワーフに移転した結果、空室となった賃貸物件の割引将来費用に関連している。当該引当金は、新規テナント募集中の空室の賃貸料、未払賃貸料に対する予想未収賃貸料の不足額およびテナント募集のための建物改装費用をカバーしている。市場賃貸料の変動、新規テナント募集における遅延および賃貸契約の見直しの時期が不確定要素となっている。

30 劣後債務

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
劣後債務				
－償却原価	**7,259**	5,205	**7,310**	4,744
劣後債務	**4,741**	3,111	**7,310**	4,744
優先株式	**2,518**	2,094	**－**	－
－公正価値評価の指定を受けた	**3,602**	3,362	**3,609**	3,365
劣後債務	**3,374**	3,084	**3,609**	3,365
優先株式	**228**	278	**－**	－
	10,861	8,567	**10,919**	8,109

グループの劣後借入金

		帳簿価額	
		2008年	2007年
		百万ポンド	百万ポンド
300百万米ドル	**劣後債、金利6.95%、満期2011年**	**222**	162
250百万ユーロ	**変動金利劣後ローン、満期2015年**	**239**	183
600百万ユーロ	**期限前償還条項付劣後債、金利4.25%、満期2016年(1)**	**570**	439
800百万ユーロ	**期限前償還条項付変動金利劣後債、満期2016年**	**765**	586
350百万ポンド	**期限前償還条項付変動金利劣後債、満期2017年(2)**	**355**	355
1,000百万ユーロ	**変動金利劣後ローン、満期2017年**	**957**	734
500百万ポンド	**期限前償還条項付劣後債、金利4.75%、満期2020年(3)**	**463**	464
500百万ユーロ	**期限前償還条項付変動金利劣後債、満期2020年**	**389**	337
350百万ポンド	**期限前償還条項付劣後債、金利5%、満期2023年(4)**	**330**	335
300百万ポンド	**劣後債、金利6.5%、満期2023年**	**299**	298
300百万米ドル	**劣後債、金利7.65%、満期2025年**	**263**	179
350百万ポンド	**期限前償還条項付ステップ・アップ条項付劣後債、金利5.375%、満期2030年(5)**	**316**	325
500百万ポンド	**劣後債、金利5.375%、満期2033年**	**452**	474

390百万ポンド	劣後ローン、金利6.9%、満期2033年	**390**	―
900百万ユーロ	非累積劣後債、金利7.75%、満期2040年	**861**	660
225百万ポンド	劣後債、金利6.25%、満期2041年	**223**	223
600百万ポンド	劣後債、金利4.75%、満期2046年	**592**	591
700百万ポンド	非累積ステップ・アップ条項付永久優先株式、金利5.844%(6)	**700**	700
300百万ポンド	非累積ステップ・アップ条項付永久優先株式、金利5.862%(7)	**228**	278
750百万米ドル	変動金利永久第一次キャピタル・ノート	**514**	374
500百万米ドル	変動金利永久第一次キャピタル・ノート	**343**	249
300百万米ドル	変動金利永久第一次キャピタル・ノート（シリーズ３）	**206**	150
350百万ポンド	永久劣後債、金利7.9%	**350**	―
250百万ポンド	永久劣後債、金利7.991%	**250**	―
	200百万ポンド未満のその他の劣後債務	**584**	471
		10,861	8,567

(1) 期限前償還条項付劣後債（金利4.25%、満期2016年）の金利は、2011年３月に３ヶ月物EURIBORに1.05%を加えたものに変更される。
(2) 期限前償還条項付変動金利劣後債（満期2017年）の金利は、2012年６月まで5.75%に固定されている。その後の年利は、英国５年債の償還利回りに1.70%を加えたものとなる。
(3) 期限前償還条項付劣後債（金利4.75%、満期2020年）の金利は、2015年９月に３ヶ月物ポンドLIBORに0.82%を加えたものに変更される。
(4) 期限前償還条項付劣後債（金利5%、満期2023年）の金利は、2018年３月に英国５年債の償還利回りに1.80%を加えた年利に変更される。
(5) 期限前償還条項付ステップ・アップ条項付劣後債（金利5.375%、満期2030年）の金利は、2025年11月に３ヶ月物ポンドLIBORに1.50%を加えたものに変更される。
(6) 非累積ステップ・アップ条項付永久優先株式（金利5.844%）の配当率は、2031年11月に６ヶ月物ポンドLIBORに1.76%を加えたものに変更される。
(7) 非累積ステップ・アップ条項付永久優先株式（金利5.862%）の配当率は、2020年４月に６ヶ月物ポンドLIBORに1.85%を加えたものに変更される。

脚注(1)から(7)はすべて、金融庁の事前の承認をもって、金利変更日ならびにその後の金利更改日および一部は金利支払日に、借り手の選択により返済可能な債券に関連している。

31 金融商品の公正価値

管理の枠組み

公正価値は、リスクを取る立場から独立した部門によって決定または検証されることを確実にするための管理の枠組みの適用を受ける。この目的のために、財務部門は公正価値の決定における最終責任を負い、その職務として、グループの最高財務責任者を通じてエイチエスビーシー・グループ財務取締役に報告する。財務部門は、評価を行う際に従わなければならない会計方針および手順を規定しており、これらの方針

および手順がすべての関連する会計基準に準拠していることを保証する責任がある。

外部の相場または裏付けのある価格設定パラメーターを参照して決定された公正価値については、独立した価格決定または検証が行われる。流動性の低い市場では取引価格を直接観察できない場合がある。このような状況においては、グループは金融商品の公正価値を検証するにあたって代替的なマーケット情報を入手する。関連性および信頼性が高いと考えられる情報ほど重視される。この点について、とりわけ以下の要素が考慮される。

・価格が真正な取引価格または取引可能価格であると見込まれる程度
・金融商品間の類似性の程度
・異なる情報源間の一貫性の程度
・データを入手するために価格提供者が行ったプロセス
・市場データが関連する日から貸借対照表日までの経過期間
・データの入手方法

独立した価格検証の実施結果は上級管理職に報告され、必要に応じて、上記の情報を考慮した結果生じた公正価値への調整額が計上される。

評価のために必要な入力データの獲得および処理に関する論理的枠組みである評価モデルを用いて決定された公正価値についての管理の枠組みは、該当する場合、評価モデルの論理の独立した開発または検証、それらの評価モデルへの入力データ、評価モデル以外で必要な調整、ならびに、可能であればモデルからのアウトプットを含む。

独立した検証の実施結果は評価委員会に報告され、評価委員会によって検討される。評価委員会は、複数の独立した支援部門（プロダクト・コントロール部門、市場リスク管理部門、デリバティブ・モデル・レビュー・グループおよび財務部門）に属する個人、ならびに上級取引管理職から構成されている。検証の実施を受けて、評価された公正価値に調整を行う場合は、上級管理職に報告される。

公正価値の決定

公正価値は以下の階層に従って決定される。

(a) 市場価格：活発な市場における同一商品の市場価格を有する金融商品

(b) 観察可能な入力データを用いた評価手法：活発な市場における類似商品の市場価格または活発に取引されていない市場における同一商品または類似商品の市場価格を有する金融商品、およびすべての重要な入力データが観察可能であるモデルを用いて評価された金融商品

(c) 重要な観察不能な入力データによる評価手法：１つまたは複数の重要な入力データが観察不能であるモデルを用いて評価された金融商品

公正価値の最も適切な証拠は、活発に取引されている市場における市場価格である。金融商品の市場が活発でない場合に評価手法が用いられる。評価手法の大半は観察可能な市場データのみを使用するため、公正価値測定の信頼性は高い。しかし、一部の金融商品は、観察不能な１つまたは複数の重要な市場データを用いた評価手法に基づいて評価されている。これらの金融商品について得られる公正価値の測定結果に対して、より細かい判断が行われる。このような状況における「観察不能」とは、独立した第三者間取引が起こり得る価格水準を決定付ける現行の市場データがほとんどない、または皆無であることを意味するが、通常、公正価値の決定の基礎となる市場データが皆無であることを意味するものではない（たとえば、コンセンサスプライスのデータが使用される場合がある）。また、重要な観察不能な入力データを用いた評価手法

によって得られた公正価値の大半が、依然として観察可能な入力データに帰属している場合がある。このため、観察不能な入力データの決定における不確実性の影響からは、測定される金融商品の公正価値全体について通常一定の不確実性のみが生じることとなる。この不確実性の程度および範囲の把握に役立つよう、下記の「合理的に可能な代替手段に対する重要な観察不能な仮定の変動による影響」という題のセクションで、観察不能な入力データを用いて評価された金融商品について追加情報が提供されている。

特定の状況（主に債務が金利デリバティブまたは発行済みの仕組債を用いてヘッジされている場合）において、グループは発行済負債の帳簿価額を測定するために公正価値を使用している。入手できる場合、公正価値は、関連する特定の金融商品の活発な市場における市場価格に基づく。入手できない場合、これらの商品は評価手法を用いて評価され、その入力データは関連する特定の金融商品の活発に取引されていない市場における市場価格に基づくか、または類似する金融商品の活発な市場における市場価格と比較することによって見積もられる。そのため、これらの金融商品の公正価値は、グループの負債に適した信用スプレッドを適用することによる影響を含んでいる。すべての発行済負債証券について、ベンチマーク金利や為替レートなどの市場要因の変動ではなくグループの信用スプレッドの変動に起因する公正価値変動の要素を分離するために、割引キャッシュ・フロー・モデルが利用される。

発行済仕組債および特定のその他複合金融商品の負債は、公正価値で測定され、トレーディング負債に計上されている。これらの金融商品に適用されている信用スプレッドは、グループが仕組債を発行した時点におけるスプレッドから導かれている。これらの市場スプレッドは、一般負債またはクレジット・デフォルト・スワップの市場で観察される信用スプレッドと比較して著しく小さい。

グループが発行した負債の信用スプレッドにおける変動から生じた利益および損失は、当該債券が早期償還されなければ、債券の契約期間にわたって戻し入れられる。デリバティブ以外の金融商品のすべての正味ポジションおよびすべてのデリバティブのポートフォリオは、買値または売値のいずれかで評価される。ロング・ポジションは買値が付けられ、ショート・ポジションは売値が付けられる。

大量保有のデリバティブ以外の金融商品の公正価値は、一金融商品の価値の倍数に基づいて決定され、保有規模に対する修正は行われない。

取引費用は公正価値の計算に含まれない。仲介料などの取引開始費用および取引後費用は営業費用に含まれる。店頭取引（「OTC」）デリバティブのポートフォリオを管理するための将来費用も公正価値に含まれず、発生時に費用計上される。

・プライベート・エクイティ

グループのプライベート・エクイティのポジションは、通常、売却可能として分類されており、活発な市場では取引されていない。活発な市場が存在しない場合、投資の公正価値は、投資対象会社の財政状態および経営成績、リスク・プロファイル、見通しならびにその他の要素の分析に基づいて見積もられ、さらに活発な市場における類似した会社の市場評価または類似した会社が所有者を変更した時点の価格などを参照することによって見積もられる。プライベート・エクイティ投資の公正価値の見積りには本質的な不確実性が伴うため、判断が要求される。

・負債証券、短期国債およびその他の適格手形ならびに持分証券

これらの金融商品の公正価値は、入手できる場合は、取引所、ディーラー、ブローカー、産業グループまたは価格決定サービス機関から入手した市場価格に基づく。これらが入手できない場合は、公正価値は、類似

する金融商品の市場価格を参照することによって決定される。

抵当貸付を裏付けとする負債証券の市場における流動性および透明性の欠如により、入手できる観察可能なデータが減少している。これらの有価証券の公正価値を決定するために、通常市場価格が用いられるが、入手可能な限られた市場データの信頼性を実証するために、また市場価格に対する調整が求められているか否かを特定するためには評価モデルが用いられる。

市場価格が存在しない場合、公正価値は評価手法を用いて決定される。これらの評価手法への入力データは観察可能な市場データから、また適切であれば観察不能な入力データに関する仮定から導かれる。アセット・バック証券（「ABS」）および抵当貸付に関する仮定には、期前返済率、担保の種類に基づく債務不履行率および損失の規模、ならびに業績が含まれる場合がある。

・デリバティブ

OTC（すなわち、場外取引）のデリバティブは、評価モデルを用いて評価される。評価モデルは、「無裁定」原則に基づいて、予測将来キャッシュ・フローの現在価値を算定する。金利スワップやヨーロピアン・オプションなどの多くの一般デリバティブ商品に関して利用されるモデル・アプローチは、業界で標準的に用いられているものである。より複雑なデリバティブ商品の場合は、実務上の相違が一部見られる。評価モデルへの入力データは、可能な場合には常に、取引所、ディーラー、ブローカー、およびコンセンサスプライスのプロバイダーから得られる価格を含む、観察可能な市場データから決定される。特定の入力データは、市場では直接的に観察されない場合があるが、モデル較正手順を経た観察可能な価格から決定される。最終的に、一部の入力データは観察不能であるが、一般的に実績データまたはその他のデータから見積もることができる。観察可能な入力データの例は、直物および先物為替レート、一般に取引されているオプション商品の基準金利曲線およびボラティリティ局面を含む。観察不能な入力データの例は、あまり一般に取引されていないオプション商品の全部または一部のボラティリティ局面、ならびに市場ファクター間の相関関係を含む。

・レバレッジド・ローンおよび証券化目的のローンを含む貸付金

公正価値で保有されている貸付金は、入手できる場合は、ブローカーの指し値および/または市場コンセンサス・プロバイダーの価格に基づいて評価される。観察可能な市場が存在しない場合、公正価値は、同一または比較可能な事業体の発行するその他の市場金融商品から導かれた、貸付金に適した信用スプレッドに関する仮定を織り込んだ割引キャッシュ・フロー・モデルを含む評価手法を用いて決定される。

・仕組債

公正価値が評価手法によって導き出される仕組債の公正価値は、上述のとおり、基礎となる負債証券の公正価値から導き出される。組込デリバティブの公正価値の決定については、上記のデリバティブに関するセクションで説明されている。

公正価値で測定されている金融資産および金融負債の評価の基礎

グループ

	評価手法			
	市場価格	観察可能な入力データの使用	重要な観察不能な入力データの使用	合計
	百万ポンド			
2008年12月31日現在				
資産				
トレーディング資産	**100,829**	**69,001**	**2,196**	**172,026**
公正価値評価の指定を受けた金融資産	**7,530**	**6,365**	**—**	**13,895**
デリバティブ	**4,866**	**236,090**	**2,128**	**243,084**
金融投資－売却可能	**38,201**	**60,942**	**4,368**	**103,511**
負債				
トレーディング負債	**58,226**	**63,815**	**2,409**	**124,450**
公正価値評価された金融負債	**4,174**	**11,010**	**—**	**15,184**
デリバティブ	**6,093**	**233,961**	**977**	**241,031**
2007年12月31日現在				
資産				
トレーディング資産	83,008	66,595	3,603	153,206
公正価値評価の指定を受けた金融資産	10,630	4,339	—	14,969
デリバティブ	2,890	56,758	822	60,470
金融投資－売却可能	17,816	48,360	3,352	69,528
負債				
トレーディング負債	61,386	53,702	2,366	117,454
公正価値評価された金融負債	9,481	6,178	—	15,659
デリバティブ	2,892	57,787	860	61,539

当行

	評価手法			
	市場価格	観察可能な入力データの使用	重要な観察不能な入力データの使用	合計
	百万ポンド			
2008年12月31日現在				
資産				
トレーディング資産	**50,175**	**77,834**	**2,196**	**130,205**
公正価値評価の指定を受けた金融資産	**424**	**4,168**	**—**	**4,592**
デリバティブ	**270**	**194,901**	**1,957**	**197,128**
金融投資－売却可能	**21,416**	**23,040**	**2,152**	**46,608**
負債				
トレーディング負債	**38,274**	**57,706**	**2,409**	**98,389**
公正価値評価された金融負債	**1,658**	**7,771**	**—**	**9,429**
デリバティブ	**564**	**195,836**	**847**	**197,247**
2007年12月31日現在				

資産				
トレーディング資産	50,643	94,856	3,603	149,102
公正価値評価の指定を受けた金融資産	―	3,439	―	3,439
デリバティブ	33	45,966	326	46,325
金融投資－売却可能	6,749	6,046	1,026	13,821
負債				
トレーディング負債	39,140	58,296	2,319	99,755
公正価値評価された金融負債	4,278	3,804	―	8,082
デリバティブ	176	47,030	330	47,536

合理的に可能な代替手段に対する重要な観察不能な仮定の変動による影響

上記のように、金融商品の公正価値は、特定の状況において、同一商品における観察可能な現行の市場取引から入手される価格によって裏付けられておらず、観察可能な市場データに基づくことができない仮定を織り込んだ評価手法を用いて測定されている。下表は、合理的に可能な代替手段に対する公正価値の感応度を示している。

グループ

	利益/（損失）に反映		**資本に反映**	
	有利な変動	**不利な変動**	**有利な変動**	**不利な変動**
	百万ポンド		**百万ポンド**	
2008年12月31日現在				
デリバティブ／トレーディング資産／トレーディング負債(1)	**182**	**(250)**	**―**	**―**
金融投資－売却可能	**―**	**―**	**519**	**(519)**
2007年12月31日現在				
デリバティブ／トレーディング資産／トレーディング負債(1)	150	(93)	―	―
金融投資－売却可能	―	―	171	(202)

当行

	利益/（損失）に反映		**資本に反映**	
	有利な変動	**不利な変動**	**有利な変動**	**不利な変動**
	百万ポンド		**百万ポンド**	
2008年12月31日現在				
デリバティブ／トレーディング資産／トレーディング負債(1)	**155**	**(239)**	**―**	**―**
金融投資－売却可能	**―**	**―**	**344**	**(344)**
2007年12月31日現在				
デリバティブ／トレーディング資産／トレーディング負債(1)	135	(107)	―	―
金融投資－売却可能	―	―	87	(87)

(1) デリバティブ、トレーディング資産およびトレーディング負債は、これらの金融商品のリスク管理方法を反映させるためにひとつのカテゴリーとして表示されている。

当期のデリバティブ、トレーディング資産およびトレーディング負債に関する重要な観察不能な入力データの変動による影響の増加は、主に、一部のモノライン保険会社に対して実行されたクレジット・デリバティブ取引の公正価値の決定において不確実性が増加していることを反映している。また、ストラクチャード・デリバティブ事業のエクスポージャー、および一部のABSの評価に関する不確実性も全般的に増加している。

損益計算書に計上された公正価値の変動

下表は、同一商品における観察可能な現行の市場取引から入手される価格で裏付けられていない重要な仮定を織り込んだ、観察可能な市場データに基づかない評価手法を用いて公正価値が見積もられているエクスポージャーについて、期中に損益に認識された公正価値の変動を定量化したものである。

- **本表は、これらの商品の公正価値の変動の詳細を示しており、観察不能部分に帰属する変動と無関係ではない。**
- **重要な観察不能な入力データを用いて評価された商品は、観察可能な入力データを用いて評価された商品と共にダイナミックに管理されることが多い。本表は、後者の商品の公正価値における変動を含んでいない。**
- **2007年12月31日現在は観察可能な入力データを用いて評価されていたが、2008年12月31日現在においては重要な観察不能な入力データによって評価されるようになった資産および負債について、本表は期中におけるそのような商品の公正価値の変動全体を反映している。**

	グループ		当行	
	12月31日に終了した事業年度		12月31日に終了した事業年度	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
以下の商品に係る利益／（損失）計上額：				
デリバティブ／トレーディング資産／トレーディング負債	**(164)**	92	**(214)**	(27)

公正価値で計上されない金融商品の公正価値

下記の貸借対照表日現在における資産および負債の公正価値は、以下の開示目的のために見積もられたものである。

(i)　銀行および顧客に対する貸付金

貸付金の公正価値は、入手できる場合は観察可能な市場取引（ブローカーの指し値および/または市場コンセンサス価格）に基づいている。観察可能な市場取引がない場合は、公正価値は割引キャッシュ・フロー・モデルを用いて見積もられている。正常貸付金は、可能な限り、満期および表面利率ごとに区分された同種の貸付金プールに分類されている。通常、契約上のキャッシュ・フローは、市場参加者が満期、価格更改、および信用リスクの特性が類似する商品を評価する際に用いる割引率に関するグループの見積りを用いて割り引かれる。

貸付金ポートフォリオの公正価値は、貸借対照表日現在の貸付金の減損および市場参加者の契約期間における貸し倒れの見積りを反映している。減損貸付金の公正価値は、回収が見込まれる期間の将来キャッシュ・フローを割り引くことで見積もられている。

（ii）金融投資

上場金融投資の公正価値は、市場買値を用いて決定される。非上場金融投資は、同等の上場証券の価格および将来の収益動向を考慮に入れた評価手法を用いて決定される。

(iii) 銀行および顧客からの預金

公正価値を見積もるために、銀行および顧客からの預金は、残存期間ごとに分類されている。公正価値は、割引キャッシュ・フローを用いて、同様の残存期間を持つ預金に提示される現在の利率を適用して見積もられる。要求払預金の公正価値は、貸借対照表日現在、要求に応じて支払可能な金額であると予想される。

(iv) 発行済負債証券および劣後債務

公正価値は可能であれば貸借対照表日現在の市場価格を用いて、あるいは類似する金融商品の市場価格を参照して決定される。

本注記に表示されている公正価値は、特定日に評価されたものであり、当該商品の満期日または決済日に実際に支払う金額と大幅に異なる可能性がある。多くの場合、評価されたポートフォリオの規模を考慮して見積れらた公正価値を即座に実現することは不可能である。したがって、これらの公正価値は、継続企業としてのグループに対するこれらの金融商品の価値を表すものではない。

すべての種類の金融商品の公正価値は、金融商品の単価に保有数を乗じた金額で表示されている。大量保有に関する割引割増修正は行われていない。

コア預金のポートフォリオ、クレジットカードおよび顧客関係の価値など、公正価値測定の対象となる金融商品を組成および保有する事業に関連した無形資産の公正価値は金融商品として分類されないため、上記には含まれていない。したがって、公正価値測定の合計が継続企業としての組織全体の価値に近似することはない。

下表は、その性質上短期である、または現行の市場金利に頻繁に金利更改される等の理由により、公正価値が帳簿価額に合理的に近似している金融商品を列挙している。

資産	**負債**
現金および中央銀行預け金	**他行へ送金中の項目**
他行から回収中の項目	**「その他負債」に計上されている裏書および支払承諾**
「その他資産」に計上されている裏書および支払承諾見返	**「その他負債」に計上されている短期債務**
「その他資産」に計上されている短期債権	**「未払費用および繰延収益」に計上されている未払費用**
「前払金および未収収益」に計上されている未収収益	

貸借対照表上で公正価値以外の方法により計上されている金融商品の公正価値

グループ

2008年12月31日現在		2007年12月31日現在	
帳簿価額	**公正価値**	帳簿価額	公正価値
百万ポンド		百万ポンド	

資産				
銀行に対する貸付金	**50,719**	**50,703**	60,764	60,764
顧客に対する貸付金	**298,304**	**292,059**	227,687	226,572
金融投資：負債証券	**25**	**25**	254	254
負債				
銀行からの預金	**61,431**	**61,454**	48,786	48,783
顧客からの預金	**369,880**	**369,857**	268,269	268,059
発行済負債証券	**52,308**	**51,461**	50,921	50,620
劣後債務	**7,259**	**6,589**	5,205	4,921

当行

	2008年12月31日現在		2007年12月31日現在	
	帳簿価額	**公正価値**	帳簿価額	公正価値
	百万ポンド		百万ポンド	
資産				
銀行に対する貸付金	**18,295**	**18,297**	32,028	32,028
顧客に対する貸付金	**217,309**	**211,958**	150,649	149,876
負債				
銀行からの預金	**54,986**	**54,981**	41,061	41,061
顧客からの預金	**240,397**	**240,393**	184,899	184,899
発行済負債証券	**8,670**	**8,624**	8,117	8,194
劣後債務	**7,310**	**6,623**	4,744	4,469

32 資産および負債の満期分析

下表は、金融負債の割引前キャッシュ・フロー債務を貸借対照表日における残存契約期間ごとに分析したものである。

グループ

	要求払	**3ヶ月以内**	**3ヶ月から12ヶ月**	**1年から5年**	**5年超**	**合計**
2008年12月31日現在			**百万ポンド**			
銀行からの預金	**14,375**	**49,561**	**3,521**	**2,510**	**3,129**	**73,096**
顧客からの預金	**231,596**	**129,687**	**17,117**	**1,934**	**1,393**	**381,727**
トレーディング負債	**124,450**	**—**	**—**	**—**	**—**	**124,450**
公正価値評価の指定を受けた金融負債	**3,627**	**59**	**208**	**4,904**	**9,478**	**18,276**
デリバティブ	**239,394**	**130**	**1,098**	**1,661**	**243**	**242,526**
発行済負債証券	**235**	**25,880**	**18,371**	**9,217**	**2,858**	**56,561**
劣後債務	**63**	**69**	**182**	**1,229**	**9,162**	**10,705**
その他の金融負債	**1,957**	**6,205**	**1,124**	**646**	**511**	**10,443**
	615,697	**211,591**	**41,621**	**22,101**	**26,774**	**917,784**
貸付契約	**37,897**	**41,746**	**10,249**	**22,231**	**10,901**	**123,024**
	653,594	**253,337**	**51,870**	**44,332**	**37,675**	**1,040,808**

2007年12月31日現在

銀行からの預金	11,564	34,031	4,375	1,561	3,043	54,574
顧客からの預金	173,902	90,818	7,720	2,232	1,255	275,927
トレーディング負債	117,454	―	―	―	―	117,454
公正価値評価の指定を受けた金融負債	5,828	408	1,345	2,716	8,134	18,431
デリバティブ	60,908	4	246	483	104	61,745
発行済負債証券	316	32,903	8,741	11,527	2,962	56,449
劣後債務	―	36	190	782	7,121	8,129
その他の金融負債	2,567	6,152	861	253	585	10,418
	372,539	164,352	23,478	19,554	23,204	603,127
貸付契約	36,914	58,332	8,610	23,791	11,497	139,144
	409,453	222,684	32,088	43,345	34,701	742,271

当行

	要求払	３ヶ月以内	３ヶ月から12ヶ月	１年から５年	５年超	合計
2008年12月31日現在			百万ポンド			
銀行からの預金	**12,589**	**40,673**	**1,555**	**152**	**152**	**55,121**
顧客からの預金	**192,570**	**35,643**	**8,218**	**625**	**786**	**237,842**
トレーディング負債	**98,389**	**―**	**―**	**―**	**―**	**98,389**
公正価値評価の指定を受けた金融負債	**―**	**44**	**187**	**2,469**	**8,824**	**11,524**
デリバティブ	**196,549**	**55**	**275**	**339**	**105**	**197,323**
発行済負債証券	**47**	**6,264**	**2,243**	**394**	**―**	**8,948**
劣後債務	**―**	**60**	**71**	**2,688**	**6,245**	**9,064**
その他の金融負債	**28**	**4,608**	**20**	**15**	**1**	**4,672**
	500,172	**87,347**	**12,569**	**6,682**	**16,113**	**622,883**
貸付契約	**13,521**	**38,250**	**2,186**	**11,623**	**8,471**	**74,051**
	513,693	**125,597**	**14,755**	**18,305**	**24,584**	**696,934**
2007年12月31日						
銀行からの預金	9,626	29,888	1,496	137	112	41,259
顧客からの預金	141,788	35,584	2,648	5,094	1,334	186,448
トレーディング負債	99,755	―	―	―	―	99,755
公正価値評価の指定を受けた金融負債	―	54	161	2,401	7,769	10,385
デリバティブ	47,339	(41)	66	229	5	47,598
発行済負債証券	3	5,408	2,029	506	1,121	9,067
劣後債務	―	34	102	1,894	4,542	6,572
その他の金融負債	―	4,639	64	15	1	4,719
	298,511	75,566	6,566	10,276	14,884	405,803
貸付契約	16,538	55,765	1,787	14,418	8,340	96,848
	315,049	131,331	8,353	24,694	23,224	502,651

トレーディング負債およびトレーディング・デリバティブは、トレーディング負債が通常短期の保有であることから、契約上の満期によって分類されるのではなく、「要求払」の満期区分に含められる。ヘッジ

手段であるデリバティブ負債の割引前キャッシュ・フローは、契約上の満期に基づいて分類される。

以下は、１年以内および１年超で回収または決済が見込まれる金額を合算した資産および負債項目を貸借対照表日における残存契約期間ごとに分析したものである。

トレーディング資産および負債は、契約上の満期日までの期間における回収または決済を目的として保有されているものではないため、当該分析から除外されている。

グループ

	2008年12月31日現在		
	１年以内	１年超	合計
		百万ポンド	
資産			
公正価値評価の指定を受けた金融資産	1,634	12,261	13,895
銀行に対する貸付金	48,242	2,477	50,719
顧客に対する貸付金	160,300	138,004	298,304
金融投資	37,199	66,312	103,511
その他の金融資産	7,954	1,757	9,711
	255,329	220,811	476,140
負債			
銀行からの預金	59,517	1,914	61,431
顧客からの預金	366,547	3,333	369,880
公正価値評価の指定を受けた金融負債	376	14,808	15,184
発行済負債証券	41,115	11,193	52,308
その他の金融負債	6,705	1,545	8,250
劣後債務	71	7,188	7,259
	474,331	39,981	514,312

	2007年12月31日現在		
	１年以内	１年超	合計
		百万ポンド	
資産			
公正価値評価の指定を受けた金融資産	2,267	12,702	14,969
銀行に対する貸付金	55,163	5,601	60,764
顧客に対する貸付金	119,052	108,635	227,687
金融投資	16,467	53,061	69,528
その他の金融資産	4,330	413	4,743
	197,279	180,412	377,691
負債			
銀行からの預金	44,422	4,364	48,786
顧客からの預金	264,976	3,293	268,269
公正価値評価の指定を受けた金融負債	4,750	10,909	15,659
発行済負債証券	39,675	11,246	50,921
その他の金融負債	6,332	358	6,690
劣後債務	—	5,205	5,205

360,155	35,375	395,530

当行

	2008年12月31日現在		
	1年以内	1年超	合計
		百万ポンド	
資産			
公正価値評価の指定を受けた金融資産	78	4,514	4,592
銀行に対する貸付金	15,810	2,485	18,295
顧客に対する貸付金	111,970	105,339	217,309
金融投資	27,894	18,714	46,608
その他の金融資産	3,254	1,531	4,785
	159,006	132,583	291,589
負債			
銀行からの預金	54,215	771	54,986
顧客からの預金	234,572	5,825	240,397
公正価値評価の指定を受けた金融負債	241	9,188	9,429
発行済負債証券	8,345	325	8,670
その他の金融負債	3,292	524	3,816
劣後債務	—	7,310	7,310
	300,665	23,943	324,608

	2007年12月31日現在		
	1年以内	1年超	合計
		百万ポンド	
資産			
公正価値評価の指定を受けた金融資産	—	3,439	3,439
銀行に対する貸付金	28,479	3,549	32,028
顧客に対する貸付金	71,543	79,106	150,649
金融投資	8,467	5,354	13,821
その他の金融資産	1,485	154	1,639
	109,974	91,602	201,576
負債			
銀行からの預金	38,854	2,207	41,061
顧客からの預金	181,340	3,559	184,899
公正価値評価の指定を受けた金融負債	3,366	4,716	8,082
発行済負債証券	7,282	835	8,117
その他の金融負債	2,793	—	2,793
劣後債務	—	4,744	4,744
	233,635	16,061	249,696

グループの流動性および資金管理については、注記38「リスク管理」に詳細が記載されている。

33 為替エクスポージャー

構造的為替エクスポージャー

グループの構造的為替エクスポージャーは、子会社、支店、合弁事業および関連会社の外貨資本および劣後債投資の純資産価値によって示されている。

グループの構造的為替エクスポージャーの管理については、注記38に記載されている。

正味構造的為替エクスポージャー

	2008年	2007年
構造的エクスポージャーの通貨	百万ポンド	百万ポンド
ユーロ	**11,040**	10,584
米国ドル	**(1,384)**	558
スイス・フラン	**1,499**	1,324
トルコ・リラ	**1,032**	895
ロシア・ルーブル	**184**	―
その他、各100百万ポンド未満	**154**	189
合計	**12,525**	13,550

34 負債の担保として差し入れた資産および資産の担保として受け入れた担保

負債の担保として供された金融資産は以下のとおりである。

	12月31日現在のグループの担保資産		12月31日現在の当行の担保資産	
	2008年	2007年	2008年	2007年
	百万ポンド		百万ポンド	
短期国債およびその他の適格証券	―	1,410	―	1,404
銀行に対する貸付金	**2,521**	5,402	**2,359**	1,113
顧客に対する貸付金	**18,623**	24,664	**5,826**	3,408
負債証券	**106,633**	100,750	**51,003**	38,696
株式	**2,801**	9,366	**2,747**	9,300
	130,578	141,592	**61,935**	53,921

これらの取引は、一般の証券貸付業務および買戻契約に対する通常の取引条件に基づいて行われている。

資産の担保として受け入れた担保

債務不履行がない限り、グループに売却または再担保が認められている担保として受け入れた金融資産の公正価値は、95,191百万ポンド（2007年：104,506百万ポンド）である。グループが売却または再担保を行った、担保として受け入れた金融資産の公正価値は、72,569百万ポンド（2007年：59,668百万ポンド）である。グループは、これらの資産を返還する義務がある。

これらの取引は、一般の株式貸借業務に対する通常の取引条件に基づいて行われている。

35 払込済株式資本

授権株式資本

2008年12月31日現在のエイチエスビーシー・バンク・ピーエルシーの授権普通株式資本は1,000百万ポンド（2007年：1,000百万ポンド）であり、１株当たり額面１ポンドの普通株式999,999,999株（2007年：999,999,999株）および１株当たり額面１ポンドの優先普通株式１株（2007年：１株）に区分される。

2008年12月31日現在のエイチエスビーシー・バンク・ピーエルシーの授権優先株式資本は、150百万ポンド（2007年：150百万ポンド）および2.44百万米ドル（2007年：2.44百万米ドル）であり、１株当たり額面１ポンドの優先株式150,000,000株（2007年：150,000,000株）、１株当たり額面0.01米ドルの非累積型ドル建て優先株式40,000株（2007年：40,000株）、１株当たり額面0.01米ドルの非累積型第二ドル建て優先株式2,000,000株（2007年：2,000,000株）、および１株当たり額面0.01米ドルの非累積型第三ドル建て優先株式400,000株（2007年：400,000株）に区分される。

発行済株式資本

エイチエスビーシー・バンク・ピーエルシーの普通株式

	株数	百万ポンド
2008年１月１日現在	**796,969,102**	**797**
発行株式	**2**	**－**
2008年12月31日現在	**796,969,104**	**797**
2007年１月１日現在	796,969,101	797
発行株式	**1**	－
2007年12月31日現在	796,969,102	797

エイチエスビーシー・バンク・ピーエルシーの非累積第三次米ドル優先株式

	株数	千ポンド
2008年１月１日および12月31日現在	**35,000,000**	**172**
2007年１月１日現在	－	－
期中認識分	35,000,000	172
2007年12月31日現在	35,000,000	172

当行は、優先株式を償還する義務はないが、事前にFSAの同意があればいつでもその一部または全部を償還することができる。優先株式の配当金は、取締役会の単独の絶対的な裁量によって年１回支払われる。配当金の支払いによって当行がFSAの自己資本比率基準を満たすことができなくなる場合、または配当金として分配できる当行の利益が、優先株式の配当金および同日に支払が予定されていて、同等の配当請求権があるその他の株式の配当金の全額を支払うには不十分である場合、あるいは普通株式を除いて、当行の資本におけるいずれかのクラスの株式に付されている権利によって配当金の支払が禁止されている場合、取締役会は、優先株式に対する配当を宣言しない。優先株式には、当行の普通株式に転換する権利が付されていない。優先株式の保有者は、当行の株主総会に出席し、優先株式に付されている権利の変更または無効提案の決議および優先株式の払込資本金の減額提案の決議に対して議決権を行使することができる。優先株式の

配当金が直近の配当期間について全額支払われていない、または当行の解散もしくは全事業の売却案の提議がなされた場合、そのような状況において、優先株の保有者は、株主総会に提議されたすべての事案について議決権を行使する権利を与えられている。未払配当金については、優先株式の保有者は、優先株式の配当金が全額支払われるまで、または一配当期間の配当金全額を支払うための資金が引き当てられるまで、すべての株主総会に出席し議決権を行使する権利を与えられている。

エイチエスビーシー・バンク・ピーエルシーの永久劣後債

	百万ポンド
2008年１月１日現在	**1,000**
期中発行額	**750**
2008年12月31日現在	**1,750**
2007年１月１日現在	―
期中発行額	1,000
2007年12月31日現在	1,000

エイチエスビーシー・バンク・ピーエルシーの永久劣後債の利息は、取締役会の単独の絶対的な裁量により、四半期ごとに支払われる。永久劣後債は、当行の選択によってのみ償還され、当行の普通株式に転換する権利は付されていない。

次へ

36 資本

グループ

	2008年										
					その他準備金						
	払込済株式資本	資本剰余金勘定	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	関連会社および合弁事業	株主資本合計	少数株主持分	資本合計
	百万ポンド										
1月1日現在―報告額	797	15,499	1,000	7,587	(757)	(60)	357	―	24,423	576	24,999
発行済株式資本（費用控除後）(1)	―	1,750	―	―	―	―	―	―	1,750	―	1,750
当期中に発行された資本証券	―	―	750	―	―	―	―	―	750	―	750
株主に帰属する当期利益	―	―	―	3,441	―	―	―	―	3,441	―	3,441
親会社株主への配当金	―	―	―	(2,974)	―	―	―	―	(2,974)	―	(2,974)
確定給付制度に係る数理上の利益	―	―	―	(126)	―	―	―	―	(126)	(3)	(129)
資本に計上された公正価値に係る利益（損失）	―	―	―	―	(11,551)	545	―	―	(11,006)	―	(11,006)
損益計算書への振替額	―	―	―	―	99	(8)	(136)	―	(45)	(1)	(46)
持分決済型の株式報酬の正味影響額	―	―	―	49	―	―	―	―	49	―	49
資本に直接計上されたまたは資本から振替られた項目に係る税金	―	―	―	31	558	(151)	―	―	438	―	438
少数株主への振替	―	―	―	―	27	1	―	―	28	(28)	―
少数株主に帰属する利益	―	―	―	―	―	―	―	―	―	82	82
少数株主への配当金	―	―	―	(25)	―	―	―	―	(25)	(38)	(63)
関連会社からの振替	―	―	―	―	(3)	―	―	―	(3)	―	(3)
換算差額	―	―	―	(2)	―	―	3,237	―	3,235	122	3,357
その他	―	―	―	(12)	―	―	―	―	(12)	28	16

12月31日現在	**797**	**17,249**	**1,750**	**7,969**	**(11,627)**	**327**	**3,458**	**—**	**19,923**	**738**	**20,661**

(1) 当事業年度に発行された株式はすべてエイチエスビーシー・ホールディングス・ピーエルシーに対して発行された。詳細は注記35を参照のこと。

	2007年（修正再表示）										
					その他準備金						
	払込済株式資本	資本剰余金勘定	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	関連会社および合弁事業	株主資本合計	少数株主持分	資本合計
	百万ポンド										
1月1日現在	797	14,558	—	5,165	523	(32)	(737)	125	20,399	539	20,938
発行済株式資本（費用控除後）	—	510	—	—	—	—	—	—	510	2	512
当期中に発行された資本証券	—	—	1,000	—	—	—	—	—	1,000	—	1,000
当期中に認識された優先株式(1)	—	431	—	—	—	—	—	—	431	—	431
株主に帰属する当期利益（修正再表示）	—	—	—	3,209	—	—	—	—	3,209	—	3,209
親会社株主への配当金	—	—	—	(1,706)	—	—	—	—	(1,706)	—	(1,706)
確定給付制度に係る数理上の利益	—	—	—	1,267	—	—	—	—	1,267	3	1,270
資本に計上された公正価値に係る利益（損失）	—	—	—	—	(964)	(71)	—	101	(934)	—	(934)
損益計算書への振替額	—	—	—	—	(501)	33	—	(122)	(590)	—	(590)
持分決済型の株式報酬の正味影響額	—	—	—	58	—	—	—	—	58	—	58
資本に直接計上されたまたは資本から振替られた項目に係る税金	—	—	—	(382)	61	10	—	—	(311)	—	(311)
少数株主への振替	—	—	—	—	3	—	—	—	3	(3)	—
少数株主に帰属する利益	—	—	—	—	—	—	—	—	—	87	87
少数株主への配当金	—	—	—	(7)	—	—	—	—	(7)	(67)	(74)
関連会社からの振替	—	—	—	(16)	120	—	—	(104)	—	—	—

換算差額	—	—	—	—	—	—	1,094	—	1,094	15	1,109
その他	—	—	—	(1)	1	—	—	—	—	—	—
12月31日現在	797	15,499	1,000	7,587	(757)	(60)	357	—	24,423	576	24,999

(1) 当事業年度中に持分商品として認識された当行の非累積第三次米ドル優先株式において生じた資本剰余金。詳細は注記35を参照のこと。

当行

	2008年								
					その他準備金				
	払込済株式資本	資本剰余金勘定	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	関連会社および合弁事業	資本合計
	百万ポンド								
1月1日現在—報告額	797	15,499	1,000	3,301	179	13	(12)	—	20,777
発行済株式資本（費用控除後）(1)	—	1,750	—	—	—	—	—	—	1,750
当期中に発行された資本証券	—	—	750	—	—	—	—	—	750
株主に帰属する当期利益	—	—	—	2,681	—	—	—	—	2,681
親会社株主への配当金	—	—	—	(2,974)	—	—	—	—	(2,974)
確定給付制度に係る数理上の利益	—	—	—	33	—	—	—	—	33
資本に計上された公正価値に係る利益（損失）	—	—	—	—	(1,533)	563	—	—	(970)
損益計算書への振替額	—	—	—	—	(61)	(16)	(6)	—	(83)
持分決済型の株式報酬の正味影響額	—	—	—	28	—	—	—	—	28
資本に直接計上されたまたは資本から振替られた項目に係る税金	—	—	—	(4)	438	(153)	—	—	281
換算差額	—	—	—	—	—	—	(34)	—	(34)
その他	—	—	—	16	—	—	—	—	16
12月31日現在	797	17,249	1,750	3,081	(977)	407	(52)	—	22,255

(1) 当事業年度に発行された株式はすべてエイチエスビーシー・ホールディングス・ピーエルシーに対して発行された。詳細は注記35を参照のこと。

2007年（修正再表示）

	払込済株式資本	資本剰余金勘定	その他持分商品	利益剰余金	その他準備金			関連会社および合弁事業	資本合計
					売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金		
	百万ポンド								
1月1日現在	797	14,558	—	1,771	91	(8)	(2)	—	17,207
発行済株式資本（費用控除後）	—	510	—	—	—	—	—	—	510
当期中に発行された資本証券	—	—	1,000	—	—	—	—	—	1,000
当期中に認識された優先株式(1)	—	431	—	—	—	—	—	—	431
株主に帰属する当期利益（修正再表示）	—	—	—	2,336	—	—	—	—	2,336
親会社株主への配当金	—	—	—	(1,706)	—	—	—	—	(1,706)
確定給付制度に係る数理上の利益	—	—	—	1,231	—	—	—	—	1,231
資本に計上された公正価値に係る利益（損失）	—	—	—	—	238	10	—	—	248
損益計算書への振替額	—	—	—	—	(167)	19	—	—	(148)
持分決済型の株式報酬の正味影響額	—	—	—	41	—	—	—	—	41
資本に直接計上されたまたは資本から振替られた項目に係る税金	—	—	—	(372)	16	(8)	—	—	(364)
換算差額	—	—	—	—	—	—	(10)	—	(10)
その他	—	—	—	—	1	—	—	—	1
12月31日現在	797	15,499	1,000	3,301	179	13	(12)	—	20,777

(1) 当事業年度中に持分商品として認識された当行の非累積第三次米ドル優先株式において生じた資本剰余金。詳細は注記35を参照のこと。

次へ

37 キャッシュ・フロー計算書の注記

税引前利益に含まれる非現金項目

	グループ		当行	
	2008年	2007年 (修正再表示)	**2008年**	2007年 (修正再表示)
	百万ポンド		百万ポンド	
減価償却費および減損	**575**	564	**312**	340
株式報酬費用	**225**	182	**129**	112
子会社の資本の払戻しによる利益	**－**	－	**(280)**	－
カナダ・スクエア８向け資金供与に係る利益	**(244)**	－	**(244)**	－
貸付金減損損失（回収額を含む）	**1,861**	1,043	**1,328**	825
引当金	**103**	342	**16**	230
金融投資の減損	**282**	－	**50**	－
確定給付年金制度に対する費用	**135**	240	**148**	245
ディスカウントおよびプレミアムの償却	**(204)**	(166)	**(11)**	(33)
	2,733	2,205	**1,448**	1,719

営業資産の変動

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
前払金および未収収益の変動	**455**	(2,129)	**896**	(1,454)
正味トレーディング有価証券および正味デリバティブの変動	**(15,976)**	(6,299)	**15,375**	(25,811)
銀行に対する貸付金の変動	**9,704**	(10,421)	**8,510**	(7,371)
顧客に対する貸付金の変動	**(64,643)**	(27,302)	**(60,016)**	(6,616)
公正価値評価の指定を受けた金融資産の変動	**1,575**	(8,984)	**(2,004)**	(3,439)
その他資産の変動	**(3,357)**	(1,482)	**(1,773)**	(63)
	(72,242)	(56,617)	**(39,012)**	(44,754)

営業負債の変動

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
未払費用および繰延収益の変動	**(771)**	2,313	**(1,354)**	1,642
銀行からの預金の変動	**12,645**	10,273	**13,925**	11,879
顧客からの預金の変動	**101,611**	40,919	**55,498**	20,845
発行済負債証券の変動	**1,695**	12,831	**553**	2,709
公正価値評価の指定を受けた金融負債の変動	**(474)**	6,199	**1,347**	3,346
その他負債の変動	**3,488**	10,852	**395**	(1,155)
	118,194	83,387	**70,364**	39,266

現金および現金同等物

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
現金および中央銀行預け金	9,470	7,146	6,779	3,677
他行から回収中の項目	1,917	2,434	692	1,377
銀行に対する貸付金（１ヶ月以内）	37,448	37,751	8,021	13,205
短期国債、その他手形および預金証書（３ヶ月未満）	13,822	5,879	13,071	5,389
控除：他行へ送金中の項目	(1,802)	(1,975)	(772)	(1,056)
現金および現金同等物合計(1)	60,855	51,235	27,791	22,592

(1) 現金および現金同等物合計には、グループが使用できない以下の金額が含まれる。海外子会社が保有している為替管理規制の対象となる金額ゼロ（2007年：18百万ポンド）およびその他の規制の対象となる金額2,175百万ポンド（2007年：3,098百万ポンド）である。

当期中のグループの利息支払額合計は、17,126百万ポンド（2007年：13,318百万ポンド）であった。当期中のグループの利息受取額合計は、17,815百万ポンド（2007年：14,632百万ポンド）であった。当期中にグループが受け取った配当金の合計は、837百万ポンド（2007年：715百万ポンド）であった。

38 リスク管理

グループのすべての活動について、一定のリスクおよび組み合わされた複数のリスクの測定、評価、受諾および管理が行われている。

グループがさらされている最も重要なリスク・カテゴリーは、信用リスク（クロス・ボーダー・カントリー・リスクを含む）、保険リスク、流動性リスク、市場リスク（為替、金利、株価および信用スプレッド・リスクを含む）である。さらに、連結および非連結特別目的事業体との取引、ならびに金融保証、信用状および貸付契約を含むその他のオフバランス・シート契約からもリスクが生じている。保険事業では活動内容がグループの他部門とは異なることから、保険リスクだけでなく、保険事業特有の信用、流動性および市場リスクを別個に管理している。

グループにとって重要なすべてのリスクの管理方法については以下に記載している。

信用リスク

信用リスクは、顧客または取引相手が契約に基づく債務を履行できない場合の損失リスクである。信用リスクは、主に直接貸出、貿易金融およびリース事業によって生じているが、保証およびデリバティブならびに負債証券の形式でグループが保有している資産からも生じている。グループはこれらの活動によるリスクを監視および管理するための基準、方針および手続きを有している。

信用リスク管理

エイチエスビーシー・ホールディングス・ピーエルシーは上層的な信用リスク方針を設定する責任があり、世界各国のエイチエスビーシーの信用リスクに対して、上層的な一元的監視および管理を行っている。

またその責務は下記を含む。

- **国有事業体、銀行およびその他金融機関に対するエクスポージャーを管理する。信用枠を最大限に利用し、過度なリスクの集中を避けるために、エイチエスビーシーのこれらのセクターにおける取引相手への信用リスクおよび決済リスクの上限は、エイチエスビーシー・グループの信用リスク部門により承認・管理されている。**
- **エイチエスビーシー・グループ間のエクスポージャーが、規制上の制限内に維持されるよう監視する。合意された移行スケジュールに従って、FSAの新規「統合グループ」体制を採用するための計画が準備されている。**
- **国別の上限を設定し、さらにその中で満期別および業種別の上限を設定することにより、クロスボーダー・エクスポージャーを管理している。国別の上限は経済的要因および政治的要因を考慮し、地域の業務知識を反映して決定される。リスクが高いとみなされる国との取引は、案件ごとに検討される。**

グループ内における信用リスクに関する活動は、欧州最高リスク管理責任者により統括され、最高経営責任者に報告が行われ、エイチエスビーシー・グループ最高リスク管理責任者への機能的レポーティングラインに従う。その責務は下記を含む。

- **エイチエスビーシーの方針に沿った詳細な信用方針および手続を策定し、マニュアルに記録する。**
- **特定の市場セクター、活動および銀行商品に対する信用リスク・エクスポージャーにさらされている子会社および支店に対して、信用方針に関するガイドラインを発行する。**
- **リスクに関して独立した審査および客観的な評価を実施する。信用リスク部門は、指定された制限を超えて、子会社および支店により設定または更新されたすべてのコマーシャル・ノンバンクの信用枠およびエクスポージャー（デリバティブに組み込まれたものを含む）を承認する。**
- **リテール・ポートフォリオの実績および管理を監視する。**
- **契約相手別、セクター別または地理別のエクスポージャーの集中が、グループの資本基盤に対して過度になることなく、かつ内部および規制上の制限内に維持されるように、大口の信用エクスポージャーに関する方針を維持する。**
- **エクスポージャーを分類するために用いられる、エイチエスビーシーのリスク格付の枠組みおよびシステムの管理および運用を維持し、改善する。**
- **ストレス・テスト・シナリオの開発、経済的資本の測定および重要なリスク指標の改善ならびにそれらの報告において、リスク戦略チームを支援する。**
- **グループの信用リスクのポートフォリオの状況について経営幹部に報告する。これらの経営幹部、欧州リスク・マネジメント委員会、監査委員会および当行の取締役会は下記の内容について、様々な定期報告および臨時報告を受ける。**

  －リスクの集中

  －リテール・ポートフォリオの実績

  －特定のハイリスクのポートフォリオ・セグメント、例えば、不動産、銀行および自動車セクター

  －個別の多額な減損勘定およびすべての顧客セグメントの減損引当金／費用

  －国別の制限、クロスボーダー・エクスポージャーおよび関連する減損引当金

  －バーゼルⅡの指標を用いているポートフォリオおよび分析モデルの実績データ

  －ストレス・テストの結果および提案

- **必要に応じて、不良債権の最大限の回収に向けて、集中的に管理・調整するための専門家チームを設置する。**
- **信用リスク管理システムに関する計画を管理し、指揮する。**
- **下記のような信用関連の事項について最善の対応を促すために、支店および子会社に助言および指導を行う。**

  －規制の展開

  －リスク・モデル

－集合的な減損引当金

－新商品および信用リスクに関する報告

- **信用関連の問題に関して、グループの代表として、イングランド銀行、FSA、格付機関、コーポレート・アナリスト、同業組合および取引相手を含む外部当事者との窓口になる。**

信用の質

グループの信用リスク格付システムおよびプロセスは、より高いリスク要因を有するものおよび潜在的損失規模がより高いものを明確にするために、エクスポージャーの差別化を図っている。個別に重要な項目のリスク格付は定期的に見直され、必要に応じて、即時修正されている。グループのリテール・ポートフォリオ内では、リスクは、様々なリスクおよび価格モデルを用いて、評価・管理されている。

過年度において、グループは、債務不履行の可能性・程度およびリスク緩和措置の「複合的」評価をもとに、７等級の格付システムを採用していた。債務不履行の可能性および損失見積額を基準にした、より精細な手法が、このかつてのリスク格付システムに取って代わっている。この精細な手法は、グループの最低自己資本比率の算定に関してバーゼルⅡの枠組みを支持するために必要な内部格付手法（「IRB」）のアプローチに準拠している。この枠組みをグループの報告体制に統合することにより、グループのIRB義務に基づいて、経営陣に対して新しい基準での報告が可能になる。新しい枠組みは、グループの主要な事業会社によって利用される。

減損評価

減損損失が生じた場合、グループは引当金勘定を用いて、貸付金および満期保有目的金融投資の帳簿価額を減額している。売却目的金融資産の減損が生じた場合、当該資産の帳簿価額は直接減額される。減損引当金には、個別評価による減損引当金と集合的評価による減損引当金の２種類がある。減損引当金は、個別に重要な勘定について、または減損の証拠が個別に識別されない個別に重要な勘定のグループあるいは個別に重要とみなされない多数の同種の貸付金グループについて集合的基準で、評価および設定されることがある。グループの方針は、事業会社ごとに直ちにかつ一貫性のある減損引当金を設定するというものである。

経営陣は、貸付金ポートフォリオを詳細にレビューし、返済実績および延滞に関する統計値を過去の傾向と比較し、現在の経済状況の影響を評価することによって、減損引当金が適切に設定されているかどうかを定期的に評価している。

信用リスクに対する最大エクスポージャー

下表は、金融商品の信用リスクに対する最大エクスポージャーを表している。関連する保有担保またはその他の信用補完については、当該財務諸表の注記２(n)に記載した相殺要件を満たしている場合を除き、考慮していない。貸借対照表上で認識された金融資産の信用リスクに対するエクスポージャーは、帳簿価額と同額である。金融保証の信用リスクに対する最大エクスポージャーは、保証の履行が求められた場合にグループが支払わなければならない最大金額である。各ファシリティの契約期間において取消不能な貸付契約およびその他の信用関連の契約債務については、信用リスクに対する最大エクスポージャーは、融資枠の全額である。

特定の金融資産に関して、グループは通常、信用エクスポージャーを同一の相手方への支払義務のある金額と相殺するための法的強制力のある権利を有している。通常の状況下では、純額で決済すること、あるいは金融資産を実現すると同時に金融負債を決済することを意図していない。したがって、報告目的上、金融資産が各金融負債と相殺されることはない。ただし、各金融資産の信用リスクに対するエクスポージャーは、下表のとおり減額されている。

グループ

	2008年12月31日現在の最大エクスポージャー	相殺	信用リスクに対する正味エクスポージャー
	百万ポンド	百万ポンド	百万ポンド
他行から回収中の項目	1,917	―	1,917
トレーディング資産	158,900	(6,945)	151,955
－短期国債およびその他の適格手形	21	―	21
－負債証券	77,241	―	77,241
－銀行に対する貸付金	37,898	―	37,898
－顧客に対する貸付金	43,740	(6,945)	36,795
公正価値評価の指定を受けた金融資産	8,073	―	8,073
－短期国債およびその他の適格手形	43	―	43
－負債証券	7,380	―	7,380
－銀行に対する貸付金	153	―	153
－顧客に対する貸付金	497	―	497
デリバティブ	243,084	(173,522)	69,562
償却原価で保有されている貸付金	349,023	(54,890)	294,133
－銀行に対する貸付金	50,719	(82)	50,637
－顧客に対する貸付金	298,304	(54,808)	243,496
金融投資	100,843	―	100,843
－短期国債およびその他の類似手形	10,562	―	10,562
－負債証券	90,281	―	90,281
その他資産	7,759	―	7,759
－裏書および支払承諾見返	370	―	370
－その他	7,389	―	7,389
金融保証	20,293	―	20,293
貸付契約およびその他の信用関連の契約債務	154,391	―	154,391
	1,044,283	(235,357)	808,926

	2007年12月31日現在の最大エクスポージャー	相殺	信用リスクに対する正味エクスポージャー
	百万ポンド	百万ポンド	百万ポンド
他行から回収中の項目	2,434	―	2,434
トレーディング資産	130,787	(3,307)	127,480
－短期国債およびその他の適格手形	445	―	445
－負債証券	58,741	―	58,741
－銀行に対する貸付金	37,020	―	37,020

－顧客に対する貸付金	34,581	(3,307)	31,274
公正価値評価の指定を受けた金融資産	7,936	－	7,936
－短期国債およびその他の適格手形	25	－	25
－負債証券	7,822	－	7,822
－銀行に対する貸付金	89	－	89
－顧客に対する貸付金	－	－	－
デリバティブ	60,470	(30,452)	30,018
償却原価で保有されている貸付金	288,451	(31,951)	256,500
－銀行に対する貸付金	60,764	(135)	60,629
－顧客に対する貸付金	227,687	(31,816)	195,871
金融投資	66,476	－	66,476
－短期国債およびその他の類似手形	1,882	－	1,882
－負債証券	64,594	－	64,594
その他資産	3,668	(111)	3,557
－裏書および支払承諾見返	375	(111)	264
－その他	3,293	－	3,293
金融保証	17,603	－	17,603
貸付契約およびその他の信用関連の契約債務	146,019	－	146,019
	723,844	(65,821)	658,023

当行

	2008年12月31日現在の最大エクスポージャー	相殺	信用リスクに対する正味エクスポージャー
	百万ポンド	百万ポンド	百万ポンド
他行から回収中の項目	692	－	692
トレーディング資産	119,155	(6,945)	112,210
－短期国債およびその他の適格手形	7	－	7
－負債証券	32,132	－	32,132
－銀行に対する貸付金	45,299	－	45,299
－顧客に対する貸付金	41,717	(6,945)	34,772
公正価値評価の指定を受けた金融資産	4,592	－	4,592
－短期国債およびその他の適格手形	－	－	－
－負債証券	4,514	－	4,514
－銀行に対する貸付金	－	－	－
－顧客に対する貸付金	78	－	78
デリバティブ	197,128	(120,488)	76,640
償却原価で保有されている貸付金	235,604	(47,501)	188,103
－銀行に対する貸付金	18,295	－	18,295
－顧客に対する貸付金	217,309	(47,501)	169,808
金融投資	45,519	－	45,519
－短期国債およびその他の類似手形	9,818	－	9,818
－負債証券	35,701	－	35,701
その他資産	2,928	－	2,928

－裏書および支払承諾見返	224	－	224
－その他	2,704	－	2,704
金融保証	11,032	－	11,032
貸付契約およびその他の信用関連の契約債務	103,487	－	103,487
	720,137	(174,934)	545,203

	2007年12月31日現在の最大エクスポージャー	相殺	信用リスクに対する正味エクスポージャー
	百万ポンド	百万ポンド	百万ポンド
他行から回収中の項目	1,377	－	1,377
トレーディング資産	136,007	(3,307)	132,700
－短期国債およびその他の適格手形	437	－	437
－負債証券	37,902	－	37,902
－銀行に対する貸付金	59,451	－	59,451
－顧客に対する貸付金	38,217	(3,307)	34,910
公正価値評価の指定を受けた金融資産	3,439	－	3,439
－短期国債およびその他の適格手形	－	－	－
－負債証券	3,439	－	3,439
－銀行に対する貸付金	－	－	－
－顧客に対する貸付金	－	－	－
デリバティブ	46,325	(17,813)	28,512
償却原価で保有されている貸付金	182,677	(29,974)	152,703
－銀行に対する貸付金	32,028	－	32,028
－顧客に対する貸付金	150,649	(29,974)	120,675
金融投資	12,894	－	12,894
－短期国債およびその他の類似手形	1,397	－	1,397
－負債証券	11,497	－	11,497
その他資産	1,337	－	1,337
－裏書および支払承諾見返	251	－	251
－その他	1,086	－	1,086
金融保証	9,706	－	9,706
貸付契約およびその他の信用関連の契約債務	102,326	－	102,326
	496,088	(51,094)	444,994

担保およびその他の信用補完

上記の信用リスクに対する最大エクスポージャーの表に示されている金融商品に対する保有担保の詳細は、以下に記載されるとおりである。

他行から回収中の項目

決済リスクは、現金、有価証券または株式による支払が、対応する現金、有価証券または株式を受け取ることを期待して行われるすべての状況において生じうる。グループの取引相手との一日の取引から生じるす

べての決済リスク総額をカバーするように、取引相手ごとの決済リスク限度額が設定されている。特に有価証券および株式を含む多数の取引に係る決済リスクは、確実な支払システム経由または証券資金同時受渡方式で決済することにより大幅に緩和されている。

短期国債、その他適格手形および負債証券

貸付金を除く金融資産に対する担保は、金融商品の性質によって決定されている。負債証券、短期国債およびその他の適格手形は一般的に無担保であるが、アセット・バック証券および類似する商品については金融資産プールによって担保される。

デリバティブ

ISDAマスター契約は、デリバティブ活動を文書化する上で、グループにとって望ましい契約である。当該契約は、すべての店頭商品の売買活動に関する契約上の枠組みを規定し、またいずれか一方の当事者が債務不履行に陥った場合や他の事前に合意された解約事由が生じた場合に、契約対象のすべての未決済取引を相殺することを両当事者に義務付けている。ISDAマスター契約と併せてクレジット・サポート・アネックス（「CSA」）を実行することは、一般的であり、かつグループが推奨していることでもある。未決済のポジションに内在し、市場の影響を受けるカウンターパーティーリスクを緩和するために、CSAに基づいて、当事者間で担保の移動が行われる。

貸付金

融資を行う際のグループの方針は、担保に過度に依存するのではなく、顧客の返済能力に見合った貸付を行うことである。顧客の信用状態および商品の種類によっては、ファシリティが無担保で提供されることもあるが、依然として、担保は信用リスクの重要な緩和措置である。

事業会社は、特定種類の担保または信用リスク緩和措置の妥当性について適切なガイドラインを設け、適切な評価パラメーターを決定することが義務付けられている。当該パラメーター、担保の構造および契約条項は経験的証拠によって裏付けられており、意図された目的を継続的に達成している。主な担保の種類は以下のとおりである。

- **個人部門：住宅抵当貸付**
- **商業および産業部門：建物、在庫および債権等の事業資産**
- **商業不動産部門：融資対象となっている不動産、および**
- **金融部門：トレーディング・ファシリティを裏付ける負債証券および株式等の金融商品**

さらにクレジット・デリバティブ（クレジット・デフォルト・スワップおよびストラクチャード・クレジット・ノートを含む）および証券化ストラクチャーは、グループの貸付金ポートフォリオの信用リスクを管理するために利用されている。

延滞しているが減損していない貸付金、または個別評価による減損貸付金に係る担保およびその他の信用補完の公正価値を開示することは実務的ではないため、グループはこれらの金額を開示していない。

信用リスク・エクスポージャーの集中

多くの取引相手が類似した活動に従事している、または同一の地域または産業部門において事業を行っていて類似する経済的特徴を有している場合に、信用リスクの集中が存在するため、これらの取引相手が契約上の義務を履行する能力は、経済、政治またはその他の状況の変化によって一様に影響を受ける。

グループ

	2008年	2007年
	%	%
英国	**42**	42
フランス	**16**	18
ドイツ	**6**	5
その他の欧州大陸	**20**	20
欧州大陸	**42**	43
米国	**8**	6
その他の国	**8**	9
	100	100

当行

	2008年	2007年
	%	%
英国	**58**	56
フランス	**3**	5
ドイツ	**2**	3
その他の欧州大陸	**20**	21
欧州大陸	**25**	29
米国	**7**	5
その他の国	**10**	10
	100	100

グループは英国および海外において、幅広い金融サービスを提供している。この結果、信用リスクのある金融商品のポートフォリオは分散され、以下を例外として、個別の産業または経済グループのエクスポージャーが連結合計資産の10%超を占めることはなかった。

- **当行は主要な英国における決済銀行の１つであるため、グループの信用リスクに対するエクスポージャーは、英国に集中している。英国において、グループの信用リスクは様々な産業および経済グループに分散されている。**
- グループは主要な国際銀行グループの一部であるため、銀行業を営む相手先にエクスポージャーが著しく集中している。2008年および2007年12月31日現在、銀行業界に対する信用リスクの大半は、英国を含む欧州に集中していた。

産業部門別の顧客に対する貸付金

グループ

	2008年12月31日現在		2007年12月31日現在	
	顧客に対する貸付金総額	産業部門別貸付金総額の貸付金総額に占める割合	顧客に対する貸付金総額	産業部門別貸付金総額の貸付金総額に占める割合
	百万ポンド	%	百万ポンド	%
個人				
住宅抵当貸付	**60,240**	**20.03%**	47,997	20.92%
その他個人	**38,412**	**12.77%**	36,496	15.90%
	98,652	**32.80%**	84,493	36.82%
法人および商業				
商業、産業および国際貿易	**83,163**	**27.65%**	60,036	26.16%
商業不動産	**22,563**	**7.50%**	18,372	8.01%
その他不動産関連	**5,301**	**1.76%**	5,656	2.46%
政府	**1,275**	**0.41%**	1,137	0.50%
その他商業	**38,915**	**12.94%**	27,310	11.90%
	151,217	**50.26%**	112,511	49.03%
金融				
銀行以外の金融機関	**45,891**	**15.26%**	31,663	13.80%
決済勘定	**754**	**0.25%**	813	0.35%
	46,645	**15.51%**	32,476	14.15%
アセット・バック証券の組替	**4,292**	**1.43%**	―	―
顧客に対する貸付金総額	**300,806**	**100.00%**	229,480	100.00%

当行

	2008年12月31日現在		2007年12月31日現在	
	顧客に対する貸付金総額	産業部門別貸付金総額の貸付金総額に占める割合	顧客に対する貸付金総額	産業部門別貸付金総額の貸付金総額に占める割合
	百万ポンド	%	百万ポンド	%
個人				
住宅抵当貸付	**52,230**	**23.88%**	40,939	27.03%
その他個人	**12,396**	**5.67%**	13,594	8.97%
	64,626	**29.55%**	54,533	36.00%
法人および商業				
商業、産業および国際貿易	**60,957**	**27.87%**	41,290	27.27%
商業不動産	**13,660**	**6.25%**	10,580	6.98%
その他不動産関連	**4,057**	**1.86%**	4,612	3.04%
政府	**757**	**0.35%**	777	0.51%

その他商業	**28,428**	**13.00%**	18,706	12.35%
	107,859	**49.33%**	75,965	50.15%
金融				
銀行以外の金融機関	**41,489**	**18.97%**	20,715	13.67%
決済勘定	**411**	**0.19%**	270	0.18%
	41,900	**19.16%**	20,985	13.85%
アセット・バック証券の組替	**4,292**	**1.96%**	―	―
顧客に対する貸付金総額	**218,677**	**100.00%**	151,483	100.00%

不動産部門に対するエクスポージャーを除いて、産業的集中に関連する特定の担保要件はない。不動産および建設業界、ならびに住宅抵当貸付市場に対するエクスポージャーの大部分は、基礎となる不動産によって担保されている。

金融商品の信用の質

以下の４つの分類は、グループの貸出金、負債証券ポートフォリオおよびデリバティブの信用の質を示している。これらのカテゴリーはそれぞれ、法人および個人向け貸出業務に割り当てられたより精細な内部信用格付けの等級ならびに外部機関が負債証券に対して割り当てた外部格付けを含んでいる。内部格付けと外部格付けの両方とも４つの分類のうちの１つに該当するという点を除いて、これらの間に直接的相関関係はない。

質の分類

	法人向け貸出 およびデリバティブ	個人向け貸出	負債証券/ その他
高	CRR1からCRR2	EL1からEL2	A-以上
中	CRR3からCRR5	EL3からEL5	B+からBBB+ および未格付
基準以下	CRR6からCRR8	EL6からEL8	B以下
減損	CRR9からCRR10	EL9からEL10	減損

質の分類に関する定義

「高」：エクスポージャーは、金融契約債務を返済するための極めて高い能力を示しており、債務不履行に陥る可能性がごく僅かであるか、または低く、予想損失の水準も低い状態にある。個人向け勘定は、該当する商品パラメーターの範囲内で業務を行っており、ごく稀に延滞期間を示している。

「中」：エクスポージャーは緊密なモニタリングを必要とし、債務不履行リスクは低から中程度である。個人向け勘定の場合は通常、短期間の延滞であることを示しており、回収プロセスの適用により損失は最小限になると予想される。

「基準以下」：エクスポージャーは様々な程度の特別な注意を必要とし、債務不履行リスクは非常に高い。リテール・ポートフォリオ・セグメントは、通常90日までの長期にわたる延滞期間を示し、担保の実現またはその他の回収プロセスを通じてリスクを緩和する能力が低下しているため、予想損失はより高い水準となっている。

「減損」：エクスポージャーは、個別または集合的に減損していると評価されている。グループは上記の質の分類に関する定義に反映されているように、90日以上延滞しているすべての個人向け勘定を減損しているとみなす開示規定を遵守している。このような個人向け勘定の状況は、どのEL等級においても発生しうるものであるが、より高い等級においては、様々な形式での信用リスク緩和措置により延滞の影響が相殺されることを考慮した上で等級が割り当てられる。

精細なリスク格付スケール

10等級のCRR（顧客リスク格付け）スケールは、債務者の債務不履行の可能性に基づくより精細な22等級のスケールに区分される。当該スケールは、問題となっているエクスポージャーに対して適用されるバーゼルⅡのアプローチに基づいて、すべての明確に区別できる顧客に対してグループ全体で用いられる。個人向け事業に関する10等級のEL（予想損失）スケールは、債務者およびファシリティ/商品のリスク要因を組み合わせて複合的評価を行うために用いる、より精細なグループ全体の29等級のスケールを要約している。開示の整合性を確保するため、また負債証券および特定のその他金融商品の取引に関する市場慣行に基づいて、外部格付けは、上記の通り調整されており、下記の「信用の質に基づく金融商品の区分」の表では、内部格付けと外部格付けの間に確定した相関関係はないものの、内部格付けに基づくエクスポージャーについて定義している４つの質の分類と調整されている。スタンダード＆プアーズの格付けが引用されており、その他の格付機関の格付けも同等に取り扱われている。短期格付の負債証券は、短期負債証券の発行体による長期格付に比べて低く報告されている。主要な格付会社の間で同一の負債証券に対する格付が異なる場合、低い方の格付で報告される。

報告基準は、ポートフォリオの質の表示に含まれる金融商品の範囲を拡大し、グループのバーゼルⅡに基づくプログラムのもとで導入されたよりリスク感応度の高い格付システムを反映するために、過年度から変更され、かつての一律の７等級のポートフォリオの質のスケールに取って代わった。

トレーディング・ポートフォリオに保有されている資産または公正価値評価の指定を受けた資産は、公正価値の変動に従って管理されており、公正価値の変動は直接、損益計算書に計上されることから、これらの資産の減損は測定されない。結果として、これらの残高はすべて「延滞も減損もしていない」ものとして報告される。

売却可能負債証券および持分証券に関して発生した減損の詳細については、「会計方針」の注記２(j)を参照のこと。

信用の質に基づく金融商品の区分

グループ

	2008年12月31日現在						
	延滞も減損もしていない						
	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
	百万ポンド						
他行から回収中の項目	1,917	－	－	－	－	－	1,917
トレーディング資産	117,335	40,822	743	－	－	－	158,900

－短期国債およびその他の適格手形	－	21	－	－	－	－	21
－負債証券	66,272	10,969	－	－	－	－	77,241
－銀行に対する貸付金	32,006	5,892	－	－	－	－	37,898
－顧客に対する貸付金	19,057	23,940	743	－	－	－	43,740
公正価値評価の指定を受けた金融資産	1,649	6,424	－	－	－	－	8,073
－短期国債およびその他の適格手形	22	21	－	－	－	－	43
－負債証券	977	6,403	－	－	－	－	7,380
－銀行に対する貸付金	153	－	－	－	－	－	153
－顧客に対する貸付金	497	－	－	－	－	－	497
デリバティブ	201,340	41,336	408	－	－	－	243,084
償却原価で保有されている貸付金	195,187	138,836	11,462	2,339	3,744	(2,545)	349,023
－銀行に対する貸付金	41,824	8,656	240	－	42	(43)	50,719
－顧客に対する貸付金	153,363	130,180	11,222	2,339	3,702	(2,502)	298,304
金融投資	94,540	5,518	521	－	264	－	100,843
－短期国債およびその他の類似手形	10,551	－	11	－	－	－	10,562
－負債証券	83,989	5,518	510	－	264	－	90,281
その他資産	4,229	3,290	239	－	1	－	7,759
－裏書および支払承諾見返	165	191	13	－	1	－	370
－その他	4,064	3,099	226	－	－	－	7,389

グループ

	2007年12月31日現在						
	延滞も減損もしていない						
	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
	百万ポンド						
他行から回収中の項目	2,434	－	－	－	－	－	2,434
トレーディング資産	93,681	36,932	174	－	－	－	130,787
－短期国債およびその他の適格手形	444	－	1	－	－	－	445
－負債証券	50,890	7,851	－	－	－	－	58,741
－銀行に対する貸付金	29,836	7,184	－	－	－	－	37,020
－顧客に対する貸付金	12,511	21,897	173	－	－	－	34,581
公正価値評価の指定を受けた金融資産	1,401	6,535	－	－	－	－	7,936

－短期国債およびその他の適格手形	25	－	－	－	－	－	25
－負債証券	1,287	6,535	－	－	－	－	7,822
－銀行に対する貸付金	89	－	－	－	－	－	89
－顧客に対する貸付金	－	－	－	－	－	－	－
デリバティブ	48,308	11,858	304	－	－	－	60,470
償却原価で保有されている貸付金	161,574	118,670	5,669	1,375	2,959	(1,796)	288,451
－銀行に対する貸付金	47,089	13,237	435	－	6	(3)	60,764
－顧客に対する貸付金	114,485	105,433	5,234	1,375	2,953	(1,793)	227,687
金融投資	63,859	2,541	76	－	－	－	66,476
－短期国債およびその他の類似手形	1,842	26	14	－	－	－	1,882
－負債証券	62,017	2,515	62	－	－	－	64,594
その他資産	2,341	1,278	49	－	－	－	3,668
－裏書および支払承諾見返	286	89	－	－	－	－	375
－その他	2,055	1,189	49	－	－	－	3,293

当行

	2008年12月31日現在						
	延滞も減損もしていない						
	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
	百万ポンド						
他行から回収中の項目	692	－	－	－	－	－	692
トレーディング資産	86,776	31,636	743	－	－	－	119,155
－短期国債およびその他の適格手形	7	－	－	－	－	－	7
－負債証券	26,552	5,580	－	－	－	－	32,132
－銀行に対する貸付金	40,333	4,966	－	－	－	－	45,299
－顧客に対する貸付金	19,884	21,090	743	－	－	－	41,717
公正価値評価の指定を受けた金融資産	502	4,090	－	－	－	－	4,592
－短期国債およびその他の適格手形	－	－	－	－	－	－	－
－負債証券	424	4,090	－	－	－	－	4,514
－銀行に対する貸付金	－	－	－	－	－	－	－
－顧客に対する貸付金	78	－	－	－	－	－	78
デリバティブ	173,828	22,897	394	－	9	－	197,128
償却原価で保有されている貸付金	141,771	83,480	7,758	1,220	2,786	(1,411)	235,604
－銀行に対する貸付金	16,125	2,023	149	－	41	(43)	18,295
－顧客に対する貸付金	125,646	81,457	7,609	1,220	2,745	(1,368)	217,309
金融投資	43,851	1,615	－	－	53	－	45,519
－短期国債およびその他の類似手形	9,818	－	－	－	－	－	9,818

－負債証券	34,033	1,615	－	－	53	－	35,701
その他資産	2,725	190	12	－	1	－	2,928
－裏書および支払承諾見返	34	178	11	－	1	－	224
－その他	2,691	12	1	－	－	－	2,704

当行

	2007年12月31日現在						
	延滞も減損もしていない						
	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
	百万ポンド						
他行から回収中の項目	1,377	－	－	－	－	－	1,377
トレーディング資産	99,368	30,934	5,705	－	－	－	136,007
－短期国債およびその他の適格手形	－	437	－	－	－	－	437
－負債証券	27,896	4,474	5,532	－	－	－	37,902
－銀行に対する貸付金	53,978	5,473	－	－	－	－	59,451
－顧客に対する貸付金	17,494	20,550	173	－	－	－	38,217
公正価値評価の指定を受けた金融資産	－	3,439	－	－	－	－	3,439
－短期国債およびその他の適格手形	－	－	－	－	－	－	－
－負債証券	－	3,439	－	－	－	－	3,439
－銀行に対する貸付金	－	－	－	－	－	－	－
－顧客に対する貸付金	－	－	－	－	－	－	－
デリバティブ	44,190	2,061	74	－	－	－	46,325
償却原価で保有されている貸付金	113,514	63,718	3,631	1,149	1,502	(837)	182,677
－銀行に対する貸付金	27,056	4,670	299	－	6	(3)	32,028
－顧客に対する貸付金	86,458	59,048	3,332	1,149	1,496	(834)	150,649
金融投資	12,602	292	－	－	－	－	12,894
－短期国債およびその他の類似手形	1,397	－	－	－	－	－	1,397
－負債証券	11,205	292	－	－	－	－	11,497
その他資産	1,274	62	－	1	－	－	1,337
－裏書および支払承諾見返	188	62	－	1	－	－	251
－その他	1,086	－	－	－	－	－	1,086

延滞しているが減損していない金融商品総額の経過期間分析

下表は、延滞しているが減損しているとみなされない、償却原価で保有されている顧客に対する貸付金総額の分析を示している。延滞残高が減損しているとみなされない、その他の重要な貸借対照表項目は存在しない。

グループ

	30日未満	30から59日	60から89日	90から180日	180日超	合計
	百万ポンド					
2008年12月31日現在	**1,220**	**437**	**257**	**198**	**227**	**2,339**
2007年12月31日現在	756	308	210	96	5	1,375

当行

	30日未満	30から59日	60から89日	90から180日	180日超	合計
	百万ポンド					
2008年12月31日現在	**555**	**266**	**191**	**191**	**17**	**1,220**
2007年12月31日現在	594	274	188	93	1	1,150

条件緩和貸付金

再編活動は、顧客関係の管理、債権回収の促進、および可能な場合には担保権実行の回避を目的として行われている。そうした再編活動には、返済期間延長契約、承認済外部負債管理計画、担保権実行の延期、変更、貸付金の更新および/または状況の変化があるまで保留となっている支払の延期が含まれる。再編後、個人の延滞債権は通常、延滞から現在の状態に調整される。再編の方針および慣行は、現地の経営陣が返済を継続できると判断した指標または基準に基づいて決定される。再編の方針は継続的な検討が必要であり、市場の性質、商品ならびに経験に基づくデータの有無により適用方法が異なる。基準は商品によって異なるが、通常、一定期間内における１つ以上の適格支払の受領、貸付実行から再編が行われるまでの最低経過期間、およびその後の再編回数および/または頻度に対する制限が含まれる。経験的証拠から、条件緩和貸付金が債務不履行に陥る可能性が高いと判断できる場合には、減損引当金を計算する際にロール・レート法を用いることにより、この要因が確実に考慮されるようにする。

条件が緩和され、延滞または減損でなくなった貸付金

グループ

	12月31日現在	
	2008年	2007年
	百万ポンド	百万ポンド
顧客に対する貸付金	**1,298**	813

当行

	12月31日現在	
	2008年	2007年
	百万ポンド	百万ポンド
顧客に対する貸付金	**1,181**	642

受領した担保およびその他の信用補完

グループは担保の所有、またはその他の信用補完の設定を通じて、以下の資産を入手している。

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド	百万ポンド	**百万ポンド**	百万ポンド
資産の性質				
住宅	**67**	67	**67**	65

担保権実行済み不動産は秩序だった方法で売却可能となり、売却によって得られた収入は未払債務の減少、または返済を目的として使用される。余剰資金は、優先順位の低いその他の有担保債権者が利用可能であるか、または顧客に返金される。グループは、通常、事業利用を目的として担保権実行済み資産を占有することはない。

銀行および顧客に対する貸付金総額に占める減損引当金の割合(1)

グループ

	12月31日現在	
	2008年	2007年
	%	%
銀行		
個別に評価された減損引当金	**0.17**	0.01
顧客		
個別に評価された減損引当金	**0.50**	0.43
集合的に評価された減損引当金	**0.41**	0.41
	1.08	0.85

(1) リバース・レポ取引、決済勘定および株式借入控除後

当行

	12月31日現在	
	2008年	2007年
	%	%
銀行		
個別に評価された減損引当金	**0.33**	0.01
顧客		
個別に評価された減損引当金	**0.31**	0.24
集合的に評価された減損引当金	**0.27**	0.32
	0.91	0.57

減損引当金の変動

グループ

	銀行	顧客		
	個別評価	個別評価	集合的評価	合計
	百万ポンド	百万ポンド	百万ポンド	百万ポンド
2008年１月１日現在	3	920	873	1,796
償却額	―	(222)	(928)	(1,150)
過年度に償却された貸付金の回収	―	(180)	(106)	(286)
損益計算書計上額	35	858	1,266	2,159
為替およびその他の変動	5	4	17	26
2008年12月31日現在	43	1,380	1,122	2,545
2007年１月１日現在	3	879	884	1,766
償却額	―	(185)	(1,112)	(1,297)
過年度に償却された貸付金の回収	―	(194)	(113)	(307)
損益計算書計上額	―	390	1,228	1,618
為替およびその他の変動	―	30	(14)	16
2007年12月31日現在	3	920	873	1,796

当行

	銀行	顧客		
	個別評価	個別評価	集合的評価	合計
	百万ポンド	百万ポンド	百万ポンド	百万ポンド
2008年１月１日現在	3	356	478	837
償却額	―	(160)	(825)	(985)
過年度に償却された貸付金の回収	―	(59)	(31)	(90)
損益計算書計上額	35	621	938	1,594
為替およびその他の変動	5	50	―	55
2008年12月31日現在	43	808	560	1,411
2007年１月１日現在	3	331	572	906
償却額	―	(96)	(1,018)	(1,114)
過年度に償却された貸付金の回収	―	(78)	(46)	(124)
損益計算書計上額	―	211	1,004	1,215
為替およびその他の変動	―	(12)	(34)	(46)
2007年12月31日現在	3	356	478	837

流動性および資金調達管理

流動性リスクは、グループが期日の到来した債務を履行するための十分な資金を保有していない、または債務を履行するために過剰な費用負担が生じるリスクである。当該リスクは、キャッシュ・フローのタイミングの不一致から生じる。資金調達リスク（一種の流動性リスク）は、流動性の低い資産ポジションの資金調達を行うために必要な流動性を、望ましい条件で必要な時に得ることができない場合に生じる。

グループの流動性および資金調達管理の目的は、預金の引き出しを含む、すべての予測可能な資金調達コミットメントの期日が到来した時に確実に対応し、ホールセール市場へのアクセスを確実に調整し、費用効果を上げることである。この目的のために、グループは、主要な個人および法人顧客の預金や金融機関の残高から構成される多岐にわたる安定した資金調達基盤を維持している。この資金調達基盤は、グループが予測不可能な流動性の要求にも迅速かつ滞りなく対応できるようになるために保有している、ホールセール

市場における資金調達ならびに多様な通貨および満期をもつ流動性の高い資産のポートフォリオによって補完されている。

グループは、確実にキャッシュ・フローの適切な残高を維持し、期日の到来したすべての債務を履行することを目的として、傘下の事業会社に対して良好な流動性ポジションを維持し、その資産、負債および契約債務の流動性プロファイルを管理するよう求めている。

グループは、グループが取り組む事業の組み合わせの変化およびグループが事業を行っている市場の性質の変化に応じて流動性および資金調達リスクの枠組みを設定している。グループは、グループの流動性ポジションに対する最近の市況の影響を継続的に監視しており、適切であると認められる場合には、より慎重な仮定を導入している。流動性および資金調達リスクの枠組みは、グループが最近の市場における混乱から得た知識を取り入れるにつれて、今後継続して発展してゆくことになる。

方針および手続き

流動性および資金調達管理は主に、実務慣行およびグループのリスク管理会議（「RMM」）で定められた与信枠に従い、グループの各事業会社において実施されている。これらの与信枠は、各事業会社が営業する市場の厚みと流動性に応じて変化する。各銀行が資金調達の際に自己完結的であるというのがエイチエスビーシーの一般的な方針である。特定の短期資金取引および現地の預金市場にアクセスできない新規事業または支店に対して例外が認められている。これらは、グループの最大の銀行業務による与信枠、ならびにグループ会社間の資金の移転に正式な制限を課す役割を果たしている明確に定義された内部および規制上のガイドラインおよび制限のもとで資金調達されており、グループが営業する地域の多様な通貨、市場および時間帯を反映することが要求されている。

グループの流動性および資金調達管理プロセスには、以下が含まれる。

- **様々なストレス・シナリオのもとで主要通貨ごとにキャッシュ・フローを予測し、それに関連して必要な流動資産の水準を検討すること。**
- **内部および規制上の要件に照らして貸借対照表の流動性比率を監視すること。**
- **適切なバックアップ・ファシリティを有する多様な資金調達源を維持すること。**
- **債務の満期の集中およびプロファイルを管理すること。**
- **偶発的流動性コミットメントに対するエクスポージャーをあらかじめ設定された上限内で管理すること。**
- **負債資金調達計画を維持すること。**
- **大口預金者に過度に依存することを避け、要件を満たした総合的な資金調達の構成を確保するために、預金者の集中を監視すること。**
- **流動性および資金調達に関する危機管理計画を維持すること。これらの計画は、困難な状況の初期の兆候を特定し、事業に及ぼす不利な長期的影響を最小限に抑えつつ組織的危機またはその他の危機から生じる困難な事態へ対処する方法について記述している。**

主要な資金調達源

要求払いまたは短期通知払いの当座預金および貯蓄預金は、グループの重要な資金調達源であり、グループは、こられの安定性を維持することに重点を置いている。

主要な資金調達源である預金の安定性は、グループの資本力および流動性に対する預金者の信頼性の維持ならびに競争力および透明性のある価格設定によって決まる。

グループはまた、預金を受け入れていない銀行以外の子会社の資金調達、現地の短期金融市場における存

在の維持およびコア預金による資金調達とは必然的には満期の一致しない資産に対する資金調達の最適化のために専門機関取引市場にアクセスしている。

2008年12月31日現在の負債合計9,040億ポンドのうち、顧客からの資金調達は3,700億ポンドであり、うち3,670億ポンドは１年以内に契約上の返済期日が到来する。

貸借対照表日における残存契約期間ごとの金融負債に基づくグループおよび当行の支払キャッシュ・フローの分析は、注記32に記載されている。

これらの負債を満たすため、また未実行の貸付契約（9,240億ポンド）をカバーするために利用可能な資産は、現金、中央銀行預け金、回収中の項目ならびに短期国債およびその他の手形（220億ポンド）、銀行に対する貸付金（１年以内に返済期日が到来する480億ポンドを含む510億ポンド）、顧客に対する貸付金（１年以内に返済期日が到来する1,600億ポンドを含む2,980億ポンド）を含んでいた。通常の事業過程において、契約上１年以内に返済期日が到来する顧客に対する貸付金の一部は延長される。さらに、グループは1,750億ポンドの市場価値のある負債証券を保有していた。これらの資産のうち、負債証券ならびに短期国債およびその他の手形1,070億ポンドは、負債に対する担保として差し入れられていた。

預金に対する貸付金の割合

グループは、顧客に対する貸出の資金調達源として当座預金および貯蓄預金の重要性を強調し、専門機関の短期資金調達への依存を抑制している。グループは、銀行業に従事するグループ会社に対して、当座預金および貯蓄預金が増加しなければ、顧客に対する貸付金を増加させることができないように制限を課すことによって、これを達成している。当該指標は「預金に対する貸付金」の割合と称され、顧客に対する貸付金の、コア顧客当座預金および貯蓄預金、ならびに１年超の残存期間を有する期間資金調達の合計額に占める割合を示している。売戻条件付契約の一部である顧客に対する貸付金は、グループが流動性が高いとされる有価証券を受領する場合、預金に対する貸付金の割合から除外され、顧客からの当座預金および貯蓄預金は「コアでない」とみなされる。コアでない預金の定義では、顧客の預金残高総額の規模が考慮されている。コア預金者とコアでない預金者を区別しているため、グループの預金に対する貸付金の指標は、公表された財務諸表から推測される指標よりも限定的である。

預金に対する貸付金の割合

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	%	%	**%**	%
事業年度末	**88.9**	89.2	**106.0**	97.5
最高	**93.4**	92.2	**106.7**	101.7
最低	**86.4**	86.0	**97.5**	92.6
平均	**90.6**	89.1	**101.5**	97.1

預金に対する貸付金の割合の上限はRMMにより設定されている。

グループは、不測の現金流出が生じた場合、有価証券の売却や、銀行間貸付市場または担保貸付市場などの他の資金調達源の利用により対応する予定である。

グループは、流動性リスク管理のために預金に対する貸付金の割合以外の指標も用いている。これらの指

標には、顧客負債に対する正味流動資産の割合および予想キャッシュ・フロー・シナリオ分析が含まれる。

顧客負債に対する正味流動資産の割合

正味流動資産は、流動資産から30日以内に期日を迎えるすべてのホールセール市場資金および専門機関とみなされる顧客からの資金を差し引いたものである。この目的において、グループは、流動資産を現金残高、短期銀行間預金および即時の売却が可能で厚みのある流動的な市場が存在する高格付けの負債証券と定義している。預金の規模によって、顧客は「専門機関」とみなされる。

顧客負債に対する正味流動資産の割合の上限は、銀行ごとに定められている。

顧客負債に対する正味流動資産の割合

	グループ		当行	
	2008年	2007年	2008年	2007年
	%	%	%	%
事業年度末	15.4	14.3	7.1	12.1
最高	17.9	22.1	14.1	21.5
最低	12.9	14.3	6.9	12.1
平均	15.1	19.0	10.0	15.6

予想キャッシュ・フロー・シナリオ分析

グループは、グループ特有および市場全体の流動性危機の両方をモデル化した標準的な予想キャッシュ・フロー・シナリオを多く用いている。当該シナリオでは、預金の引き出しおよび融資枠の実行に関する割合および時期が多様で、銀行間資金調達および期限付債務市場へのアクセスならびに資産ポートフォリオからの資金調達能力が制限されている。シナリオは、すべての銀行業務を行うグループの事業体によりモデル化されている。各シナリオにおける仮定の妥当性については、定期的に見直しが行われている。グループの標準的な予想キャッシュ・フロー・シナリオに加え、各事業体は各地特有の市況、商品および資金調達基盤を反映した独自のシナリオを策定することが求められている。

ストレス・シナリオのもとでの累積正味キャッシュ・フローの上限は、銀行ごとに設定されている。

割合およびキャッシュ・フローの上限はいずれも、現地市況、利用可能な資金源の多様性および大口預金者の集中リスクを反映している。事業体レベルで設定されている上限への準拠状況は監視され、RMMに定期的に報告されている。

偶発的流動性リスク

通常の事業において、グループは、グループがスポンサーとなっている導管ビークルに対するバック・ストップ・ラインおよび法人顧客に対するスタンドバイ・ファシリティを含む融資枠を顧客に提供している。顧客が融資実行水準を通常の利用率を超える水準まで引き上げることを選択する場合、これらの融資枠により、グループの資金調達必要額が増額される。融資実行水準の引き上げによる流動性リスクの影響は、異なるストレス・シナリオのもとでの予想キャッシュ・フローを用いて分析されている。RMMはまた、事業体の資金調達能力を慎重に検討した上で、取消不能の偶発的な資金調達コミットメントに関する想定元本総額の上限をグループ会社ごとに設定している。当該上限は、債務者、原資産の流動性および与信枠の規模

に応じて分割されている。

偶発的流動性リスク上限構造のもとでの12月31日現在のグループの契約上のエクスポージャー

	グループ		当行	
	2008年	2007年	2008年	2007年
	十億ポンド	十億ポンド	十億ポンド	十億ポンド
導管会社				
顧客実行資産(1)				
与信枠合計	**3.8**	4.5	**2.1**	3.2
個別与信枠の最大額	**0.7**	0.8	**0.7**	0.5
グループの管理資産(2)	**23.9**	12.9	**23.9**	12.9
単独の発行体の流動性枠				
上位５社(3)	**4.1**	5.0	**3.4**	2.3
最大市場部門(4)	**5.0**	5.8	**5.0**	4.2

(1) これらのエクスポージャーは、連結されたマルチセラー導管会社に関連している。これらのビークルは、分散された顧客実行資産プールを担保とする債券を発行することにより、グループ顧客に対して資金を提供している。
(2) これらのエクスポージャーは、主にソリティアおよびマザランといった連結された証券投資導管会社に関連している。これらのビークルは、グループが管理する高格付けのアセット・バック証券を担保とする債券を発行している。
(3) これらの数値は、導管会社に対する流動性枠以外の顧客に提供された流動性枠の上位５つを表す。
(4) これらの数値は、導管会社に対する流動性枠以外の最大の市場部門に提供されたすべての流動性枠の合計を表す。

グループは、市場が困難な状況に陥っている際に、グループがスポンサーとなっている特定のビークルまたはグループが推奨する商品に対して契約外の流動性サポートを提供する場合がある。このようなサポートは、潜在的な資金調達の必要額および事業体の全般的な流動性に対する影響を十分に検討した後にのみ提供され、サポートが法的拘束力を持つまで、グループの流動性リスクの測定には含まれない。

市場リスク管理

グループの市場リスク管理の目的は、金融商品およびサービスの主要な提供者としてのグループの地位にふさわしい市場プロファイルを維持しつつ、リスクに対する収益を最適化するために、市場リスクのエクスポージャーを管理することである。市場リスクは、為替レートおよびコモディティ価格、金利、信用スプレッド、ならびに株価などの市場リスク要因の変動がグループの収益またはポートフォリオの価値を減少させるリスクである。

グループは、市場リスクに対するエクスポージャーをトレーディングまたは非トレーディング・ポートフォリオに分類している。トレーディング・ポートフォリオは、値付け、自己勘定取引およびトレーディング目的に指定されたその他の時価評価される取引から生じるポジションを含む。非トレーディング・ポートフォリオは、グループの個人向けおよび法人向けの銀行資産および負債の金利管理から生じるポジション、売却可能および満期保有目的に指定された金融資産のポジション、ならびにグループの保険業務から生じるエクスポージャーを含む。グループの保険業務において生じる市場リスクについては、152ページ（訳注：原文のページ数である。）を参照のこと。

市場リスク管理は、エイチエスビーシー・グループ経営管理委員会が承認したリスク限度額を用いて、主にグローバル・マーケット部門で行われる。主に市場の流動性に基づき、ポートフォリオ、商品およびリスク・タイプ別の限度額が設定される。エイチエスビーシー・ホールディングス・ピーエルシーのエイチエスビーシー・グループ経営管理室内の独立部門であるトレーデッド・クレジット・アンド・マーケット・リスク部門は、エイチエスビーシーの市場リスク管理方針および測定手法を策定する。主要な各事業会社には独立した市場リスク管理部門があり、当該部門がトレーデッド・クレジット・アンド・マーケット・リスク部門の規定する方針に従って、市場リスク・エクスポージャーを測定し、これらのエクスポージャーを規定された制限に照らして日次で監視する責任を負っている。

各事業会社は、その事業活動において各商品に生じる市場リスクを評価し、これらのリスクの管理を現地のグローバル・マーケット部門に委ねるか、あるいは資産負債管理委員会(「ALCO」)の指揮下で管理される別個の帳簿にリスクを移転することが要求される。その目的は、すべての市場リスクが、リスクを専門的に管理するために必要なスキル、ツール、管理および統制を有するオペレーションのもとで一元管理されることを保証することである。市場リスクが当該リスク移転プロセスによって十分に把握されない場合には、多様なシナリオが評価および正味受取利息に与える影響を識別するためにシミュレーション・モデルが用いられる。

グループは、市場リスク・エクスポージャーを監視し、制限するために幅広いツールを使用している。これらは、バリュー・アット・リスク（「VAR」）の感応度分析およびストレス・テストを含む。

感応度分析

感応度の測定は、各リスク・タイプ（例えば、金利リスクについては金利の１ベーシス・ポイント変動による現在価値）における市場リスク・ポジションを監視するために用いられる。感応度の制限は、各ポートフォリオ、商品およびリスク・タイプに対して設定され、制限水準を決定する際には、市場の厚みが主要な要因の一つとなる。

バリュー・アット・リスク（「VAR」）

VARは、特定の対象期間および一定の信頼水準のもとで、市場金利および価格が変動した結果、リスク・ポジションに発生しうる潜在的な損失を見積る手法である。

グループが使用しているVARモデルは、大部分がヒストリカル・シュミレーションに基づいている。ヒストリカル・シュミレーション・モデルは、例えば金利と為替レートなど、異なる市場および相場の相互関係を考慮して、過去の市場相場および価格の時系列データから信憑性のある将来のシナリオを導くものである。当該モデルはまた、原エクスポージャーにオプション特性の影響を組み込んでいる。

グループが使用するヒストリカル・シュミレーション・モデルには以下の特性がある。

- 市場価格の潜在的な変動は、過去２年間のデータを参照することによって算定される。
- 過去の市場相場および価格は、為替レート、コモディティ価格、金利、株価および関連するボラティリティを参照することによって算定される。
- VARは99パーセントの信頼水準で算定される。
- VARは保有期間を１日として算定される。

グループは、手数料などのモデル化されていない項目を除外する調整後の実際の日次損益を、それに対応するVARの数値と比較することにより、そのVARモデルの正確性を定期的に認証している。

統計的には、グループが１年間という期間においてVARを超える損失をこうむる確率は１パーセントにすぎないと予想される。したがって、この期間に実際に発生した超過回数により、モデルの有効性を評価することができる。

VARはリスクの算定に有用ではあるが、以下に例示する限界があることを常に考慮しておかなければならない。

- **将来の事象を見積もるためにヒストリカル・データを使用しているため、特に極端な事象など、すべての潜在的事象を含まない可能性がある。**
- **保有期間を１日とする場合、１日ですべてのポジションが清算可能またはリスクを相殺可能であると仮定している。すべてのポジションを１日で完全に清算またはヘッジできないような、流動性に困難が生じている状況における市場リスクは完全に反映されていない。**
- **99パーセントの信頼水準を使用する場合、定義上、この信頼水準を超えて発生する可能性のある損失は考慮されていない。**
- **VARは営業終了時のエクスポージャーに基づいて算定されるため、必ずしも日中のエクスポージャーを反映していない。**
- **VARは大幅な市場変動においてのみ発生するエクスポージャーに関する潜在的損失を反映しない可能性がある。**

ストレス・テスト

グループは、VARの限界を認識する際に、ストレス・テストを用いて、金融変数における信憑性はあるが極端な事象または変動のポートフォリオ価値への潜在的影響を評価することにより、VARを補完している。

ストレス・テストはポートフォリオ・レベルおよびグループの連結ポジションに対して実施され、以下のシナリオを網羅している。

- **感応度シナリオ。単一または複数のリスク要因に対する市場変動の影響を考慮する。例えば、VARモデルに取り込まれる可能性が低い、通貨ペッグ制の崩壊による影響。**
- **テクニカル・シナリオ。各リスク要因における最大変動を考慮し、基礎となる市場の相関関係は考慮しない。**
- **仮想シナリオ。潜在的なマクロ経済的事象を考慮する。**
- **歴史的シナリオ。VARに取り込まれなかった過年度の市場変動に関する歴史的観察を組み込んでいる。**

ストレス・テストは、地域のリスク管理者と協力してグループのストレス・テスト・シナリオの調整を行う「ストレス・テスト・レビュー・グループ」フォーラムによって運営されている。ストレス・シナリオを決定する際には、市場における事象と共に実際の市場におけるリスク・エクスポージャーが考慮される。

ストレス・テストの結果は上級管理職に報告され、これにより市場における事象が当行の利益に与える財務上の影響の評価が提供される。2008年における日次損失実績は、上級管理職に報告されたストレス損失シナリオの範囲内であった。

感応度分析

下表は、当セクション内のリスク報告の概要を示している。

	ポートフォリオ	
	トレーディング	非トレーディング

リスク・タイプ	VAR	VAR
為替	VAR	VAR
金利	VAR	**該当なし**
コモディティ	VAR	**感応度**
株式	VAR	VAR

トレーディングおよび非トレーディング・ポートフォリオVAR

グループのトレーディングおよび非トレーディングVARは、以下のとおりである。

	百万ポンド
合計	
2008年12月31日現在	**144.5**
2007年12月31日現在	30.7

	平均	**最低**	**最高**
	百万ポンド	**百万ポンド**	**百万ポンド**
2008年(2)	**61.2**	**22.5**	**151.6**
2007年(2)	20.7	14.3	34.8

上表の数値は、非トレーディング信用VARを除外している。2008年12月31日現在の非トレーディング信用VARを含むVARの合計は、238.7百万ポンド（2007年：32.0百万ポンド）であった。

トレーディング・ポートフォリオ

グループの市場リスクの管理は、各現場でトレーデッド・クレジット・アンド・マーケット・リスクの承認を受けた金融商品リストの範囲内にそれぞれのトレーディング業務を限定し、新商品に対する厳格な承認手続きを実施し、より複雑なデリバティブ商品のトレーディングをその金融商品に関する適切な水準の専門知識と厳格な管理システムを有するオフィスに限定する方針に基づき行われている。

値付けおよび自己勘定における売買取引は、グローバル・バンキング・アンド・マーケットが行っている。2008年12月31日現在の当該トレーディング活動のVARは、67.7百万ポンド（2007年：24.4百万ポンド）であった。これは、リスク・タイプ別に以下のように分析されている。

リスク・タイプ別の合計トレーディングVAR

	為替およびコモディティ	**金利**	**株式**	**信用**	**合計**(1)
			百万ポンド		
2008年12月31日現在	**17.4**	**44.2**	**11.6**	**27.1**	**67.7**
2007年12月31日現在(2)	4.6	18.7	8.2	14.4	24.4
平均					
2008年	**10.0**	**25.7**	**8.0**	**26.2**	**35.1**
2007年	4.9	12.5	5.0	7.3	16.5
最低					

2008年	**4.2**	**9.2**	**4.0**	**13.7**	**13.0**
2007年	1.9	7.6	2.9	3.1	11.3
最高					
2008年	**57.6**	**103.8**	**20.4**	**63.1**	**80.0**
2007年	12.2	19.6	8.9	17.5	26.6

(1) 合計VARは、多様性の影響により複数リスク・タイプの合計になっていない。
(2) 2007年のVARは、グループのVARと同様の基準で調整されている。

ギャップ・リスク

特定の取引は、様々な市場の状況または事象のもとでのグループのリスクがほとんどないものの、重要なギャップ事象から損失が生じる可能性が僅かにある状態で構造化される。ギャップ事象とは、ある水準から別の水準へと市場価格が変動し、その間にトレーディングの機会がないことであり、当該変動が基準値を超え、基礎となる取引構造に対してリスクがない状態から完全にリスクがある状態へとリスク・プロファイルが変化することである。

これらの取引の特徴を考慮すると、これらの取引はVARまたは従来の市場リスク感応度の評価に対してほとんど、または全く貢献していない。グループは、ストレス・テスト・シナリオ内にこれらの取引に関するリスクを取り込んでいる。発生したギャップ・リスクは継続的に監視され、2008年のそうした取引に関して、グループが計上した基礎となる市場価格の変動によるギャップ損失はなかった。

ABS/MBSポジション

142ページ（訳注：原文のページ数である。）に記載されているとおり、トレーディング・ポートフォリオ内のABS/MBSエクスポージャーは、感応度およびVARの限度内で管理されている。

非トレーディング・ポートフォリオ

非トレーディング・ポートフォリオの市場リスク管理の主な目的は、正味受取利息を最大化することである。

非トレーディング・ポートフォリオの金利リスクは主に、金利変動による資産の将来利回りと資金調達コストのミスマッチから生じている。このリスクの分析は、特定の商品分野に組み込まれた選択性（例えば、抵当貸付の期前返済の発生率）について仮定を用いなければならないこと、また契約上、要求に応じて返済が可能な負債（例えば当座預金）の残存年数について行動仮定を使用することによって複雑になっている。このような非トレーディング・ポートフォリオから生じる将来正味受取利息の予想変動は、これらのポジションが満期前に売却または清算される場合の、現在の実現可能価額に反映される。このリスクに対する最適な管理を目的として、非トレーディング・ポートフォリオの市場リスクは、グローバル・バンキング・アンド・マーケットまたは現地のALCOの指揮下で管理される別個の帳簿に移転される。

グローバル・バンキング・アンド・マーケットまたはALCOによって管理されるトレーディング・ブックへの市場リスクの移転は、通常、事業単位およびそのトレーディング・ブック間の一連の内部取引によって行われる。商品の行動特性が契約上の特性と異なる場合、本質的な金利リスクを決定するために行動特性が評価される。現地のALCOは定期的に、すべてのこのような行動仮定および金利リスク・ポジションを監視し、これらがエイチエスビーシー・グループ経営管理委員会の定める金利リスク制限に準拠していることを確認している。

一部の事例において、商品の非線型特性は、リスク移転プロセスによって適切に把握されない可能性がある。例えば、顧客預金口座から代替投資商品へのフロー、および抵当貸付の正確な期前返済率は金利水準によって異なることになる。このような状況において、シミュレーション・モデルは、多様なシナリオが評価および正味受取利息に与える影響を識別するために用いられる。

市場リスクがグローバル・バンキング・アンド・マーケットまたはALCOの管理する帳簿で一元管理されれば、正味エクスポージャーは通常、合意された限度内で金利スワップを用いることによって管理される。これらのポートフォリオのVARはグループのVARに含まれている。

固定利付証券

グローバル・バンキング・アンド・マーケットに対して報告されたVARに含まれない主な非トレーディング・リスクは、固定利付劣後債から生じている。これらの証券に関連するVARは、2008年12月31日現在34.2百万ポンド（2007年：15.6百万ポンド）であった。一方、当事業年度における平均、最低、および最高値は、それぞれ17.7百万ポンド、13.3百万ポンド、および34.4百万ポンド（2007年：10.3百万ポンド、6.7百万ポンドおよび18.1百万ポンド）であった。

売却可能持分証券

市場リスクは、売却可能持分証券において生じる。2008年12月31日現在のこれらの有価証券の公正価値は、2,310百万ポンド（2007年：2,691百万ポンド）であり、プライベート・エクイティの保有額1,183百万ポンド（2007年：1,170百万ポンド）を含んでいる。プライベート・エクイティへの投資は主に、運用ファンドを通じて行われている。新たな潜在的コミットメントは、ポートフォリオ全体の産業別および地域別集中を許容レベルに維持するためのリスク評価の対象となる。ポートフォリオ内の投資評価を実証するために定期的なレビューが行われ、財務部門は投資の帳簿価額をレビューする責任を負う。マネー・マーケット・ファンドは151百万ポンド（2007年：923百万ポンド）であり、一般に短期資金管理のために保有されているファンドに関連している。政府系機関および現地の証券取引所への投資など、継続的事業を可能にするために保有している投資は、187百万ポンド（2007年：194百万ポンド）であった。

売却可能持分証券の構成要素の公正価値は、大幅に変動する可能性がある。2008年12月31日現在の売却可能持分証券の価値が10パーセント下落した場合、資本は231百万ポンド（2007年：269百万ポンド）減少することになる。売却可能持分証券に関して発生する減損の詳細については、会計方針の注記２(j)を参照のこと。

確定給付年金制度

市場リスクは、また、グループの確定給付年金制度の負債が確定可能なキャッシュ・フローを有する資産と完全に一致しない場合にも発生する。年金制度の負債は、長期金利の変動、インフレ、昇給および制度加入者の寿命に応じて変動する。年金制度の資産は、株式および負債証券を含み、株価や金利が変動するにつれて、年金制度の資産のキャッシュ・フローも変動する。市場における株価や金利変動の結果、資産が予測される負債をやがてカバーできなくなるリスクが存在し、インフレの上昇や加入者の寿命が長くなることによって、これらのリスクは増加する可能性がある。経営陣は、年金制度受益者の代理として業務を行う受託会社と共に、社外の独立した保険数理士の作成する報告書を用いてこれらのリスクの評価を行い、リスクに対処すると同時に、必要に応じて、投資戦略および拠出水準の調整を行っている。

グループの確定給付年金制度の負債の現在価値は、2007年12月31日現在124億ポンドであったことに対して、2008年12月31日現在は113億ポンドであった。2008年12月31日現在における確定給付制度の資産の構成は次のとおりである。株式投資15パーセント（2007年12月31日現在：21パーセント）、負債証券73パーセント（2007年12月31日現在：66パーセント）、その他（不動産を含む）11パーセント（2007年12月31日現在：13パーセント）。

正味受取利息の感応度

非トレーディング・ポートフォリオにおけるグループの市場リスク管理の主要な役割は、様々な変動金利シナリオに基づく予想正味受取利息の感応度を監視することである（シミュレーション・モデリング）。グループの目的は、非トレーディング・ポートフォリオにおける市場リスク管理を通じて、そのような活動に要する費用と現在の収入とのバランスをとりつつ、将来の正味受取利息を減らす可能性のある将来の金利変動の影響を軽減することである。

各事業では、シミュレーション・モデリングに、現地の業務および市場に関連するシナリオとグループ全体で要求されている標準的なシナリオを組み合わせて使用している。標準的なシナリオは、グループの連結ポートフォリオ評価および正味受取利息に対する合算見積影響を示すために統合されている。

構造的為替リスクのエクスポージャー

構造的為替リスクのエクスポージャーは、機能通貨がポンド以外の通貨である子会社、支店、または関連会社への正味投資を表わす。

構造的エクスポージャーにおける為替換算差額は、連結認識収益費用計算書に計上されている。グループ子会社の主要な事業（機能）通貨は、ポンド、ユーロ、米ドル、スイス・フラン、トルコ・リラ、およびマルタ・リラである。

グループの方針は、限られた状況でのみ構造的為替リスクのエクスポージャーをヘッジすることである。グループの構造的為替リスクのエクスポージャーは、実務的であれば、グループの連結資本比率および各銀行子会社の資本比率を為替レート変動の影響から保護するという主目的によって管理される必要がある。この目的は通常、各銀行子会社のある通貨建てのリスク加重資産に対する当該通貨の構造的エクスポージャーの比率が、当該子会社の資本比率と広義において等しくなることを確保することによって達成される。

市場リスクのエクスポージャーの集中

アセット・バック証券の分析

当期において、売却可能資産に関する11,551百万ポンドの評価損が資本に計上された。これらは主に、アセット・バック証券の評価損に関連している。下表はグループのアセット・バック証券に対する市場リスク・エクスポージャーを示したものである（損益を通じて公正価値で計上されているもの、および売却可能として分類されているものを含む）。

アセット・バック証券

	2008年12月31日				2007年12月31日			
	総元本 (2)	総CDSプロテクション(3)	正味元本リスク (4)、(10)	帳簿価額 (5)、(10)	総元本	総CDSプロテクション	正味元本リスク (10)	帳簿価額 (10)
	百万ポンド				百万ポンド			
－高格付 (1)	38,161	(2,917)	35,244	24,917	40,072	(2,575)	37,497	35,448
－CからAの格付	10,328	(409)	9,919	4,055	1,146	(182)	964	899
－公開格付無し	3,629	(3,498)	131	90	4,294	(3,397)	897	851
アセット・バック証券合計	52,118	(6,824)	45,294	29,062	45,512	(6,154)	39,358	37,198

	未実現損益 (6)	実現損益 (7)	減損 (8)	資本における公正価値の変動(9)
	百万ポンド			
－高格付(1)	(440)	(104)	(29)	(6,565)
－CからAの格付	(357)	(6)	(269)	(3,531)
－公開格付無し	(1)	1	－	(2)
アセット・バック証券合計	(798)	(109)	(298)	(10,098)
その他売却可能証券				(1,453)
合計				(11,551)

(1) 高格付資産の評価はAAもしくはAAAである。
(2) 総元本は満期時の償還額または分割償還型商品の場合は有価証券の残存期間を通じての将来の償還額の合計である。
(3) CDSとはクレジット・デフォルト・スワップである。元本のCDSプロテクションとは、CDSによって保護される対象商品の総元本を指す。
(4) 正味元本リスクとはCDSによって保護されない商品の総元本金額を指す。モノラインのプロテクションによる利益を享受している資産も含まれるが、当該プロテクションがCDS付きで購入された場合は除く。
(5) 正味元本リスクの帳簿価額。
(6) 資産の公正価値の変動に伴い当期中に損益計算書上で認識された正味元本リスク（脚注４参照）に関する未実現損益であり、資産の処分による実現損益への振替累計額について調整された金額。
(7) 資産が処分されたことにより当期中に損益計算書上で認識された正味元本リスク（脚注４参照）に関する実現損益。
(8) 売却可能および満期保有資産の正味元本金額（脚注４参照）に関連して損益計算書上で認識された減損損失。
(9) 売却可能資産の公正価値の変動に伴い当期中に資本の部に認識された正味元本リスク（脚注４参照）に関する公正価値の損益であり、減損による売却可能準備金から損益計算書への振替および資産の処分に伴う実現損益への振替について調整された金額。
(10) アセット・バック証券は主に米ドル建てとなっている。元本および帳簿価額は、12月31日現在の為替レート（2008年は１ポンド：1.459米ドル、2007年は１ポンド：2.006米ドル）で英国ポンドに換算されている。

上表には、グループが連結しているSPEによって保有されている17,773百万ポンドの帳簿価額が含まれている。グループはこれらの資産を全額貸借対照表に計上しているが、重要な一次損失のリスクは、投資家によってキャピタル・ノートの保有を通じて負担されている。2008年12月31日に終了した事業年度において、キャピタル・ノート保有者によって認識された減損損失は160百万ポンド（2007年：ゼロ）であった。

保険事業のリスク管理

グループは、銀行取引の顧客に対して保険商品を提供するバンカシュアランス・モデルを運営している。これらの商品の多くは、グループの子会社によって開発されたものであるが、グループが業務上、より効果的であると考える場合には、グループが銀行ネットワークを通じて販売する保険商品を第三者が開発および提供している。グループは、これらの商品を提供するために業界トップクラスの数限られたパートナーと共に業務を行っている。グループは、商品を開発した場合は保険リスクを引き受け、保険契約締結に伴うリスクおよび便益を留保している。子会社の保険商品の開発に伴うリスクに対するグループのエクスポージャーおよびこれらのリスクの管理については、以下に記載されている。

グループにとって、バンカシュアランス・モデルの利点の１つは、グループが商品を開発して顧客に販売する場合、引受にかかる利益が、商品開発を担当した会社から当行の販売網へ支払われる手数料としてグループ内に保持されることである。グループが、第三者によって提供された商品を販売する場合には、手数料を稼得する。グループは、主としてグループの販売支店、インターネットおよびコール・センターを利用して、すべての顧客グループに保険商品を販売している。個人向け金融サービス顧客への販売が大半を占めており、保険契約者の過半数を構成している。グループは広範囲にわたる保険および投資商品を顧客に提供しており、その多くが他の銀行および個人向け金融商品を補完している。

グループのバンカシュアランス業務は欧州全土で運営されており、６社以上の法人が保険商品の開発を行っている。これらの保険事業の大半は銀行子会社であり、銀行の統制手続きに準拠している。保険事業は、現地の管理要件に加えて、エイチエスビーシー・グループの保険事業本部が公表しているガイドラインを遵守している。ガイドラインの実施については、地域保険事業部が監視している。エイチエスビーシー・グループの保険事業本部は、エイチエスビーシー・グループの保険担当常務取締役により統括され、最高業務責任者、最高財務責任者および最高リスク管理責任者によって支援されている。最高リスク管理責任者は2008年に任命された。エイチエスビーシー・グループの保険事業本部の役割には、エイチエスビーシー・グループの既存の実務慣行に従って保険リスクを監視および測定するための統制枠組みを設定すること、ならびに保険特有の方針およびガイドラインを策定しエイチエスビーシー・グループのマニュアルに含めることが含まれる。

地域保険事業部（欧州および中東）は、地域の最高経営責任者（「CEO」）によって統括され、地域のCEO代理、地域の最高財務責任者（「CFO」）および地域の最高リスク管理責任者（「CRO」）によって支援されている。地域のCFOおよびCROは2008年に任命された。地域保険事業部の役割には、エイチエスビーシーの方針およびガイドラインの効果的な実施を監視すること、ならびにエイチエスビーシーの実務慣行に従って保険リスクを監視および測定することが含まれる。リスクを監視するための統制枠組みには、エイチエスビーシーのエイチエスビーシー・グループ保険リスク委員会が含まれる。当委員会に対して４つのエイチエスビーシー・グループ保険事業小委員会が営業リスク、保険リスク、市場および流動性リスクならびに信用リスクに重点を置いた報告を行っており、エイチエスビーシー・グループ保険リスク委員会は、保険事業におけるこれらの重要なリスク・カテゴリーの概況を監視している。地域レベルでのグループの枠組みおよびリスク委員会は、このエイチエスビーシーの枠組みを反映している。個別のリスクを監視するために採用されたプロセスおよび統制については、以下に見出しごとに記載されている。

保険リスク

保険リスクは、金融リスク以外のリスクであり、保険契約者から発行会社に移転される。グループが直面している主な保険リスクとは、保険金支払費用、事務管理費用および契約獲得費用が受取保険料と投資収入の合計額を上回る可能性があるということである。保険金支払費用は、死亡率および疾病率、失効率および解約率ならびに保険契約に貯蓄の要素がある場合には負債を賄うために保有されている資産の運用成績を含む数多くの要因による影響を受ける可能性がある。原資産の運用成績は、金利と株価の両方の変動による影響を受ける。このリスクは、以下の市場リスクのセクションに詳しく記載されている。

グループは、規制および保険リスク選好に確実に準拠するよう設計された正規の引受、再保険および保険金取扱手続きを適用することにより、保険リスクに対するエクスポージャーを管理している。保険リスク選好は地域の事業部門によって提案され、一元的に承認されている。これは、ストレス・テストを実施することによって補完されている。2008年において、保険開発会社は引受承認限度額について文書化している。引受限度額は、毎年、エイチエスビーシーの保険事業本部に提出されている。

グループが販売する保険契約は、主に貯蓄または投資商品および信用生命保険商品のようなコアであり基礎となる銀行業務に関連している。グループの商品開発は、個人向け商品、すなわち個人向けに開発された保険契約に焦点を当てている。個人向け商品は、法人向け商品に比べ、契約件数が多く個別の契約額が低い傾向にあるため、保険リスクも多様化している。

生命保険事業および損害保険事業に関するリスクは、一元的に設定されたレベルの高い方針および手続きによって管理されており、必要に応じて、地域で課される対策（地域特有の市況および規制要件を考慮し、地域の市場慣行を反映している）により補完されている。

例えば、契約担当会社は特定種類の事業を実行する際にエイチエスビーシーの保険事業本部の承認を得る必要があり、特に営利保険および損害賠償責任保険については、規制が適用される。

現地のALCOは、特に生命保険事業に関する特定のリスク・エクスポージャーを監視することを義務付けられており、その際には、保険資産と保険負債のデュレーションおよびキャッシュ・フロー・マッチングに関連したリスクを検討することに焦点が当てられる。

また、再保険は特に異常災害リスクに対するエクスポージャーを軽減する手段として利用されている。具体例は以下のとおりである。

- 傷害保険および医療保険。異常損害再保険の購入により、地震や世界的な流行病等の特定事象から生じる保険金請求の集中に対する潜在的エクスポージャーが軽減される。
- 自動車保険。特に人身傷害請求から生じる、より大きな損失に対する過度のエクスポージャーを回避するために再保険による保護が準備されている。
- 火災保険およびその他損害保険。異常災害損失リスクにさらされているポートフォリオは、リスク・モデル作成の専門機関から入手した情報に基づいて、再保険によって保護される。

再保険契約を締結することにより、保険リスク管理の手段を得ることができるが、その一方で、グループは再保険会社の債務不履行というカウンターパーティーリスクにさらされることにもなる。このリスクについては、信用リスクのセクションに詳しく記載されている。

グループは、正規の引受、再保険、および保険金支払手続きを通じて保険リスクを管理している。これらの手続きは、法令順守を保証することも意図されている。保険リスクに対するグループ全体のアプローチは、リスク・タイプ別に多様性のある保険事業を維持し、管理が容易なリスクや、基礎となる銀行活動に直接的に関連することの多いリスクに焦点を当てることを目指している。

保険事業、特に生命保険事業の主な特徴は、資産、負債、およびリスクを個別ではなく体系的に管理することである。これは、生命保険事業におけるこれらの３つの要素が、通常、損害保険事業の場合よりも相互依存関係にあることを反映している。多くの事業部門において特に重要となるのは、キャッシュ・フローの予想パターンを一致させることであり、年金保険のように長期にわたって実行される場合もある。

生命保険事業および損害保険事業の保険リスクは共に、現地ならびに一元的に設定された手続きおよび方針を組み合わせて管理されている。これらは、特定事業の実行を承認する際に一元的管理によるアプローチを使用することを含んでいる。リスク・エクスポージャーを監視するためにリスク管理委員会を設置する方法もとられている。また、市場リスクの制限も、保持している保険リスクへの追加的な管理として一元的に適用されている。

特定クラスに関連する個別のコメントに示されているとおり、エクスポージャーを更に軽減する手段として、再保険が利用されている。

下表は、事業タイプごとの保険リスク・エクスポージャーの分析結果を示している。定義によれば、グループは投資契約に係る保険リスクにさらされておらず、そのため、投資契約は保険リスク管理分析に含まれていない。

生命保険事業は、損害保険事業よりも契約期間が長く、契約に貯蓄および投資の要素を組み込んでいることが多い。したがって、生命保険事業と損害保険事業では別個の表が作成されており、それぞれに特有のリスク特性が反映されている。生命保険リスクの表には、保険リスクを総合的に評価するために用いることのできる最善の方法として、保険負債の分析が含まれている。これは、生命保険契約に関する引当金が、通常、基礎となる保険に関連する予想将来キャッシュ・フローを参照することによって設定されているためである。損害保険事業の表は、リスク・エクスポージャーを評価する最善の方法として、計上保険料を用いている。

生命保険リスクの分析－保険契約準備金

	2008年	2007年
	百万ポンド	百万ポンド
生命保険（非連動型）		
DPF保険契約(1)	**696**	469
信用生命	**173**	117
年金	**260**	205
定期保険およびその他の長期契約	**902**	337
生命保険（非連動型）合計	**2,031**	1,128
生命保険（連動型）	**1,061**	858
DPF投資契約(1)、(2)	**12,157**	9,447
生命保険契約者債務	**15,249**	11,433

(1) 任意加入型（「DPF」）の保険契約は、保険契約者に対して、保証された給付金を補完するものとして、契約給付金合計の重要な一部となる可能性が高く、金額または支払時期が契約上グループの裁量で決定される追加給付金を受け取る権利を与えている。追加給付金は、契約上、特定の契約または資産プールの運用成績、または契約発行会社の利益に基づいている。

(2) DPF投資契約は金融投資であるが、グループは、IFRS第４号で認められているとおり、それらを引き続き保険契約として会計処理している。

長期契約に関する負債は、失効および解約率、死亡率および費用水準を含む様々な仮定を参照することによって設定されている。これらの仮定は通常、その事業体の実績を参照することによって設定される。投資収益および金利等の経済仮定は、通常、観察可能な市場データを参照することによって設定されている。基礎となる仮定の変更は、負債に影響を与える。経済仮定および経済以外の仮定の変動に対する税引後利益および純資産の感応度については、後述されている。

上記の生命保険契約者負債の表は、グループの生命保険活動の概要を表している。特にこの表は、最も重要な商品が、フランスで発行されたDPF投資契約と英国およびマルタで発行された連動型契約であることを明らかにしている。

生命保険によって生じる保険リスクは、事業の種類によって大幅に異なる。主なリスクは、死亡、疾病、失効、解約および費用水準である。

死亡および疾病リスクに対するエクスポージャーを発生させる主な契約は、定期保険契約および年金である。これらのリスクは定期的に監視され、主に医療査定および特定の案件において実績に応じて保険料を改訂するための能力を維持することによって軽減されている。費用リスクは、通常、価格設定を通じて管理される。契約における費用水準は、保険料率を設定する際に考慮される項目の一つとなる。

損害保険リスクの分析－正味計上保険料

	2008年	2007年
	百万ポンド	百万ポンド
傷害保険および医療保険	8	11
自動車保険	190	183
火災保険およびその他損害保険	80	64
信用保険（生命保険以外）	51	18
その他（生命保険以外）	26	23
正味計上保険料合計(1)	355	299
発生した正味保険金および保険契約者負債の変動	306	250

(1) 正味計上保険料は、計上保険料総額から再保険会社に出再された計上保険料総額を差し引いた額である。

上記の損害保険の正味計上保険料の表は、グループの損害保険活動の概要を表している。損害保険事業に関連する主なリスクは、引受リスクおよび保険金支払実績リスクである。引受リスクは、グループが保険対象範囲に見合った保険料を請求しないリスクであり、保険金支払実績リスクは、ポートフォリオの支払実績が見込みを上回るリスクである。グループは、価格設定（例えば、保険契約条件によって制限および控除額の設定をする）、商品設計、リスク選定、保険金支払処理、投資戦略および再保険契約などによってこれらのリスクを管理している。損害保険契約の大半は１年ごとに更新可能であるが、保険会社は更新時に更新を拒否する権利、または契約の諸条件を変更する権利を有している。

金融リスク

グループの保険事業は、市場リスク、信用リスクおよび流動性リスクを含む幅広い金融リスクにさらされている。市場リスクは、金利リスク、株価リスクおよび為替リスクを含む。これらのリスクの性質と管理方法

は以下に記載している。

保険契約子会社は、例えば金融資産による収入が非連動型保険契約および投資契約から生じる債務をまかなうのに十分でない場合に金融リスクにさらされる。エイチエスビーシー・グループの子会社が行っている保険仲介、保険管理、年金管理および仲介業務等の特定の保険関連活動は、金融リスクにさらされているものの、リスクの程度は軽微である。

エイチエスビーシー・グループのマニュアルを通じてエイチエスビーシー全体で適用する方針に加え、保険契約子会社は、現地の市況および規制要件を反映した追加的なリスク管理手続きを実施することがある。

現地の規制要件は、保険負債を満たすためにグループの保険契約子会社が維持しなければならない資産の種類、質および集中度について規定している。ALCOは、各子会社において、金融リスクに対するエクスポージャーを現地の要件およびリスクに関する指示書（エイチエスビーシー・グループ保険事業本部と合意している）の範囲内に維持する責任があり、エイチエスビーシー・グループのマニュアルを通じて一元的に設定された統制枠組みへの準拠を確実にしている。

下表は、2008年12月31日現在、グループの保険契約子会社が保有する資産を負債の種類別に分析した結果であり、金融リスクに対するエクスポージャーの概要を示している。

保険契約業務が保有する金融資産

	2008年12月31日現在				
	連動型生命保険契約	非連動型生命保険契約	損害保険	その他資産	合計
			百万ポンド		
公正価値評価の指定を受けた金融資産					
短期国債	21	17	—	5	43
負債証券	1,578	502	—	709	2,789
持分証券	2,681	2,895	—	231	5,807
	4,280	3,414	—	945	8,639
売却可能					
短期国債	—	—	83	82	165
その他の適格手形	—	—	187	86	273
負債証券	—	9,044	14	5	9,063
持分証券	—	—	—	18	18
	—	9,044	284	191	9,519
デリバティブ	118	42	—	17	177
その他の金融資産	359	1,002	387	826	2,574
	4,757	13,502	671	1,979	20,909

	2007年12月31日現在				
	連動型生命保険契約	非連動型生命保険契約	損害保険	その他資産	合計
			百万ポンド		

公正価値評価の指定を受けた金融資産					
短期国債	25	―	―	―	25
負債証券	2,873	502	―	943	4,318
持分証券	3,482	3,211	―	340	7,033
	6,380	3,713	―	1,283	11,376
売却可能					
短期国債	―	―	57	59	116
その他の適格手形	―	―	88	86	174
負債証券	―	6,133	152	145	6,430
持分証券	―	―	7	―	7
	―	6,133	304	290	6,727
デリバティブ	150	39	―	15	204
その他の金融資産	439	298	375	350	1,462
	6,969	10,183	679	1,938	19,769

この表は、グループが通常、連動型生命保険契約の資産を公正価値評価する資産に指定していることを示している。非連動型生命保険契約の資産の分類については、基礎となる契約の性質別に決定される。

この表はまた、2008年12月31日現在、金融資産の約57%が負債証券に投資され、28%が持分証券に投資されていることを示している。

連動型生命保険では、費用控除後の収入保険料は、資産のポートフォリオに投資される。グループは、負債に連動する分離されたファンドまたはポートフォリオにおいて適切な資産を保有することで保険契約者の代わりに当該商品の金融リスクを管理している。負債を連動させた資産の市場価値は、グループが請求する手数料に影響を及ぼし、その結果、商品管理においてグループに発生した費用の回収に影響するため、グループは通常、市場リスクに対するエクスポージャーを一部留保している。連動型生命保険の負債を裏付けるために保有されている資産は、2008年末現在、グループの保険契約子会社の金融資産合計の23パーセント（2007年：35パーセント）を占めていた。

市場リスク

市場リスクは、金利リスクおよび株価リスクに細分類される。各カテゴリーについては以下に詳述している。

金利リスク

グループの保険引受子会社は、資産と負債のデュレーションまたは利回りに関してミスマッチが生じている場合に金利リスクにさらされている

グループは、一元的に限度額を設定することにより保険引受子会社から生じる金利リスクを管理している。これらは、価値の算定に用いられるディスカウント・カーブが１ベーシス・ポイント上方に平行移動した場合の、子会社の資産および負債からの予想キャッシュ・フローの正味現在価値の感応度を管理している。これらの限度額への準拠状況は、現地のALCOが監視している。また、金利リスクは、金利イールド・カーブの一定の変動が、保険引受子会社の税引後利益および純資産に及ぼす影響を測定することによっても評価されている。グループの保険子会社が営業するすべての地域において、2008年12月31日現在の金利イール

ド・カーブが即座にかつ永続的に変動した場合の、当期利益および2008年12月31日現在の純資産への影響は以下のとおりである。

	2008年		2007年	
	当期利益に対する影響	純資産に対する影響	当期利益に対する影響	純資産に対する影響
	百万ポンド		百万ポンド	
イールド・カーブにおける100ベーシス・ポイントの増加	32	10	(2)	(14)
イールド・カーブにおける100ベーシス・ポイントの減少	(38)	(17)	4	17

上述の金利感応度は、説明目的のみであり、簡略化したシナリオを用いている。影響が線形ではなく、したがって、結果を推定することができない場合があることに注意すべきである。当該感応度は、金利変動の影響を軽減するために経営陣が講じる可能性のある措置を考慮しておらず、また、そのような状況に対する保険契約者の行動の変化についても考慮していない。

株価リスク

株価リスクは、持分商品の公正価値が変動するリスクである。グループは、各保険引受子会社が保有することのできる株式の最大市場価値に対する上限を設定することにより、持分証券の保有から生じる株価リスクを一元管理している。また株価リスクは、既定された株価の変動が、保険引受子会社の利益および純資産合計に及ぼす影響を見積もることによっても監視されている。下表は、株価が合理的に可能性のある10パーセントの変動を示した場合の当期利益合計および純資産に対する影響を表している。

	2008年		2007年	
	当期利益に対する影響	純資産に対する影響	当期利益に対する影響	純資産に対する影響
	百万ポンド		百万ポンド	
株価における10パーセントの増加	3	3	8	8
株価における10パーセントの減少	(4)	(4)	(7)	(7)

これらの株価感応度は、説明目的のみであり、簡略化したシナリオを用いている。影響が線形ではなく、したがって、結果を推定することができない場合があることに注意すべきである。それらは、株価の下落を軽減するために経営陣が講じる可能性のある措置を考慮しておらず、また、そのような下落に伴い生じる可能性のある保険契約者の行動の変化も考慮していない。

信用リスク

信用リスクから、主に107億ポンド（2007年：81億ポンド）の非連動型債券のポートフォリオに関して、債務不履行による損失が発生する可能性、ならびに信用スプレッドの変動による損益計算書および貸借対照表の数値のボラティリティが発生する可能性がある。信用スプレッドの変動の影響に関する損益計算書のエクスポージャーは小さい（上表を参照のこと）。保険子会社が保有している金融資産の89パーセント

（2007年：82パーセント）は売却可能として分類されているため、これらの金融投資の公正価値における変動は、当該金融資産が減損しているとみなされない限り、税引後利益に影響を及ぼさない。

信用リスク商品に対するエクスポージャーおよび信用プロテクション商品に関連するリスクの管理については、150ページ（訳注：原文のページ数である。）の生命保険および損害保険リスクの分析に記載されている。

グループの保険契約子会社の経営陣は、投資ポートフォリオの信用リスク、質および運用成績に対する責任を負っている。投資の信用に関する指示書および限度額は、現地で保険契約子会社によって設定され、現地の保険担当ALCOおよび信用リスク部門によって承認された後、エイチエスビーシー・グループ信用リスク部門から一元的に同意を得る。指示書の形式および内容は、信用の質、産業部門の集中および流動性の制限に関して一元的に設定された投資信用リスクのガイダンスに準拠するが、現地の規定条件および各国固有の条件が認められている。発行体および取引相手の信用度評価は主に、国際的に認められている信用格付けおよびその他の公表されている情報に基づいている。

投資信用エクスポージャーは、その限度額について現地の保険契約子会社によって監視されており、地域事業部でまとめられ、エイチエスビーシー・グループ信用リスク部門、エイチエスビーシー・グループの保険信用リスク会議およびエイチエスビーシー・グループの保険リスク委員会に報告される。投資信用エクスポージャーに関するストレス・テストは、エイチエスビーシー・グループ保険事業本部によって、信用スプレッドの感応度および債務不履行の可能性を用いて行われる。ストレス・テストの結果はエイチエスビーシー・グループ保険信用リスク委員会に報告される。

上述したように、グループは一定限度の投資損失を保険契約者と共有することが可能であり、これによりグループに対する損失の影響は弱まる。しかし、例えば契約に保証が含まれている場合など、損失を保険契約者に移転できない状況においては、保険契約者に保証された給付の不履行につながるような損失は、グループが負担する。

信用市況の悪化を受けて、信用リスクの管理および報告を改善するために、様々な計画が2008年に導入された。これらの計画には、将来減損する可能性のある投資を特定するために週に一度作成される早期警告レポートが含まれる。このレポートは、エイチエスビーシー・グループの保険事業本部の上級管理職ならびに地域の最高財務責任者およびリスク責任者に回覧され、適切であるとみなされる場合、リスク軽減戦略が実施される。同様に、現在信用リスク懸念がある投資を掲載する監視対象リストが週に一度作成され、回覧されている。長引く世界的な経済不況のため、2009年は、企業の債務不履行および格付機関による格下げが増加すると予想される。

信用の質

下表は、スタンダード＆プアーズまたはその同等の格付会社の区分に基づいて、グループの保険事業における短期国債、その他の適格手形および負債証券を分析した結果である。連動型の負債を裏付ける資産にかかる金融リスクは、その大部分を保険契約者が負担するため、非連動型の負債を裏付ける資産のみが下表に含まれている。表に示される資産の77.6パーセント（2007年：82.2パーセント）は、AAまたはAAA格付けの投資対象に投資されている。

グループの保険子会社における短期国債、その他の適格手形および負債証券

	延滞も減損もしていない

	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
2008年12月31日現在				**百万ポンド**			
非連動型保険および投資契約に基づく負債に対応							
公正価値評価の指定を受けた金融資産	368	151	—	—	—	—	519
−短期国債およびその他の適格手形	17	—	—	—	—	—	17
−負債証券	351	151	—	—	—	—	502
金融投資	9,133	195	—	—	—	—	9,328
−短期国債およびその他の類似手形	270	—	—	—	—	—	270
−負債証券	8,863	195	—	—	—	—	9,058
	9,501	346	—	—	—	—	9,847
株主資本に対応							
公正価値評価の指定を受けた金融資産	702	12	—	—	—	—	714
−短期国債およびその他の適格手形	5	—	—	—	—	—	5
−負債証券	697	12	—	—	—	—	709
金融投資	173	—	—	—	—	—	173
−短期国債およびその他の類似手形	168	—	—	—	—	—	168
−負債証券	5	—	—	—	—	—	5
	875	12	—	—	—	—	887
合計							
公正価値評価の指定を受けた金融資産	1,070	163	—	—	—	—	1,233
−短期国債およびその他の適格手形	22	—	—	—	—	—	22
−負債証券	1,048	163	—	—	—	—	1,211
金融投資	9,306	195	—	—	—	—	9,501
−短期国債およびその他の類似手形	438	—	—	—	—	—	438
−負債証券	8,868	195	—	—	—	—	9,063
	10,376	358	—	—	—	—	10,734

	延滞も減損もしていない						
	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
2007年12月31日現在				百万ポンド			

非連動型保険および投資契約に基づく負債に対応							
公正価値評価の指定を受けた金融資産	911	211	—	—	—	—	1,122
－短期国債およびその他の適格手形	—	—	—	—	—	—	—
－負債証券	911	211	—	—	—	—	1,122
金融投資	6,435	137	—	—	—	—	6,572
－短期国債およびその他の類似手形	146	—	—	—	—	—	146
－負債証券	6,289	137	—	—	—	—	6,426
	7,346	348	—	—	—	—	7,694
株主資本に対応							
公正価値評価の指定を受けた金融資産	369	13	—	—	—	—	382
－短期国債およびその他の適格手形	59	—	—	—	—	—	59
－負債証券	310	13	—	—	—	—	323
金融投資	88	—	—	—	—	—	88
－短期国債およびその他の類似手形	85	—	—	—	—	—	85
－負債証券	3	—	—	—	—	—	3
	457	13	—	—	—	—	470
合計							
公正価値評価の指定を受けた金融資産	1,280	224	—	—	—	—	1,504
－短期国債およびその他の適格手形	59	—	—	—	—	—	59
－負債証券	1,221	224	—	—	—	—	1,445
金融投資	6,523	137	—	—	—	—	6,660
－短期国債およびその他の類似手形	231	—	—	—	—	—	231
－負債証券	6,292	137	—	—	—	—	6,429
	7,803	361	—	—	—	—	8,164

グループの保険子会社における短期国債、その他の適格手形および負債証券の発行体

	短期国債	**その他の適格手形**	**負債証券**	**合計**
2008年12月31日現在		**百万ポンド**		
国債	**187**	**16**	**2,361**	**2,564**
地方債	**—**	**—**	**151**	**151**
アセット・バック証券	**—**	**—**	**—**	**—**
社債およびその他	**—**	**257**	**7,762**	**8,019**
	187	**273**	**10,274**	**10,734**
2007年12月31日現在				
国債	116	—	2,035	2,151
地方債	—	—	70	70

アセット・バック証券	—	—	—	—
社債およびその他	—	174	5,770	5,944
	116	174	7,875	8,165

信用リスクは、グループに発生した保険リスクの一部を再保険会社が引き受ける場合にも発生する。再保険会社の信用リスク・エクスポージャーは、地域保険事業部およびエイチエスビーシー・グループ保険事業本部によって監視され、エイチエスビーシー・グループの保険リスク委員会およびエイチエスビーシー・グループの保険信用リスク委員会に四半期ごとに報告される。スタンダード＆プアーズの再保険信用格付データまたは同等のデータに基づく、再保険会社に出再された負債の内訳および未収再保険金が以下に記載されている。この表には、上記の再保険契約に基づく第三者に対するグループのエクスポージャーが含まれている。

再保険

	延滞も減損もしていない						
	高	中	要管理	延滞しているが減損していない	減損している	減損引当金	合計
保険契約に基づく負債の再保険会社の持分	百万ポンド						
2008年12月31日現在							
連動型保険契約	7	—	—	—	—	—	7
非連動型保険契約	602	9	—	—	—	—	611
合計	609	9	—	—	—	—	618
再保険債権	11	—	—	—	—	—	11
2007年12月31日現在							
連動型保険契約	17	11	—	—	—	—	28
非連動型保険契約	401	99	—	—	—	—	500
合計	418	110	—	—	—	—	528
再保険債権	9	—	—	—	—	—	9

流動性リスク

保険金の支払額および支払時期に不確実性が存在するのは、ほぼすべての保険契約に内在する特徴であり、これが流動性リスクにつながる。グループの保険契約子会社は、以下の手法の一部またはすべてを用いることによって流動性リスクを管理している。

- 特定のキャッシュ・フロー予測、またはデュレーション・マッチングなど、より一般的な資産および負債のマッチング手法を用いて、収入と予想される支出を対応させる。
- 十分な資金源を維持する。
- 厚みのある流動的な市場が存在する信用の質の良い投資対象に投資する。
- 例えば発行済負債や発行体について、投資の集中を監視し、必要に応じて集中を制限する。
- 偶発事象に対する借入枠を設定する。

生命保険事業の予想満期には大きな幅があり、その中で大きな割合を占めるのは、流動性リスクが保険契約者と共に負担されるケースである（ユニット連動型事業の場合は全リスクを負担）。

下表は、保険契約負債の予想割引前キャッシュ・フローおよび投資契約負債の残存契約期間を示している。

保険契約負債の予想満期

	予想キャッシュ・フロー（割引前）				
	1年未満	1～5年	5～15年	15年超	合計
	百万ポンド				
2008年12月31日現在					
損害保険	456	407	19	―	882
生命保険（非連動型）	732	618	570	301	2,221
生命保険（連動型）	80	233	475	453	1,241
合計	1,268	1,258	1,064	754	4,344
2007年12月31日現在					
損害保険	402	381	36	―	819
生命保険（非連動型）	329	294	424	217	1,264
生命保険（連動型）	75	301	411	191	978
合計	806	976	871	408	3,061

投資契約負債の残存契約期間

	保険引受子会社による投資契約に基づく負債			
	連動型投資契約	非連動型投資契約	DPF付投資契約	合計
	百万ポンド			
2008年12月31日現在				
残存契約期間:				
－1年未満	117	―	―	117
－1年～5年	419	―	―	419
－5年～10年	330	―	―	330
－10年超	1,123	―	―	1,123
－期限なし(1)	1,627	24	12,157	13,808
合計	3,616	24	12,157	15,797
2007年12月31日現在				
残存契約期間:				
－1年未満	137	―	―	137
－1年～5年	615	―	―	615
－5年～10年	475	―	―	475
－10年超	1,679	―	―	1,679
－期限なし(1)	2,899	36	9,447	12,382
合計	5,805	36	9,447	15,288

(1) この場合、保険契約者はいつでも契約を終了し、保険解約返戻金を受け取る選択権を有する。これらは上記の金額より著しく低くなる可能性がある。

有効な長期保険契約の現在価値

グループの生命保険事業は、とりわけ、保険および関連リスクの評価について包括的な枠組みを提供する組込価格アプローチを用いて会計処理されている。2008年12月31日現在における有効な長期保険契約の現在価値（「PVIF」）資産は579百万ポンド（2007年：444百万ポンド）であった。2008年12月31日現在有効な保険契約の全体から見込まれる収益における株主持分の現在価値は、生命保険事業がマイナスの展開に対応できるかどうかの能力を査定するためにストレス・テストを受けることがある。生命保険事業の主な特徴は、資産、負債およびリスクを個別ではなく体系的に管理することである。これは、生命保険事業におけるこれら３つの要素が、通常、損害保険事業の場合よりも相互依存関係にあることを反映している。

経済仮定の変動に対するPVIFの感応度

下表は、すべての保険引受子会社における、主な経済仮定に合理的に可能性のある変動、すなわち無リスク金利およびリスク割引率の変動が生じた場合のPVIFに及ぼす影響を示している。

	12月31日におけるPVIF	
	2008年	2007年
	百万ポンド	百万ポンド
無リスク金利における100ベーシス・ポイントの増加	**15**	9
無リスク金利における100ベーシス・ポイントの減少	**(14)**	(20)
リスク割引率における100ベーシス・ポイントの増加	**(26)**	(21)
リスク割引率における100ベーシス・ポイントの減少	**28**	23

契約の一部の特性により、これらの関係は非線形である場合があり、より高いレベルのストレスに対して上表に開示されたストレス・テストの結果を外挿すべきではない。様々なシナリオを計算するにあたり、すべての仮定が一定に保たれるが、無リスク金利における変動の影響をテストする場合には、結果として生じる投資利回り、リスク割引率および特別配当率の変動も組み入れる。表示された感応度は、影響を軽減するために経営陣が講じる可能性のある措置を組み入れておらず、また、結果として生じる保険契約者の行動の変化も考慮していない。

経済以外の仮定

保険契約者負債およびPVIFは経済以外の仮定を参照して決定される。これらの仮定には、損害保険会社の場合、保険金支払費用および費用割合、また生命保険会社の場合、死亡および／または疾病率、失効率ならびに費用割合が含まれる。下表は、すべての保険子会社における、2008年12月31日現在のこれらの経済以外の仮定に合理的に可能性のある変動が生じた場合の当事業年度の利益、および同日現在の純資産の感応度を、2007年の比較数値と共に示したものである。

保険金支払費用は損害保険事業に関連したリスクである。保険金支払費用の増加は、利益にマイナスの影響を及ぼすこととなる。

死亡および疾病リスクは通常、生命保険契約に関連している。死亡または疾病の増加による利益への影響は、実行されている案件の種類によって異なる。定期保険契約のポートフォリオにおいては、死亡率が増加することによって、保険金支払請求の件数が増加するため、一般的に利益はマイナスの影響を受ける。年金保険契約のポートフォリオの場合、保険契約者に給付金を支払う期間が短くなるため、死亡率の増加は一般

的に利益にプラスの影響を及ぼす。ただし、年金保険契約に死亡保障が含まれる場合は、死亡率の増加による利益へのプラスの影響は、生命保険に基づき支払われる給付金によって相殺される可能性がある。

失効率に対する感応度は実行されている契約の種類によって異なる。保険契約の場合、保険金支払費用は、受取保険料および負債を裏付ける投資ポートフォリオに関して稼得した収益によって賄われる。定期保険のポートフォリオにおいては、失効率が増加することによって、失効した契約に係る将来の保険料収入が失われるため、一般的に利益はマイナスの影響を受ける。年金保険契約のポートフォリオの場合、失効した契約に係る将来の給付金を支払う義務が消滅するため、失効率の増加は利益にプラスの影響を及ぼす。

費用割合リスクは費用割合の変動に対するエクスポージャーである。費用の増加分を保険契約者に移転できない限り、費用割合の増加は利益にマイナスの影響を及ぼすことになる。

経済以外の仮定の変動に対する感応度

下表は、すべての保険引受子会社において、経済以外の条件に合理的に可能性のある変動が生じた場合の当事業年度の利益および純資産の感応度を示している。

	以下に対する影響		以下に対する影響	
	2008年12月31日に終了した事業年度の利益	2008年12月31日現在の純資産	2007年12月31日に終了した事業年度の利益	2007年12月31日現在の純資産
	百万ポンド		百万ポンド	
保険金支払費用における20パーセントの増加	(34)	(34)	(32)	(32)
保険金支払費用における20パーセントの減少	34	34	32	32
死亡および/または疾病率の10パーセントの増加	(2)	(2)	6	6
死亡および/または疾病率の10パーセントの減少	4	4	(9)	(9)
失効率の50パーセントの増加	(84)	(84)	(28)	(28)
失効率の50パーセントの減少	130	130	45	45
費用割合の10パーセントの増加	(19)	(19)	(5)	(5)
費用割合の10パーセントの減少	18	18	5	5

特別目的会社（オン・バランスシートおよびオフ・バランスシート契約を含む）

グループは、顧客取引を円滑にする、あるいは保証するために、通常業務の一環として特別目的会社（「SPE」）の設立を含む特定の取引契約を顧客と締結しており、その一部はグループの連結貸借対照表に含まれている。SPEが適切な目的の達成と統制の確保のために設立されている場合に、グループのSPEを利用する構造に対する一元的な承認がなされる。グループが管理するSPEの事業活動は、上級管理職によって厳重に監視されている。

グループは、金融資産の証券化またはリース契約の実行といった特定の明確な目的を達成するための事業体の設立に資金を提供しており、このような事業体は、組織における資産および負債がその単一の設立目的に制限されるような法的組織の一形態であることを要求されている。取引関係の実体が、グループがSPEを支配していることを示す場合、グループはこれらのSPEを連結する。支配を評価する際には、定性的要素お

よび定量的要素を含む、関連するすべての要素を考慮する。グループとSPEの関係に実質的な変更が生じたときは常に、必須の連結会計テストを再評価している。SPEの最も重要なカテゴリーを以下に詳述する。

仕組投資ビークルおよび導管会社

仕組投資ビークル（「SIV」）

SIVは、分散された利付き資産ポートフォリオに投資するSPEで、SIVの利付き資産と資金調達コストのスプレッドを利用するために、一般的にコマーシャル・ペーパー(「CP」)、中期債（「MTN」）およびその他の上位債の発行を通して資金調達される。バーゼルIIが実施される前は、このような方法で高格付けの投資有価証券に投資することは、多くの銀行の投資部門にとって資本効率が良かった。グループは、カリナン・ファイナンス・リミテッド(「カリナン」)およびアッシャー・ファイナンス・リミテッド(「アッシャー」)という２つのSIVがそれぞれ2005年および2007年に設立される際に資金を提供し、2007年11月にこれらのSIVを連結した。

その後、これらのSIVは再構築され、グループはSIVの保有資産を受け入れるために、３つの新しい証券投資導管会社（「SIC」）を設立した。アセット・バックCP導管会社であるマザラン・ファンディング・リミテッド（「マザラン」）および期間資金調達ビークルであるバリオン・ファンディング・リミテッド（「バリオン」）は、カリナンに関して設立され、期間資金調達ビークルであるマラカイト・ファンディング・リミテッド（「マラカイト」）はアッシャーに関して設立された。

導管会社

グループは、CPを発行する２種類の導管会社（マルチセラー証券導管会社およびSIC）に出資し、それを管理している。グループは、所有によるリスクおよび便益の大部分を得ているため、これらの導管会社を設立時より連結している。

証券投資導管会社

ソリティアは、ニーズに合った投資機会を促進するために高格付けのABSを購入している。グループのその他のSIC（マザラン、バリオンおよびマラカイト）は、上述したように、グループが出資したSIVの再構築から発展したものである。

マルチセラー導管会社

これらのビークルは、グループの顧客に柔軟な市場ベースの資金調達源（例えば、第三者が組成した個々の貿易金融および自動車金融のローン債権プールに関する融資）へのアクセスを提供するために設立された。

マネー・マーケット・ファンド

グループは、顧客に対してニーズに合った投資機会を提供する、限定的で明確な目的を有する多数のマネー・マーケット・ファンドを設立し、管理し、それらに投資している。ファンドに対するグループの持分が所有によるリスクおよび便益の大部分を示すのに十分な規模である場合、あるいは関係の実体が、グルー

プがファンドを支配していることを示す場合、グループはファンドを連結する。

証券化

グループは、主に資産組成および資本効率性のために資金調達源を多様化することを目的として、グループが組成した顧客に対する貸付金を証券化するためにSPEを利用している。グループが所有によるリスクと便益の大部分を有していない場合、SPEは連結されない。

その他のSPE

グループは、例えば顧客とのストラクチャード・クレジット取引の促進、また公共部門および民間部門のインフラ計画への資金提供、資産およびストラクチャード・ファイナンス取引等の多くの目的のためにも、通常の業務の一環としてSPEを設立している。

ストラクチャード・クレジット取引

グループは、ときにレバレッジに基づいて負債証券の参照ポートフォリオに対するエクスポージャーを入手したいと考えている第三者の専門機関投資家に対して、ストラクチャード・クレジット取引を提供している。このような構造において、投資家は、SPEによって発行された債券を購入することによって基礎となるポートフォリオに係る利回りを得る。グループは、参照ポートフォリオの規定されたリスクおよび便益をSPEに引き渡すために、通常はデリバティブの形で、SPEと契約を締結する。SPEとのデリバティブ契約に関連するグループのリスクは、グループのトレーディング市場リスク枠組の範囲内で管理される。

SPEのその他の利用

グループは、政府当局によって着手されているインフラ計画に資金援助を行うために、「公共－民間パートナーシップ」に参加している。資金提供は、通常、SPEを利用して行われる。当該ビークルのリスクおよび便益の大部分を有している場合、グループはこれらのSPEを連結している。

グループの資産およびストラクチャード・ファイナンス（「ASF」）事業は、SPEを利用して制限を課すことが慣習となっている航空機およびその他の物的資産のリースおよび資金調達、ならびにSPEの利用が費用効率を高める場合のストラクチャード・ローンおよび預金に特化している。これらの関係の実体が、グループがSPEを支配していることを示す場合、グループはこれらのSPEを連結している。

第三者出資SPE

第三者から資金提供を受けているSIV、導管会社および証券化に対するグループのエクスポージャーは、スタンドバイ流動性ファシリティ契約を通じて、標準的な市場条件に基づく通常の銀行業務契約から生じている。

その他のオフ・バランスシート契約

金融保証、信用状および類似する引受業務

注記39は、様々な種類の保証について説明しており、このような契約に基づく潜在的な将来最高支払額を開示している。

貸付契約

グループは通常、個人顧客への貸越、クレジット・カードまたはその他の与信枠の諸条件を、顧客への通知をもって変更または終了させる権利を有している。法人向け貸付契約については、多くの場合、重要な悪影響を及ぼすような変化がある場合には、資金へのアクセスを制限することによってグループのポジションが保護される。

レバレッジド・ファイナンス取引

レバレッジド・ファイナンス取引に関連する貸付契約は、組成後にその貸付金を売却することをグループが意図してる場合、デリバティブとして会計処理される。

39 偶発債務、契約債務および保証

	グループ		当行	
	2008年	2007年	**2008年**	2007年
	百万ポンド		百万ポンド	
保証およびその他の偶発債務				
保証および担保に供される取消不能信用状	**21,310**	18,972	**13,787**	10,816
その他偶発債務	**110**	75	**—**	—
	21,420	19,047	**13,787**	10,816
契約債務(1)				
信用状および短期貿易関連取引	**2,204**	1,621	**861**	447
将来購入資産および将来実行預金	**493**	38	**—**	—
未実行のノート発行枠およびリボルビング引受枠	**—**	19	**—**	—
未実行の公式スタンドバイ契約、与信枠およびその他の貸付契約債務(2)：	**151,694**	144,341	**102,626**	101,879
	154,391	146,019	**103,487**	102,326

(1) 下記に個別に開示されている出資契約を除いている。

(2) 契約上の当初満期に基づく。

上表は偶発債務、契約債務および保証の額面元本を開示している。それらは主に信用関連商品であり、金融および非金融保証ならびに信用供与に関する契約債務を含む。額面元本は、契約がすべて実行され、顧客が債務不履行となった場合のリスク金額を表している。保証および債務の大部分が未実行のまま失効すると予想されるため、額面元本合計は将来必要となる流動性の金額を表すものではない。

金融サービス補償制度

金融サービス補償制度（「FSCS」）はブラッドフォード・アンド・ビングレイ・ピーエルシー、ヘリタブル・バンク・ピーエルシー、カウプシング・シンガー・アンド・フリードランダー・リミテッド、ランズ

バンキ「アイスセーブ」およびロンドン・スコティッシュ・バンク・ピーエルシー等、多数の預金金融機関の倒産を受け、預金者に補償金を支払った。預金者に支払われた補償金は、イングランド銀行および英国大蔵省からの融資によって調達されたものである。当行は、FSCSが英国大蔵省から借りた借入金（2008年12月16日現在、197億ポンド）の支払義務を一部負担する可能性がある。また当行は、FSCSの下で保護されている預金の当行の市場占有率を基準とした予測管理費用の負担分も支払わなければならない。2008/9年および2009/10年の徴収年度の金利費用を含む予測管理費用の負担に関して、2008年12月31日現在、当行は86百万ポンドを計上した。この計上額は、それぞれ2007年および2008年12月31日現在の市場の保護預金における当行の占有率の見積りに基づいている。しかし、FSCSによる資産の回収可能性、金利の変動、保護預金水準およびその時点のFSCSメンバーの数等、様々な不確実な要因に左右されるため、2008年の複数企業の倒産の結果を受けた業界に対するFSCSの最終的な徴収について、現時点で正確に見積もることはできない。

保証

グループは第三者顧客およびグループ会社のために保証および同様の取引を提供している。これらの保証は一般的にグループの通常の銀行業務において提供されている。提供された主な保証の種類、およびグループが将来要求される可能性のある潜在的支払の最大額は以下のとおりである。

グループ

	2008年12月31日現在		2007年12月31日現在	
	第三者を受益者とする保証	他のエイチエスビーシー・グループ会社を受益者とするグループによる保証	第三者を受益者とする保証	他のエイチエスビーシー・グループ会社を受益者とするグループによる保証
	百万ポンド		百万ポンド	
保証の種類				
金融保証契約(1)	9,972	996	8,957	1,266
金融保証契約であるスタンドバイ信用状(2)	791	57	752	68
その他直接信用補完(3)	244	3	191	6
契約履行保証債(4)	2,395	43	1,751	29
入札保証債(4)	75	2	129	4
特定の取引に関連するスタンドバイ信用状(4)	486	—	412	—
その他取引関連保証(4)	5,891	26	5,215	71
その他項目	439	—	196	—
合計	20,293	1,127	17,603	1,444

当行

	2008年12月31日現在	2007年12月31日現在

	第三者を受益者とする保証	他のエイチエスビーシー・グループ会社を受益者とするグループによる保証	第三者を受益者とする保証	他のエイチエスビーシー・グループ会社を受益者とするグループによる保証
	百万ポンド		百万ポンド	
保証の種類				
金融保証契約(1)	**7,057**	**2,693**	6,382	1,069
金融保証であるスタンドバイ信用状(2)	**5**	**—**	—	—
その他直接信用補完(3)	**—**	**—**	1	—
契約履行保証債(4)	**898**	**36**	648	22
入札保証債 (4)	**17**	**2**	19	3
特定の取引に関連するスタンドバイ信用状 (4)	**76**	**—**	74	—
その他取引関連保証(4)	**2,651**	**24**	2,461	16
その他項目	**328**	**—**	121	—
合計	**11,032**	**2,755**	9,706	1,110

(1) 金融保証契約は、債券の当初または変更後の契約条件に基づいて特定の債務者が支払期日到来時に約定返済を行わなかったことにより発生する保有者の損失を弁済するために、発行者に所定の金額の支払を要求する契約である。上表の金額は額面元本である。

(2) 金融保証契約であるスタンドバイ信用状は、顧客が支払期日到来時に支払を怠った場合にグループおよび／または当行に第三者への支払義務が生じる取消不能債務である。

(3) その他直接信用補完には、発行者が船荷の所有権を留保するという条件なしに発行された再保険信用状および貿易関連信用状を含む。

(4) 契約履行保証債、入札保証債、スタンドバイ信用状およびその他取引関連保証は、グループおよび／または当行に対する支払義務が将来事象の結果に基づき発生する取引である。

上表に開示された金額は、多数の個別保証約定に基づくグループの支払債務の最大エクスポージャーを反映している。保証から生じるリスクおよびエクスポージャーは、グループの総合的な信用リスク管理方針および手続きに従って把握され管理されている。契約期間が１年を超える保証は毎年グループによる信用レビューを受けている。

その他の契約債務

2008年12月31日現在、グループは多数のサプライヤーから土地および建物ならびにその他固定資産を368百万ポンド（2007年：282百万ポンド）で１年以内に購入する契約を有している。

合弁事業および関連会社

グループには合弁事業および関連会社に関連して共同または単独で負っている偶発債務および契約債務はなかった。

40 リース契約

ファイナンス・リース契約

グループは業務支援のために、ファイナンス・リース契約に基づいて第三者から土地および建物（支店を含む）ならびに設備をリースしている。

	2008年			2007年		
	将来の最低支払額合計	金利費用	現在価値	将来の最低支払額合計	金利費用	現在価値
		百万ポンド			百万ポンド	
１年以内	**21**	**(20)**	**1**	13	(12)	1
１年超５年以内	**97**	**(92)**	**5**	51	(51)	―
５年超	**504**	**(178)**	**326**	415	(87)	328
	622	**(290)**	**332**	479	(150)	329

2008年12月31日現在、貸借対照表日に解約不能サブリースに基づいて受領される予定の将来の最低サブリース料は314百万ポンド（2007年：232百万ポンド）であった。

オペレーティング・リース契約

2008年12月31日現在、グループは有形固定資産に関する多数の解約不能オペレーティング・リース契約を有しており、その将来の最低リース支払額が複数年にわたり発生することになっている。

	土地および建物	
	2008年	2007年
	百万ポンド	百万ポンド
以下の期間に期日が到来する解約不能オペレーティング・リースに基づく将来の最低リース支払額		
－１年以内	**122**	110
－１年超５年以内	**394**	367
－５年超	**533**	540
	1,049	1,017

2008年に、リースおよびサブリース契約に関して「一般管理費」に計上された金額は105百万ポンド（2007年：117百万ポンド）であり、全額が最低リース支払額に関連するものだった。

ファイナンス・リース債権

	2008年			2007年		
	将来の最低支払額合計	前受金融収益	現在価値	将来の最低支払額合計	前受金融収益	現在価値
		百万ポンド			百万ポンド	
リース債権						
－１年以内	**1,209**	**(152)**	**1,057**	729	(141)	588
－１年超５年以内	**2,829**	**(584)**	**2,245**	2,222	(493)	1,729
－５年超	**4,367**	**(1,444)**	**2,923**	3,502	(1,146)	2,356
	8,405	**(2,180)**	**6,225**	6,453	(1,780)	4,673

2008年12月31日現在、108百万ポンド（2007年：85百万ポンド）の無保証残存価額が計上されており、回収不能最低リース料債権に対する累積引当金はゼロ（2007年：ゼロ）であった。

2008年および2007年の両年において偶発賃借料を受領していなかったため、「その他営業収益」への計上額はそれぞれゼロであった。

オペレーティング・リース債権

グループはオペレーティングおよびファイナンス・リース契約に基づいて第三者に様々な資産（車両、不動産、航空機および一般的な機械設備を含む）をリースしている。

	設備	
	2008年	2007年
	百万ポンド	百万ポンド
以下の期間に期日が到来する解約不能オペレーティング・リースに基づく将来の最低リース支払額		
－１年以内	**290**	237
－１年超５年以内	**429**	670
－５年超	**76**	199
	795	1,106

41 訴訟

2007年７月27日に、英国公正取引庁（「OFT」）は、エイチエスビーシー・バンク・ピーエルシーを含む数多くの英国の金融機関に対し、高等法院の法的手続きを提起した。この法的手続きは、これらの金融機関の個人顧客に対する未承認の当座貸越に関する特定の手数料（「手数料」）の法律上の扱いおよび法的強制力を決定するためのものである。金融サービス機構（「FSA」）は、手続きの決議を待つ一方で、企業（エイチエスビーシー・バンク・ピーエルシーを含む）が関連する手数料を保留できるように免責を与え、州裁判所はすべての個人顧客の訴訟を停止した。

高等法院の商事法廷でこれらの法的手続きの予備審問が行われた。この結果、エイチエスビーシー・バンク・ピーエルシーの現在および過去の手数料は公平性に関して審査されうるが、違約金の対象にはなりえないことが確認された。エイチエスビーシー・バンク・ピーエルシー（および当該法的手続きに関与するその他のすべての金融機関）は、この手数料が公平性に関して審査されうるという決定を不服として上訴している。2009年２月26日、控訴院はエイチエスビーシー・バンク・ピーエルシー（および当該法的手続きに関与するその他のすべての金融機関）の手数料が公平性に関して審査されうるという高等法院の決定を認める判決を下した。エイチエスビーシー・バンク・ピーエルシーは貴族院に上訴許可を申請することを検討中である。

当該法的手続きは初期の段階にあり、予備審問に対するさらなる上訴を考慮すると、判決が言い渡されるまでに時間がかかる可能性がある。貴族院への上訴の結果によって、あるいは、適切な範囲において、調査対象期間の各手数料の公平性に関する高等法院の評価によって、様々な結果が生じる可能性がある。2001年７月以降、当時の既存の契約に基づいてエイチエスビーシー・バンク・ピーエルシーが課した手数料は、多岐にわたっており、課金期間も異なっている。エイチエスビーシー・バンク・ピーエルシーは、これらの手数

料は現時点で、また過去においても有効かつ法的強制力があると考えており、強硬に抗弁を行う予定である。

当行の現在の評価に反して、高等法院が最終的（上訴後）に負債をもたらすような不利な判決を下した場合、多数の異なる結果が生じる可能性があり、その結果の１つ１つが異なる財務的影響を及ぼすことになる。公平性の評価を行う方法に関して権限が限られていることを考慮した場合、2008年の半期報告書に公表されているように、当行の財務的影響は約350百万ポンドと見積られる。特に案件の複雑性、様々な結果が起こり得る可能性および当該法的手続きが初期段階にあるという理由から、現段階で潜在的な財務的影響を正確に見積ることは極めて困難である。さらに、当行の仮定が正しくないことが判明する可能性もある。

2008年12月11日、バーナード・L・マドフ（「マドフ」）が証券詐欺の容疑で逮捕され、ニューヨーク州南部地区連邦地方裁判所に起訴された。同日、証券取引委員会（「SEC」）はマドフおよび同氏所有のバーナード・L・マドフ・インベストメント・セキュリティーズ・エルエルシー（「マドフ・セキュリティーズ」）（証券会社および投資アドバイザーとしてSECに登録）を証券詐欺の疑いで起訴した。刑事告訴およびSECによる告訴においてマドフが実際にマドフ・セキュリティーズの上層部に投資アドバイザリー事業が詐欺であると告げていたことが申し立てられた。2008年12月15日、証券投資家保護公社への申請上、ニューヨーク州南部地区連邦地方裁判所はマドフ・セキュリティーズの破産手続きを行う管財人を指定し、ニューヨーク州南部地区の破産裁判所への破産手続きを取り下げた。2009年２月９日、マドフの同意のもと、ニューヨーク州南部地区連邦地方裁判所はSECの告訴に対する一部判決として、マドフに米国証券取引法の特定の不正防止条項の違反に関する恒久的な禁止命令を下し、不当利得の返還、判決前利息および民事制裁金の支払い（金額は後日決定）、ならびに以前課せられた特定の他の訴訟上の救済命令（マドフの資産凍結を含む）の継続を命じた。米国の関連当局は、詐欺容疑の調査を継続中である。詐欺容疑の事実ならびにマドフ・セキュリティーズの資産および残余資産の詳細に関しては依然として不透明な部分が多い。

米国外の様々なエイチエスビーシー・グループ会社は、マドフ・セキュリティーズに資産を投資している米国外に設立された多数のファンドに管理、事務および類似のサービスを提供している。マドフ・セキュリティーズから得た情報によると、これらのファンドの2008年11月30日現在の正味資産価値合計額（投資元本および未実現利益を含む）は56億ポンドであった。

様々な司法管轄において、多くの被告に対して、マドフおよびマドフ・セキュリティーズに関する訴訟が既に公布されており、グループは、マドフ・セキュリティーズの管財人によるものを含め、追加の訴訟が行われると予想している。様々なグループ会社が集団訴訟適格を求める米国での訴訟およびアイルランド裁判所の商事法廷の訴訟の被告として挙げられている。グループ会社が被告として挙げられた訴訟はすべて最も初期の段階である。グループはこれらの申し立てに対して適切な抗弁を備えていると考えており、今後も積極的な抗弁を続ける予定である。このような申し立てから負債が生じることもあるとしても、グループは当該負債を正確に見積もることはできない。

様々なグループ会社がマドフの詐欺容疑に関連して様々な規制当局から情報の提供を要求されている。グループ会社は情報提供に協力している。

これらの訴訟とは別に、グループは、通常の業務から生じた様々な司法管轄における訴訟の当事者である。グループはこれらの訴訟がいずれも重大ではなく、個別でも累計でもグループの財政状態に重大な悪影響を及ぼすことはないと考えている。経営陣は通常の業務から生じる訴訟に関して適切な引当金を設定していると考えている。グループは実用的でないことを理由にこれらの訴訟に関連する偶発債務を開示していない。

42 関連当事者間取引

グループの最終的な親会社は英国で設立されたエイチエスビーシー・ホールディングス・ピーエルシーである。

グループの関連当事者には、親会社、兄弟会社、関連会社、合弁事業、エイチエスビーシーの従業員のための退職後給付制度、主な経営陣、主な経営陣の近親者および主な経営陣またはその近親者によって支配、共同支配または重要な影響を受けている会社が含まれる。

(a) 取締役およびその他の主な経営陣との取引

主な経営陣は、エイチエスビーシー・バンク・ピーエルシーおよびエイチエスビーシー・グループの活動を計画、指示および管理する権限および責任を持つ者と定義され、エイチエスビーシー・バンク・ピーエルシーおよびエイチエスビーシー・ホールディングス・ピーエルシーの取締役ならびにエイチエスビーシー・ホールディングス・ピーエルシーの常務取締役が含まれる。

取締役およびその他の主な経営陣に対する報酬

	2008年	2007年
	千ポンド	千ポンド
短期従業員給付	**4,231**	6,665
退職後給付	**65**	395
退職給付	**—**	—
株式に基づく報酬	**2,357**	4,432
	6,653	11,492

取締役およびその他の主な経営陣の株式保有およびオプション

	2008年12月31日現在残高	2007年12月31日現在残高
取締役およびその他の主な経営陣（およびその関係者）が保有する資本参加制度に基づく株式オプション数	**1,033,747**	958,232
取締役およびその他の主な経営陣（およびその関係者）が保有する株式数	**17,498,156**	16,625,206

取締役およびその他の主な経営陣を含む取引および契約

下表はIAS第24号「関連当事者についての開示」に基づき開示すべき、グループと当行および親会社エイチエスビーシー・ホールディングス・ピーエルシーの主な経営陣、ならびにその関係者またはその支配企業との間の取引を示している。

2008年			2007年		
人数	**当期中最高残高(1)**	**12月31日現在残高(1)**	人数	当期中最高残高(1)	12月31日現在残高(1)
	千ポンド	**千ポンド**		千ポンド	千ポンド

主な経営陣ならびにその関係者およびその支配会社						
貸付金	**70**	**103,594**	**49,776**	**110**	**379,869**	**271,991**
クレジットカード	**59**	**452**	**196**	**47**	**635**	**267**
保証	**5**	**6,753**	**5,684**	**17**	**14,811**	**13,224**

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の取引は、通常の業務において、同様の状況にある個人またはその他の従業員との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で行われた。当該取引は、返済に関する一般水準を上回るリスクや、その他の不利な要素を伴うものではなかった。

取締役および役員を含む取引および契約（1985年会社法）

IAS第24号に基づく開示に加えて、1985年会社法第232条により、HSBCバンク・ピーエルシーおよびその子会社が取締役、関係者および支配企業ならびにHSBCバンク・ピーエルシーの役員との間で締結した取引および契約の詳細を開示することが要求されている。会社法では、当行の親会社であるHSBCホールディングス・ピーエルシーの主な経営陣との取引に関する開示は求められていない。

2007年の役員は年度中に務めていた当行の経営委員会のメンバーおよび会社秘書役で構成されていた。2008年の役員は年度中に務めていた経営委員会のメンバーおよびその後継である欧州経営管理委員会のメンバー、および会社秘書役で構成されていた。

下表は1985年会社法第232条に基づいて開示された取引を示している。

	2008年		2007年(1)	
	人数	**12月31日現在残高**	人数	12月31日現在残高
		千ポンド		千ポンド
グループ				
取締役				
貸付金	**14**	**1,690**	12	1,478
クレジットカード	**13**	**65**	20	51
保証	**—**	**—**	1	12
役員				
貸付金	**19**	**7,039**	22	6,488
クレジットカード	**19**	**81**	21	108
保証	**—**	**—**	—	—

(1) 2007年の比較数値は、会社法第232条および同法のスケジュール６のパート２の変更後の、取締役の関係者を除く取締役との取引を示すように修正再表示されている。

(b) その他の関連当事者との取引

関連会社および合弁事業

グループ

	2008年		2007年	
	当期中最高残高(1)	2008年12月31日現在残高(1)	当期中最高残高(1)	2007年12月31日現在残高(1)
	百万ポンド		百万ポンド	
合弁事業に対する債権				
－劣後	―	―	―	―
－非劣後	202	110	216	202
関連会社に対する債権				
－劣後	―	―	19	―
－非劣後	―	―	33	―
合弁事業に対する債務	20	12	20	20
関連会社に対する債務	1	―	166	1

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

当行

	2008年		2007年	
	当期中最高残高(1)	2008年12月31日現在残高(1)	当期中最高残高(1)	2007年12月31日現在残高(1)
	百万ポンド		百万ポンド	
合弁事業に対する債権				
－劣後	―	―	―	―
－非劣後	161	110	161	161
関連会社に対する債権				
－劣後	―	―	―	―
－非劣後	―	―	1	―
合弁事業に対する債務	12	10	4	4
関連会社に対する債務	1	―	29	1

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

グループとエイチエスビーシー・ホールディングス・ピーエルシーおよびエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社との取引

以下の取引には、エイチエスビーシー・ホールディングス・ピーエルシーに対する債権債務が含まれる。

	2008年		2007年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)

	百万ポンド		百万ポンド	
資産				
トレーディング資産	**214**	**53**	37	7
公正価値評価の指定を受けた金融資産	**21**	**21**	15	15
デリバティブ	**—**	**—**	—	—
銀行に対する貸付金	**—**	**—**	—	—
顧客に対する貸付金	**343**	**56**	60	33
金融投資	**58**	**58**	1	1
その他資産	**—**	**—**	—	—

	2008年		2007年	
	当期中最高残高(1)	**当期末現在残高(1)**	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
負債				
トレーディング負債	**22**	**17**	13	12
銀行からの預金	**—**	**—**	—	—
顧客からの預金	**8,582**	**3,406**	3,308	2,931
デリバティブ	**—**	**—**	—	—
劣後債務	**3,047**	**3,047**	1,577	1,577
保証	**—**	**—**	—	—

	2008年12月31日に終了した事業年度	2007年12月31日に終了した事業年度
	百万ポンド	百万ポンド
損益計算書		
受取利息	**1**	—
支払利息	**117**	111
配当金	**6**	14
受取手数料	**—**	—
支払手数料	**—**	—
トレーディング収益	**—**	—
その他営業収益	**18**	—
一般管理費	**82**	48

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

以下の取引には、エイチエスビーシー・ホールディングス・ピーエルシー兄弟会社に対する債権債務が含まれる。

	2008年		2007年	
	当期中最高残高(1)	**当期末現在残高(1)**	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	

資産				
トレーディング資産	**9,718**	**8,369**	9,895	7,453
デリバティブ	**72,434**	**30,669**	24,494	7,445
銀行に対する貸付金	**5,444**	**5,267**	5,968	5,968
顧客に対する貸付金	**3,252**	**3,252**	1,646	1,102
金融投資	**7,277**	**7,277**	5,829	5,829
その他資産	**7,497**	**212**	1,983	716

	2008年		2007年	
	当期中最高残高(1)	**当期末現在残高(1)**	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
負債				
トレーディング負債	**25,241**	**25,241**	19,563	17,345
銀行からの預金	**9,116**	**7,594**	6,962	6,095
顧客からの預金	**1,715**	**559**	2,131	1,429
デリバティブ	**70,444**	**29,022**	26,536	8,966
保証	**996**	**996**	151	116

	2008年12月31日に終了した事業年度	2007年12月31日に終了した事業年度
	百万ポンド	百万ポンド
損益計算書		
受取利息	**495**	556
支払利息	**269**	379
配当金	**—**	—
受取手数料	**81**	99
支払手数料	**188**	135
トレーディング収益	**392**	316
その他営業収益	**15**	27
一般管理費	**142**	120

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

エイチエスビーシー・バンク・ピーエルシーとその子会社、エイチエスビーシー・ホールディングス・ピーエルシーおよびエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社との間の取引

以下の取引には、エイチエスビーシー・バンク・ピーエルシーとその子会社に対する債権債務が含まれる。

	2008年		2007年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**36,824**	**27,184**	40,138	40,138
デリバティブ	**56,747**	**32,375**	8,341	8,341
銀行に対する貸付金	**4,982**	**2,521**	5,026	3,798
顧客に対する貸付金	**18,397**	**18,313**	7,930	7,594
金融投資	**851**	**851**	—	—
その他資産	**—**	**—**	—	—
負債				
トレーディング負債	**19,690**	**11,479**	16,153	13,567
銀行からの預金	**21,560**	**21,560**	12,695	10,827
顧客からの預金	**11,876**	**11,580**	11,470	11,470
デリバティブ	**56,143**	**33,368**	8,056	8,056
劣後債務	**622**	**622**	—	—
保証	**1,761**	**1,761**	998	998

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

以下の取引には、エイチエスビーシー・バンク・ピーエルシーとエイチエスビーシー・ホールディングス・ピーエルシーに対する債権債務が含まれる。

	2008年		2007年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**214**	**53**	37	7
デリバティブ	**—**	**—**	—	—
銀行に対する貸付金	**—**	**—**	—	—
顧客に対する貸付金	**137**	**56**	60	33
金融投資	**—**	**—**	—	—
その他資産	**—**	**—**	—	—
負債				
トレーディング負債	**22**	**17**	13	12
銀行からの預金	**—**	**—**	—	—
顧客からの預金	**3,680**	**3,398**	3,289	2,919
デリバティブ	**—**	**—**	—	—
劣後債務	**3,047**	**3,047**	1,577	1,577
保証	**—**	**—**	—	—

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

以下の取引には、エイチエスビーシー・バンク・ピーエルシーとエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社に対する債権債務が含まれる。

	2008年		2007年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**9,258**	**7,486**	8,803	6,634
デリバティブ	**43,907**	**23,192**	5,335	5,255
銀行に対する貸付金	**4,557**	**3,662**	4,890	4,329
顧客に対する貸付金	**3,085**	**3,085**	982	982
金融投資	**—**	**—**	—	—
その他資産	**3,561**	**231**	204	36

	2008年		2007年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
負債				
トレーディング負債	**23,613**	**23,613**	19,497	16,272
銀行からの預金	**5,980**	**3,146**	4,323	4,200
顧客からの預金	**1,418**	**378**	1,850	1,147
デリバティブ	**38,799**	**21,559**	5,826	5,826
保証	**931**	**931**	113	70

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

年金基金

2008年12月31日現在、グループの運用年金基金に係る管理サービスの手数料として、10.9百万ポンド（2007年：15.9百万ポンド）がグループ会社によって稼得された。グループの年金基金により、281百万ポンド（2007年：215百万ポンド）が銀行子会社に預金されている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

エイチエスビーシー・バンク（UK）年金制度（「制度」）は、負債のインフレおよび金利感応度を管理するために、当行とスワップ取引を締結している。2008年12月31日現在、スワップの名目元本合計は、12,132百万ポンド（2007年：10,543百万ポンド）で、スワップは当行に対して1,220百万ポンドの負の公正価値（2007年：124百万ポンドの負の公正価値）を有しており、当行は、当該スワップに関して制度に1,682百万ポンド（2007年：378百万ポンド）の担保を差し入れていた。すべてのスワップは、市場レートで標準の市場のビッド／オファー・スプレッドの範囲内で実行された。

分散要件を満たすため、受託会社は当行と制度との間のスワップ取引に対し特別担保条項を求めている。当該担保契約は、制度から当行へ担保を差し入れることはないと明記している。当行は、当行が契約を履行

できなかった場合のスワップ取引再構築費用として十分であると受託会社が確信する金額を担保として制度に差し入れる。契約条件に基づき、担保の増額が必要な場合、当行は日次で追加差入れを行い、担保の減額については月次で当行に返済される。

上述の特別担保契約を除き、当行と制度との間のスワップ取引はすべて、第三者との比較可能な取引に適用されるものと実質的に同一の条件で行われている。

43 後発事象

貸借対照表日の後、2008年12月31日現在の財務諸表に開示または調整が必要となる重要な事象は発生していない。

2009年１月30日、エイチエスビーシー・ホールディングス・ピーエルシーは１ポンドの普通株式１株を527百万ポンドで引き受け、これは当行の全額払込済普通株式に計上された。

2009年３月２日、取締役会において当財務諸表が承認され、その公表が許可された。

次へ

B．2007年12月31日終了事業年度

① 連結損益計算書

	注記	12月31日に終了した事業年度			
		2007年		2006年	
		百万ポンド	百万円	百万ポンド	百万円
受取利息		16,439	2,431,164	13,339	1,972,705
支払利息		(12,585)	(1,861,196)	(9,143)	(1,352,158)
正味受取利息		**3,854**	**569,968**	4,196	620,546
受取手数料		5,442	804,817	5,018	742,112
支払手数料		(1,258)	(186,046)	(1,276)	(188,708)
正味受取手数料		**4,184**	**618,772**	3,742	553,404
トレーディング収益（正味受取利息を除く）		1,698	251,117	1,699	251,265
トレーディング活動による正味受取利息		1,789	264,575	927	137,094
トレーディング純収益		**3,487**	**515,692**	2,626	388,359
公正価値評価の指定を受けた金融商品からの純収益	4	**126**	**18,634**	59	8,726
金融投資による純収益		**552**	**81,635**	239	35,346
配当金		**43**	**6,359**	50	7,395
正味保険料収入	5	**1,921**	**284,097**	317	46,881
その他営業収益		**307**	**45,402**	480	70,987
営業収益合計		**14,474**	**2,140,560**	11,709	1,731,644
正味発生保険金および保険契約者準備金の変動	6	**(1,674)**	**(247,568)**	(91)	(13,458)
正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）		**12,800**	**1,892,992**	11,618	1,718,186
貸倒損失およびその他の信用リスク引当金		**(1,043)**	**(154,249)**	(938)	(138,721)
正味営業収益		**11,757**	**1,738,743**	10,680	1,579,465
従業員報酬および給付	8	**(4,287)**	**(634,004)**	(3,929)	(581,060)
一般管理費	9	**(2,872)**	**(424,740)**	(2,354)	(348,133)
有形固定資産の減価償却および減損	22	**(422)**	**(62,410)**	(410)	(60,635)
無形資産の償却および減損ならびにのれんの減損	21	**(142)**	**(21,000)**	(151)	(22,331)
営業費用合計		**(7,723)**	**(1,142,154)**	(6,844)	(1,012,159)
営業利益		**4,034**	**596,588**	3,836	567,306
関連会社および合弁事業における利益（損失）持分		**47**	**6,951**	(40)	(5,916)
税引前当期純利益		**4,081**	**603,539**	3,796	561,390
法人所得税費用	11	**(767)**	**(113,432)**	(978)	(144,636)
当期純利益		**3,314**	**490,107**	2,818	416,754
親会社株主に帰属する利益		**3,227**	**477,241**	2,722	402,557

少数株主に帰属する利益		87	12,866	96	14,197

② 連結貸借対照表

	注記	12月31日現在			
		2007年		2006年	
		百万ポンド	百万円	百万ポンド	百万円
資産					
現金および中央銀行預け金		7,146	1,056,822	3,618	535,066
他行から回収中の項目		2,434	359,964	2,937	434,353
トレーディング資産	15	153,206	22,657,635	85,994	12,717,653
公正価値評価の指定を受けた金融資産	16	14,969	2,213,765	5,985	885,122
デリバティブ	17	60,470	8,942,908	32,090	4,745,790
銀行に対する貸付金	31	60,764	8,986,388	44,428	6,570,457
顧客に対する貸付金	31	227,687	33,672,630	200,416	29,639,522
金融投資	18	69,528	10,282,496	42,380	6,267,578
関連会社および合弁事業における持分	20	118	17,451	923	136,502
のれんおよび無形資産	21	9,877	1,460,710	9,251	1,368,130
有形固定資産	22	4,119	609,159	4,408	651,899
その他資産	24	5,936	877,875	4,454	658,702
繰延税金資産	11	50	7,395	29	4,289
前渡金および未収収益		5,976	883,791	3,847	568,933
資産合計		622,280	92,028,989	440,760	65,183,996
負債および資本					
負債					
銀行からの預金	31	48,786	7,214,962	38,513	5,695,688
顧客からの預金	31	268,269	39,674,302	227,350	33,622,792
他行へ送金中の項目		1,975	292,083	2,428	359,077
トレーディング負債	25	117,454	17,370,272	52,080	7,702,111
公正価値評価の指定を受けた金融負債	26	15,659	2,315,810	9,460	1,399,039
デリバティブ	17	61,539	9,101,003	32,743	4,842,362
発行済負債証券	31	50,921	7,530,707	38,090	5,633,130
退職給付債務	8	674	99,678	2,252	333,048
その他負債	27	6,843	1,012,011	4,614	682,364
当期未払税金		467	69,065	286	42,297
保険契約に基づく負債	28	12,251	1,811,800	1,886	278,921
未払費用および繰延収益		6,509	962,616	4,196	620,546
引当金	29	427	63,149	402	59,452
繰延税金負債	11	302	44,663	142	21,000
劣後債務	30	5,205	769,767	5,380	795,648
負債合計		597,281	88,331,887	419,822	62,087,476

資本					
払込済株式資本	35	**1,797**	**265,758**	797	117,868
資本剰余金勘定	36	**15,499**	**2,292,147**	14,558	2,152,983
その他準備金	36	**(221)**	**(32,684)**	78	11,535
利益剰余金	36	**7,348**	**1,086,696**	4,966	734,422
親会社株主に帰属する資本合計		**24,423**	**3,611,917**	20,399	3,016,808
少数株主持分	36	**576**	**85,185**	539	79,713
資本合計		**24,999**	**3,697,102**	20,938	3,096,521
資本および負債合計		**622,280**	**92,028,989**	440,760	65,183,996

SK グリーン、取締役会会長
MF ゲーガン、取締役会副会長
DDJ ジョン、最高経営責任者
JH マッケンジー、取締役会秘書役

2008年３月３日

③ 連結認識収益費用計算書

	12月31日に終了した事業年度			
	2007年		2006年	
	百万ポンド	**百万円**	百万ポンド	百万円
売却可能投資：				
－資本に計上された評価（損）益	**(964)**	**(142,566)**	258	38,156
－減損控除後の処分に係る損益計算書への振替	**(501)**	**(74,093)**	(179)	(26,472)
キャッシュ・フロー・ヘッジ：				
－資本に計上された損失	**(71)**	**(10,500)**	(64)	(9,465)
－損益計算書への振替	**33**	**4,880**	(118)	(17,451)
海外事業への純投資によって生じた換算差額	**1,109**	**164,010**	(617)	(91,248)
関連会社および合弁事業における持分の変動	**101**	**14,937**	137	20,261
退職後給付に係る数理上の利益	**1,267**	**187,377**	9	1,331
	974	**144,045**	(574)	(84,889)
資本に直接計上された項目に係る税金	**(311)**	**(45,994)**	29	4,289
資本に直接計上された当期純利益（費用）合計	**663**	**98,051**	(545)	(80,600)
当期純利益	**3,314**	**490,107**	2,818	416,754
当期認識収益費用合計	**3,977**	**588,159**	2,273	336,154
以下に帰属する当期認識収益費用合計：				
－親会社株主	**3,875**	**573,074**	2,198	325,062
－少数株主	**102**	**15,085**	75	11,092

④ 連結キャッシュ・フロー計算書

	注記	12月31日に終了した事業年度			
		2007年		2006年	
		百万ポンド	百万円	百万ポンド	百万円
営業活動によるキャッシュ・フロー					
税引前利益		**4,081**	**603,539**	3,796	561,390
調整：					
－税引前利益に含まれる非現金項目	37	**2,023**	**299,181**	1,861	275,223
－営業資産の変動	37	**(56,617)**	**(8,373,088)**	(26,052)	(3,852,830)
－営業負債の変動	37	**83,551**	**12,356,357**	39,302	5,812,373
－換算差額の消去[(1)]		**(1,792)**	**(265,019)**	761	112,544
－投資活動による純利益		**(552)**	**(81,635)**	(239)	(35,346)
－関連会社および合弁事業における（利益）損失持分		**(47)**	**(6,951)**	40	5,916
－関連会社からの（への）分配金		**7**	**1,035**	(50)	(7,395)
－確定給付年金制度に対する拠出額		**548**	**81,044**	142	21,000
－法人所得税支払額		**(872)**	**(128,960)**	(766)	(113,284)
営業活動による純資金		**30,330**	**4,485,504**	18,795	2,779,593
投資活動に使用したキャッシュ・フロー					
金融投資の購入		**(71,980)**	**(10,645,122)**	(46,621)	(6,894,780)
金融投資の売却による収入		**43,217**	**6,391,362**	46,118	6,820,391
有形固定資産の購入		**(578)**	**(85,480)**	(628)	(92,875)
有形固定資産の売却による収入		**67**	**9,909**	179	26,472
のれんおよび無形資産の購入		**(123)**	**(18,190)**	(147)	(21,740)
子会社の買収および持分の増加による純資金支出		**9**	**1,331**	7	1,035
関連会社の買収および持分の増加による純資金支出		**(118)**	**(17,451)**	(259)	(38,304)
関連会社の処分による収入		**982**	**145,228**	270	39,930
株式報酬取引に備えるためのHSBCホールディングス・ピーエルシーの株式の購入		**182**	**26,916**	142	21,000
投資活動に使用した純資金		**(28,342)**	**(4,191,498)**	(939)	(138,869)
財務活動に使用したキャッシュ・フロー					
株式資本の発行		**1,510**	**223,314**	675	99,826
劣後ローン実行額		**59**	**8,726**	1,207	178,503
劣後ローン返済額		**10**	**1,479**	(411)	(60,783)
株主への配当金支払額		**(1,706)**	**(252,300)**	(1,591)	(235,293)
少数株主への配当金支払額		**(7)**	**(1,035)**	(9)	(1,331)
財務活動に使用した純資金		**(134)**	**(19,817)**	(129)	(19,078)
現金および現金同等物の正味増加		**1,854**	**274,188**	17,727	2,621,646
現金および現金同等物―1月1日現在		**46,721**	**6,909,569**	30,515	4,512,863

現金および現金同等物に係る為替レート変動の影響		2,660	393,387	(1,521)	(224,941)
現金および現金同等物―12月31日現在	37	51,235	7,577,144	46,721	6,909,569

(1) 期首残高と期末残高との為替変動を消去して平均レートにするための調整。非合理的費用なしでは詳細を特定できないため、調整は項目ごとに行われるものではない。

⑤ 当行貸借対照表

		12月31日現在			
	注記	2007年		2006年	
		百万ポンド	百万円	百万ポンド	百万円
資産					
現金および中央銀行預け金		3,677	543,792	2,496	369,133
他行から回収中の項目		1,377	203,645	1,367	202,166
トレーディング資産	15	149,102	22,050,695	62,729	9,276,992
公正価値評価の指定を受けた金融資産	16	3,439	508,594	―	―
デリバティブ	17	46,325	6,851,004	24,361	3,602,748
銀行に対する貸付金	31	32,028	4,736,621	25,121	3,715,145
顧客に対する貸付金	31	150,649	22,279,481	143,964	21,290,836
金融投資	18	13,821	2,043,988	12,135	1,794,645
関連会社および合弁事業における持分	20	46	6,803	255	37,712
子会社への投資	23	15,754	2,329,859	14,546	2,151,208
のれんおよび無形資産	21	540	79,861	557	82,375
有形固定資産	22	1,078	159,425	1,521	224,941
その他資産	24	2,077	307,168	2,014	297,850
繰延税金資産	11	515	76,163	873	129,108
前渡金および未収収益		3,601	532,552	2,147	317,520
資産合計		424,029	62,709,649	294,086	43,492,379
負債および資本					
負債					
銀行からの預金	31	41,061	6,072,511	29,182	4,315,726
顧客からの預金	31	184,899	27,344,713	164,054	24,261,946
他行へ送金中の項目		1,056	156,172	1,019	150,700
トレーディング負債	25	99,755	14,752,767	35,215	5,207,946
公正価値評価の指定を受けた金融負債	26	8,082	1,195,247	4,736	700,407
デリバティブ	17	47,536	7,030,099	24,967	3,692,370
発行済負債証券	31	8,117	1,200,423	5,408	799,789
退職給付債務	8	551	81,487	2,069	305,984
その他負債	27	2,874	425,036	2,414	357,006
当期未払税金		198	29,282	106	15,676
未払費用および繰延収益		4,214	623,208	2,572	380,373
引当金	29	163	24,106	105	15,528

繰延税金負債	11	2	296	33	4,880
劣後債務	30	4,744	701,590	4,999	739,302
負債合計		403,252	59,636,938	276,879	40,947,635
資本					
払込済株式資本	35	1,797	265,758	797	117,868
資本剰余金勘定	36	15,499	2,292,147	14,558	2,152,983
その他準備金	36	327	48,360	202	29,874
利益剰余金	36	3,154	466,445	1,650	244,019
資本合計		20,777	3,072,711	17,207	2,544,743
資本および負債合計		424,029	62,709,649	294,086	43,492,379

SK グリーン、取締役会会長
MF ゲーガン、取締役会副会長
DDJ ジョン、最高経営責任者
JH マッケンジー、取締役会秘書役

2008年３月３日

⑥ 当行認識収益費用計算書

	12月31日に終了した事業年度			
	2007年		2006年	
	百万ポンド	百万円	百万ポンド	百万円
売却可能投資：				
－資本に計上された評価益	238	35,198	63	9,317
－処分または減損に係る損益計算書への振替	(167)	(24,698)	2	296
キャッシュ・フロー・ヘッジ：				
－資本に計上された利益	10	1,479	56	8,282
－損益計算書への振替	19	2,810	(35)	(5,176)
海外事業への純投資によって生じた為替差額	(10)	(1,479)	(1)	(148)
退職後給付に係る数理上の利益（損失）	1,231	182,053	(10)	(1,479)
	1,321	195,363	75	11,092
資本に直接計上された項目に係る税金	(364)	(53,832)	(42)	(6,211)
資本に直接計上された当期純利益合計	957	141,531	33	4,880
当期純利益	2,351	347,689	1,896	280,399
親会社株主に帰属する当期認識収益費用合計	3,308	489,220	1,929	285,280

⑦ 当行キャッシュ・フロー計算書

		12月31日に終了した事業年度	
	注記	2007年	2006年

		百万ポンド	百万円	百万ポンド	百万円
営業活動（に使用された）によるキャッシュ・フロー					
税引前利益		**2,859**	**422,818**	2,335	345,323
調整：					
－純利益に含まれる非現金項目	37	**1,607**	**237,659**	1,267	187,377
－営業資産の変動	37	**(44,754)**	**(6,618,669)**	(13,812)	(2,042,657)
－営業負債の変動	37	**39,363**	**5,821,394**	21,446	3,171,649
－換算差額の消去(1)		**(2,046)**	**(302,583)**	(160)	(23,662)
－投資活動による純利益		**(167)**	**(24,698)**	(48)	(7,099)
－確定給付年金制度に対する拠出額		**535**	**79,121**	127	18,782
－法人所得税支払額		**(428)**	**(63,297)**	(323)	(47,768)
営業活動（に使用した）による純資金		**(3,031)**	**(448,255)**	10,832	1,601,944
投資活動（に使用した）によるキャッシュ・フロー					
金融投資の購入		**(20,361)**	**(3,011,188)**	(17,398)	(2,572,990)
金融投資の売却による収入		**19,027**	**2,813,903**	20,315	3,004,385
有形固定資産の購入		**(307)**	**(45,402)**	(373)	(55,163)
有形固定資産の売却による収入		**59**	**8,726**	148	21,888
のれんおよび無形資産の購入		**(97)**	**(14,345)**	(110)	(16,268)
関連会社の買収/持分の増加による純資金支出		**(61)**	**(9,021)**	(98)	(14,493)
関連会社の処分による収入		**298**	**44,071**	46	6,803
株式報酬取引に備えるためのHSBCホールディングス・ピーエルシーの株式の購入		**26**	**3,845**	84	12,423
投資活動（に使用した）による純資金		**(1,416)**	**(209,412)**	2,614	386,584
財務活動に使用したキャッシュ・フロー					
普通株式の発行		**1,510**	**223,314**	675	99,826
劣後ローン実行額		**－**	**－**	1,110	164,158
劣後ローン返済額		**22**	**3,254**	(400)	(59,156)
配当金支払額		**(1,706)**	**(252,300)**	(1,591)	(235,293)
財務活動に使用した純資金		**(174)**	**(25,733)**	(206)	(30,465)
現金および現金同等物の正味（減少）増加		**(4,621)**	**(683,400)**	13,240	1,958,064
現金および現金同等物―1月1日現在		**26,485**	**3,916,867**	14,053	2,078,298
現金および現金同等物に係る為替レート変動の影響		**728**	**107,664**	(808)	(119,495)
現金および現金同等物―12月31日現在	37	**22,592**	**3,341,131**	26,485	3,916,867

(1) 期首残高と期末残高との為替変動を消去して平均レートにするための調整。非合理的費用なしでは詳細を特定できないため、調整は項目ごとに行われるものではない。

次へ

財務諸表注記

1 表示の基礎

(a) 国際財務報告基準の準拠

グループは、連結財務諸表および親会社の財務諸表を欧州連合（「EU」）が承認している国際財務報告基準（「IFRS」）に準拠して作成している。EU承認のIFRSは、ある時点で新規または改訂版のIFRSをEUが承認しない限り、国際会計基準審議会（「IASB」）が公表しているIFRSとは異なる可能性がある。2007年12月31日現在、2007年12月31日に終了した事業年度に有効となる連結財務諸表および親会社の財務諸表に影響を及ぼす未承認の基準はなく、グループへの適用に関してEU承認のIFRSとIASB公表のIFRSとの間に差異はない。よって、2007年12月31日に終了した事業年度のグループの財務諸表は、IASB公表のIFRSに従って作成されている。

IFRSは、IASBおよびその前身団体が公表している会計基準と国際財務報告基準解釈指針委員会（「IFRIC」）およびその前身団体が公表している解釈指針を含んでいる。

グループの財務諸表を作成する際に適用された重要な会計方針は、以下の注記２に記載されている。

2007年１月１日に、グループはIFRIC第10号「期中財務報告および減損」を適用した。当該解釈指針の適用は、連結財務諸表に重要な影響を及ぼさなかった。

2007年度中に、グループは追加セグメントとして「その他」を含めるために事業セグメントの表示を変更した。過年度の比較データはすべて、当事業年度の表示と一致させるために修正再表示されている。これに関する追加情報は注記２(c)に記載されている。

(b) 情報の表示

グループの財務諸表と共に親会社の財務諸表を公表するに当たり、グループは1985年会社法第230条の免除規定を利用し、承認された財務諸表の一部を形成する個別の損益計算書および関連する注記を表示していない。

グループは1993年パートナーシップおよび無限責任会社(勘定)規定、レギュレーション７に基づいて、グループが連結している一部のパートナーシップについて、IFRSに準拠した個別財務諸表の表示を免除されている。

本書の17ページから22ページ（訳注：原文のページ数である）に記載されている監査済みの資本管理に関する情報も、財務諸表の一部を形成している。

(c) 連結

エイチエスビーシー・バンク・ピーエルシーの連結財務諸表は、12月31日までの当行および当行の子会社の財務諸表を含んでいる。新たに取得された子会社は、グループに支配権が移転した日から連結対象となる。グループによる子会社の取得は、パーチェス法を用いて会計処理されている。取得原価は、取引日における対価の公正価値で測定され、当該取得に直接関連する費用が加算される。取得された識別可能資産、負債および偶発債務は、取得日の公正価値で測定される。取得原価が取得された識別可能資産、負債および偶発債務におけるグループの持分の公正価値を超過する場合、当該超過分はのれんとして計上される。取得原価

が、要求されている事業の識別可能資産、負債および偶発債務におけるグループの持分の公正価値を下回る場合、差額が損益計算書に直ちに認識される。グループが支配している事業体は、支配が停止される日まで連結対象である。

特別目的会社（「SPE」）については、以下のような場合にグループが実質的な支配権を有していると見なされ、連結される。

- SPEの活動が個別の事業のニーズに合わせてグループのため行われており、当該SPEの事業活動によってグループが利益を得ている。
- グループがSPEの活動による利益の大部分を得るための意思決定権を有しているか、自動操縦型の経営管理により、そのような意思決定権を委任している。
- グループがSPEの利益の大部分を得る権利を有しており、その結果、SPEの活動に伴うリスクに晒される可能性がある。
- グループがSPEもしくはその資産に関連する残余リスクまたは所有リスクの大部分を、SPEの活動から利益を得るために保有している。

グループ間取引はすべて、連結時に消去される。

グループの連結財務諸表は、合弁事業および関連会社の損益および剰余金に対するグループの持分も含んでいる。グループの財務諸表は12月31日より前の３ヶ月以内の財務諸表に基づいており、同日からグループの報告日までに発生した重要な取引または事象の影響が反映されている。

(d) 今後適用される基準

IASBが公表し、EUが承認した基準および解釈指針

IAS第14号「セグメント報告」と差し換えられるIFRS第８号「事業セグメント」は、2006年11月30日に公表され、2009年１月１日以降に開始する事業年度から適用となる。この基準は、最高意志決定者が経営上の意思決定をする際に用いる事業体の構成要素の情報に基づいて、事業体が事業セグメントに関する情報をどのように報告すべきかについて規定している。グループは現在、IAS第14号に従って、グループの事業管理方法を反映させた２つのセグメント（地域別セグメントおよび顧客グループに基づくセグメント）を表示している。IFRS第８号は2009年１月１日を以ってグループに適用される予定であり、その時点で経営上の意思決定を行う際に用いる事業セグメントを反映させたセグメント情報を表示する予定である。

IFRIC第11号「グループおよび自己株式取引」は2006年11月２日に公表され、2007年３月１日以降開始される事業年度に適用されている。IFRIC第11号は、事業体が自己の持分金融商品の対価として商品あるいはサービスを受け取る場合、その持分金融商品がどのように入手されたかに関わらず、当該取引を持分決済型の株式報酬取引として会計処理することを要求している。当該解釈指針はまた、商品またはサービスの提供者が提供先の親会社の持分金融商品を受け取る株式報酬取引を財務諸表において現金決済型取引として会計処理すべきか、あるいは持分決済型取引として会計処理すべきかについてもガイダンスを提供している。当該解釈指針は2008年１月１日を以って適用される予定であり、グループへの影響については現在評価中である。

IASBが公表した基準および解釈指針のうち、EUが承認していないもの

2007年３月29日に、IASBはIAS第23号（改訂版）「借入費用」を公表した。この基準は2009年１月１日以降開始される事業年度に適用される。IAS第23号（改訂版）は、借入費用が適格資産の取得、建設または製造を直接の発生原因とする範囲で、当該借入費用を費用として即時認識するという選択肢を削除している。当該基準（改訂版）の適用がグループの業績に重要な影響を及ぼすことはないとみられる。

IFRIC第12号「サービス譲与契約」（「IFRIC第12号」）は2006年11月30日に公表され、2008年１月１日以降開始される事業年度に適用される。IFRIC第12号は、民間運営会社が公共サービスを提供するために政府またはその他の公共部門と締結するサービス譲与契約についてガイダンスを提供している。IFRIC第12号は、運営会社がどのように既存のIFRSを適用してサービス譲与契約の引受債務および権利を会計処理すべきかについて述べている。IFRIC第12号がグループに重要な影響を及ぼす可能性は低い。

IFRIC第13号「カスタマー・ロイヤルティー・プログラム」（「IFRIC第13号」）は2007年６月28日に公表され、2008年７月１日以降開始される事業年度に適用される。IFRIC第13号は、顧客が商品またはサービスを購入した際に、当該顧客に賞品クレジット（「ポイント」と呼ばれることが多い）を付与する会社が、顧客のポイントと引き換えに無料あるいは割引価格で商品またはサービスを提供する義務をどのように会計処理すべきかについて取り扱っている。IFRIC第13号は、会社が当初販売の受取額の一部を賞品クレジットに割り当てた上で、商品またはサービスを提供する義務を履行した場合にのみ、これらの受取額を収益として認識するよう要求している。グループは当該解釈指針の影響について、現在評価中である。

IFRIC第14号「IAS第19号－確定給付資産の制限、最低積立要件およびそれらの相互関係」（「IFRIC第14号」）は2007年７月５日に公表され、2008年１月１日以降開始される事業年度に適用される。IFRIC第14号は、確定給付制度からの払い戻しおよび将来的な拠出の減少が、正味確定給付資産を認識するために事業体にとって有効であるとみなされる状況についてガイダンスを規定している。さらに、最低積立要件および当該制度から会社が回収できる金額に対する制限が設けられている管轄地においては、払い戻しまたは拠出の減少のいずれかにより、追加負債の認識が必要になる可能性がある。IFRIC第14号がグループに重要な影響を及ぼすことはないとみられる。

IAS第１号（改訂版）「財務諸表の表示」は2007年９月６日に公表され、2009年１月１日以降開始される事業年度に適用される。当該基準（改訂版）は、財務諸表の利用者の財務諸表に表示された情報を分析し比較する能力を向上させることを目的としている。当該基準（改訂版）の適用が、グループの連結財務諸表に報告された業績に影響を及ぼすことはないが、グループの業績および財政状態の表示は一部変更される。

2008年１月17日に、IASBはIFRS第２号「株式報酬」の改訂を公表した。当該改訂は2009年１月１日以降開始される事業年度に適用され、権利確定条件が勤務条件と業績条件のみから構成されていることを明確化している。また、権利確定条件以外の条件を満たせない場合の会計処理についても規定している。当該改訂の適用がグループの連結財務諸表に重要な影響を及ぼす可能性は低い。

IFRS第３号（改訂版）「企業結合」およびIAS第27号（改訂版）「連結および個別財務諸表」は、2008年１月10日に公表された。これらの基準の改訂は、取得日が2009年７月１日以降開始される最初の年次財務報告期間の期首以降である企業結合に対して、将来に向けて適用される。当該基準における主な変更点は以下のとおりである。

- 取得関連費用は、発生年度の損益計算書上で費用として認識される。
- 支配を取得する以前に保有していた株式持分は、支配を取得した時点で公正価値により再測定され、利益または損失は損益計算書に認識される。
- 子会社における親会社の所有持分の変動によって支配の変更が生じることがない場合、当該取引は株

主間取引として処理され、資本に計上される。

・ 取得した事業体の非支配持分（以前は少数株主持分と称していた）を測定する際に、取引ごとに、公正価値あるいは取得した事業体の正味識別可能資産に対する非支配持分割合相当額のいずれかを選択することができる。

当該変更がグループの業績および財政状態に及ぼす影響は、2010年１月１日以降の企業結合の発生頻度および時期によって決まる。

2008年２月14日に、IASBはIAS第32号「金融商品：表示」およびIAS第１号「財務諸表の表示」の改訂－「プット可能な金融商品および清算時に生じる債務」を公表した。当該改訂は、2009年１月１日以降開始される事業年度に適用される。グループは当該改訂の連結財務諸表への影響について、現在評価中である。

2 重要な会計方針

(a) 受取利息および支払利息

トレーディング目的保有に分類された金融商品、または公正価値評価の指定を受けた金融商品を除くすべての利付金融商品（グループが発行した負債および関連するデリバティブは除く）の受取利息および支払利息は、実効金利法を用いて、損益計算書上の「受取利息」または「支払利息」に認識される。実効金利法は、金融資産または金融負債（金融資産グループまたは金融負債グループ）の償却減価を計算し、受取利息または支払利息を関連期間に分配する方法である。

実効金利は、金融商品の予想有効期間もしくは必要に応じてそれより短い期間にわたる見積現金受取額または支払額を金融資産または金融負債の正味帳簿価額に割り引いた利率である。実効金利を計算する際に、グループは金融商品に関するすべての契約条件（将来の貸し倒れは含まない）を考慮に入れたキャッシュ・フローを見積もっている。この計算には、取引費用およびその他のプレミアムおよびディスカウントを含む実効金利の重要な一部であるグループのすべての支払額または受取額が考慮されている。

減損金融資産に対する利息は、減損引当金控除後の当該金融資産の帳簿価額に当初の実効金利を適用することにより計算されている。

(b) 非利息収益

受取手数料

グループは、顧客に様々なサービスを提供することにより、手数料を受け取っている。受取手数料は以下のとおり、会計処理される。

－重要な業務の実行により稼得した収益は、当該業務の完了時に収益認識される。（例：株式またはその他有価証券の取得に関する契約等、第三者のための取引交渉手数料または交渉参加手数料）

－サービスの提供により稼得した収益は、サービス提供時に収益認識される。（例：資産管理、ポートフォリオおよびその他の管理に関するアドバイザリーおよびサービス手数料）

－金融商品の実効金利の重要な一部を形成する収益は実効金利の調整として認識され、（例：特定の貸出契約手数料）「受取利息」に計上される。（注記2(a)）

公正価値評価を指定されている金融商品の純利益

「公正価値評価を指定されている金融商品の純利益」には、損益を通じて公正価値評価することを指定されている金融資産および金融負債の公正価値の変動によるすべての損益が含まれている。当該勘定は、これらの金融商品から生じる受取利息、支払利息ならびに配当金を含むが、発行済負債証券および発行済負債証券とともに管理されているデリバティブは含まない。これらの金融商品に対する利息は、「正味受取利息」として表示される。

トレーディング純利益

トレーディング純利益は、トレーディング目的で保有されている金融資産および金融負債の公正価値の変動によるすべての損益、ならびに関連する受取利息、支払利息、配当金を含んでいる。

配当金

配当金は、配当を受け取る権利が確定した際に認識される。持分証券については、配当落日に権利確定する。

(c) セグメント報告

グループは、英国、欧州大陸、その他諸国の３つの地域に分類され、以下７つの事業セグメントを通じて事業を管理している。７つの事業部門とは、英国個人向け金融サービス、英国コマーシャル・バンキング、英国グローバル・バンキング・アンド・マーケット、インターナショナル・バンキング、フランス、プライベート・バンキング、HSBCトリンカウス・アンド・ブルクハルトである。「その他」セグメントは、その他の事業セグメントのいずれにも割り当てられない活動、事業ならびに収益および費用の発生源で構成されている。「その他」セグメントは、グループが発行し公正価値評価の指定を受けた負債証券の公正価値の変動およびグループが発行した外貨建て持分金融商品の為替変動を含んでいる。セグメント収益および費用は、地域間の振替および事業セグメント間の振替を含んでいる。これらの振替は、独立企業間原則に従って実施されている。

(d) 公正価値の決定

すべての金融商品は当初は公正価値で認識される。通常の業務過程において、当初認識時の公正価値は取引価格（すなわち、支払対価または受取対価の公正価値）である。しかし、特定の状況においては、当初の公正価値は、同様の商品（修正またはリパッケージ商品を除く）のその他の観測可能な現行市場取引または金利イールド・カーブ、オプションのボラティリティおよび為替レートといった観測可能な市場データのみを変数として用いる評価手法に基づく。これらの証拠が存在する場合、グループは、金融商品取引開始時のトレーディング損益を認識する。観測不可能な市場データが金融商品の評価に重要な影響を及ぼす場合、取引価格と当該評価モデルによって示される公正価値の当初の差額のすべては、損益計算書に直ちに認識されるのではなく、取引期間にわたり適切な基準に基づいて認識されるか、データが観測可能となった時点または、当該取引が満期を迎えるか、グループが相殺取引を行う場合は終了する時点で損益計算書に認識される。

当初認識後、金融商品の活発な市場における公正価値は、資産については買値で、発行済負債については売値で算定される。独立の価格が入手不可能な場合には、観測可能な市場データを参照する評価手法を用い

て公正価値が決定される。このような評価手法には、市場の観測可能な価格が存在する類似商品との比較、割引キャッシュ・フローの分析、オプション価格モデルおよび市場参加者が一般的に利用するその他の評価モデルが含まれる。金融商品は、現行の市場取引あるいは観測可能な市場データからの価格以外の仮定に基づく評価手法によって、公正価値の全体または一部が決定されている。

評価手法を用いて公正価値を算定する場合、ビッド/オファー・スプレッド、信用プロファイルおよび評価モデルの不確実性等の要因を状況に応じて考慮している。評価手法は、評価においてその他の市場参加者が利用する仮定（金利イールド・カーブ、為替レート、ボラティリティ、期前返済率および債務不履行率に関する仮定を含む）を取り入れている。金融商品のポートフォリオに活発な市場における市場価格が存在する場合、当該金融商品の公正価値はユニット数と市場価格の積として表され、大量保有による割引は適用されない。

公正価値で測定される金融資産の公正価値が負の値となれば、正の値になるまで金融負債が計上され、その時点で金融資産として計上される。

金融負債の公正価値は、市場価格（入手可能な場合）または評価手法を用いて測定される。これらの公正価値は、グループの負債の信用力に関する市場参加者の評価を含む。信用リスクの変動に起因する公正価値評価の指定を受けた金融負債および貸付金の公正価値の期中および累積変動額は、市場リスクを発生させる市況の変化に起因しない公正価値の変動額として算定される。

(e) 銀行および顧客に対する貸付金

銀行および顧客に対する貸付金は、短期間での売却を意図していないグループの貸付金を含んでいる。これらは、売買目的に分類されておらず、損益を通じた公正価値評価の指定も受けていない貸付金である。貸付金は借り手に現金が引き渡された時点で認識される。貸付金は借り手が債務を返済した場合や貸付金が売却または償却された場合、あるいは所有に伴うリスクおよび便益の大半が移転した場合に認識が中止される。貸付金は公正価値に直接帰属する取引費用を加えた金額で当初は認識され、その後、減損控除後の実効金利法を用いた償却原価で測定される。公正価値ヘッジとして指定され、適格であると判断されたデリバティブによって貸付金がヘッジされている場合、ヘッジされた貸付金の帳簿価額は、ヘッジ対象リスクのみに関する公正価値調整額を含んでいる。

(f) 貸付金の減損

減損損失は、貸付金または貸付金ポートフォリオが減損しているという客観的な証拠がある場合に、直ちに認識される。減損は、個別貸付金および集合的に評価される貸付金のグループについて算定されている。減損は、損益計算書に費用として計上される。貸借対照表上の減損貸付金の帳簿価額は、減損引当金の計上によって減額される。将来の事象から予想される損失は、認識されない。

個別に評価される貸付金

個別に重要とみなされるすべての貸付金について、各貸借対照表日にグループは、貸付金が減損しているという客観的証拠の有無について個別の評価を行っている。減損の客観的証拠が存在する貸付金の減損は、以下の要因を考慮して決定されている。

－顧客に対するグループのエクスポージャー総額

－顧客のビジネス・モデルの実行可能性、財政困難な状況下で取引を成功させる能力、債務を弁済するための充分なキャッシュ・フローの有無

－現地通貨を用いていない場合、貸付金の通貨で調達し、支払を行う借り手の能力

－予測される受取および回収の金額および時期

－グループより優先順位が上位または同位のその他の債権者のコミットメントの範囲、およびその他の債権者が会社を継続的に支援する可能性

－債権者の請求総額および優先順位を決定する際の複雑性、ならびに法的事項および保険に関する不確実性が明確になっている範囲

－担保(またはその他の信用補完)の実現可能価額および担保権実行の成功の可能性

－清算または破産時の分配金の予測受取可能額

－回収費用による貸付金残高の予測減少額

－入手可能であれば、負債の流通市場価格

減損損失は、貸付金の当初の実効利率で割り引かれた予想将来キャッシュ・フローの現在価値を現在の帳簿価額と比較することにより計算され、損失は損益計算書に計上される。貸借対照表上の減損貸付金の帳簿価額は、引当金を取り崩すことによって減額される。

集合的に評価される貸付金

減損の集合的評価は以下の２つのシナリオに基づいて行われる。

－個別評価の対象となる貸付金において、発生しているが未だ特定されていない損失を補償する場合

－個別に重要とみなされない同種の貸付金グループの場合

発生しているが未だ特定されていない減損

個別評価の結果、損失の証拠が明確に特定されなかった貸付金は、集合的な損失を計算する目的で、信用リスク特性に従ってグループ化される。これは、貸借対照表日に存在するリスク状況の結果、発生している可能性があり、信頼性を持って見積ることができる減損を反映している。これらの損失は、将来においてのみ個別に特定される。グループ内の個別の貸付金に関して損失を特定する情報が入手された場合は、それらの貸付金は直ちに当該グループから取り除かれ、個別に減損を評価される。

集合的な減損に対する引当金は以下を考慮して決定される。

－同様の信用リスク特性(産業部門、リスク格付または商品セグメント等)を有するポートフォリオの過去の損失実績

－減損の発生からその損失が特定され個別の貸付金に対して適切な引当金が設定されるまでの見積期間

－現在の経済および信用状況に基づく実際の固有の損失が過去の実績によって示される損失を上回る、あるいは下回る可能性についての経営陣の経験に基づく判断。

損失の発生から特定までの見積期間は、特定されたポートフォリオごとに地域の経営陣が決定する。

同種の貸付金グループ

多数の比較的少額の資産がポートフォリオ・アプローチを用いて管理されている場合、減損引当金を算定するために、以下の２つの方法が用いられている。

－適切かつ経験に基づく情報が入手可能な場合、グループはロール・レート法を用いている。この方法は、同種の貸付金ポートフォリオ内の貸付金の延滞に基づいて、債務不履行および結果的損失額の実績に関する統計分析を取り入れている。固有の損失を補償するために必要な減損引当金の適切な水準を計算する際には、その他の過去のデータおよび現在の経済状況の評価も行われる。特定の成熟した市場においては、破産や債務の再編等の統計に示される財務活動および管理の状況を考慮したモデルが用いられる。

－ポートフォリオの規模が小さい場合やロール・レート法を用いるための充分な情報が得られない、あるいは情報が信頼できない場合、顧客の貸付金の延滞期間が長くなるにつれて徐々に高い損失率を割り当てるという定型的アプローチが用いられる。損失率はポートフォリオの割引将来キャッシュ・フローを反映しており、過去の損失実績に基づいている。

通常、各ポートフォリオに固有の損失を評価するために最も客観的で適切な情報は、過去の実績である。経済状況や法規制の変化等により、過去の損失実績からは貸借対照表日現在の特定のポートフォリオに固有の損失について関連性のある情報が得られない場合、経営陣は統計モデルに十分に反映されない可能性のあるポートフォリオ・リスク要因の最近の傾向を考慮し、適宜、減損引当金を調整している。

ロール・レート、損失率および見積将来回収時期は適切性を確保するために、定期的に実際の結果と比較している。

減損の戻入

減損損失が減損認識後の期間に減少し、その減少を、減損が認識された後に発生した事象に客観的に関連付けることができる場合、減損引当金を相当額減少させることによって超過分が戻し入れられる。戻入額は損益計算書に計上される。

貸付金と引換えに取得した資産

順当な回収の一部として貸付金と引換えに取得した非金融資産は、売却目的資産として「その他資産」に計上される。取得した資産は、取引日における公正価値（売却費用控除後）または貸付金の帳簿価額（減損引当金控除後）のいずれか低い方の金額で計上される。売却目的資産に関する減価償却は費用計上しない。その後の売却費用控除後の取得資産の公正価値への評価減は、損益計算書の「その他営業収益」に認識される。また、その後の売却費用控除後の公正価値の増加についても、評価減の累計額を上限として、処分に係る実現損益と共に「その他営業収益」に認識される。

貸付金の償却

貸付金および関連する減損引当金は、担保価値でカバーされていない貸付金の場合には貸付金残高を回収できる見通しがほとんどない場合、また担保付貸付金の場合には担保の処分代金が回収できた後に、通常、その一部または全額を償却する。

条件緩和貸付金

契約条件が緩和された集合的に減損を評価される貸付金は、新しい契約条件のもとで最低支払件数が満たされた時点で、延滞とみなされず新規の貸付金として会計処理される。契約条件が緩和された個別に減損を評価される貸付金については、これらが継続的に減損しているか延滞しているかについて判断するために継続的なレビューが行われる。条件緩和貸付金として分類されている貸付金の帳簿価額については、満期または認識が中止されるまで当該分類を維持する。

(g) トレーディング資産およびトレーディング負債

短期国債、負債証券、株式、貸付金、預金、発行済負債証券および有価証券のショート・ポジションは、主に短期間での売却または買戻しを目的として取得される場合、あるいは共に管理される特定された金融商品ポートフォリオの一部を形成し、直近の短期的な利益獲得パターンの証拠がある場合、トレーディング目的に分類される。これらの金融資産また金融負債は、取引日（グループが相手先と有価証券の売買に関する契約を締結した日）に認識され、通常、売却された日（資産の場合）または消滅した日（負債の場合）に認識が中止される。当初は公正価値で測定され、取引費用は損益計算書に計上される。その後、公正価値は再測定され、公正価値の変動による損益はすべて「トレーディング純利益」として発生時に損益計算書に認識される。

(h) 公正価値評価の指定を受けた金融商品

トレーディング目的以外の金融商品は、下記の条件のうちの１つ以上を満たしている場合にこのカテゴリーに分類され、経営陣により同様に指定される。グループは、以下の場合に公正価値評価を指定している。

（ｉ）異なる基準で金融資産または金融負債の評価や関連する損益の認識を行うことから生じる可能性のある評価または認識の不一致を取り除く、あるいは大幅に削減する場合。この基準のもとでグループが指定する主な金融商品の種類は以下のとおりである。

－長期負債証券－特定の発行済固定金利長期負債証券および劣後債務の支払金利は、文書化された金利リスク管理戦略の一環である固定受取／変動支払の金利スワップに適合している。発行済負債証券が償却原価で会計処理された場合には会計上のミスマッチが生じるが、これは、関連するデリバティブが公正価値で測定され、公正価値の変動は損益計算書を通じて計上されるためである。長期債務の公正価値評価を指定することによって、その公正価値の変動は損益計算書に認識されることになる。

－投資契約に基づく金融資産および金融負債－連動する契約に基づく顧客に対する負債は、連動するファンドに保有されている資産の公正価値に基づいて決定され、公正価値の変動は損益計算書に認識される。顧客の負債に関連する金融資産が公正価値評価の指定を受けていない場合、売却可能に再分類され、公正価値の変動は資本に直接計上される。これらの金融商品は公正価値に基づいて管理されており、管理情報も同様の基準で作成されている。投資契約における金融資産および負債が公正価値評価の指定を受けることで、公正価値変動額を損益計算書上で認識し、これらを同一の項目に表示することができる。

(ⅱ) 文書化されたリスク管理または投資戦略に従って公正価値に基づいて金融資産グループ、金融負債グループまたはこれら双方の管理および業績評価を行い、当該金融商品グループに関する情報が同様の基準で経営陣に報告される場合。この基準のもとで公正価値評価の指定を受ける主な金融商品の種類は、保険契約による負債を弁済するために保有される金融資産である。グループは当該資産を管理するための文書化されたリスク管理および投資戦略を有している。これらは市場リスクを軽減するように資産と負債の関係を維持することが考慮されている。資産の公正価値について、経営陣に対する報告書が提出されている。公正価値による評価は、適切な規定に基づく保険事業の報告要件にも準拠している。

(ⅲ) 特定の発行済負債および保有負債証券等の金融商品から生じるキャッシュ・フローを大幅に修正する１つ以上の組込デリバティブを含む金融商品に関連している場合。

公正価値評価の指定は、一度行われると取消が不可能である。指定を受けた金融資産および金融負債は、グループが相手先と契約上の取り決めを行った日（通常は取引日）に認識され、通常、売却された日（資産の場合）または消滅した日（負債の場合）に認識が中止される。当初は公正価値で測定され、取引費用は損益計算書に直接計上される。その後、公正価値は再測定され、公正価値評価の指定を受けている発行済負債証券に対する支払利息を除いて、公正価値の変動による損益は「公正価値評価の指定を受けた金融商品による純利益」に認識される。

(i) 金融投資

継続的な保有が意図されている短期国債、負債証券、株式で、公正価値評価の指定を受けていないもの（注記２(h)）は、売却可能または満期保有目的に分類される。金融投資は取引日（グループが相手先と有価証券の売買に関する契約を締結した日）に認識され、一般的に当該有価証券が売却された場合または借り手が債務を返済した場合に認識が中止される。

(ⅰ) 売却可能有価証券は、当初は、公正価値に直接帰属する付加的取引費用を加えた金額で評価される。その後、公正価値による再評価が行われ、公正価値の変動は当該有価証券が売却されるか減損するまで「売却可能準備金」として資本に認識される。売却可能有価証券が売却された場合は、過年度に資本に認識されていた損益の累計額は「金融投資による純利益」として損益計算書に認識される。

売却可能有価証券の受取利息は、実効金利法を用いて当該資産の見積有効期間にわたる算定により認識される。満期のある投資有価証券を購入することにより発生するプレミアムやディスカウントは実効金利の計算に含められる。配当金は、受け取る権利が確立した時点で損益計算書に認識される。

各貸借対照表日において、金融資産または金融資産グループの価値に減損の客観的な証拠があるかどうかが評価される。一般的に、資産または資産グループから生じる将来キャッシュ・フローへの悪影響を確実に見積ることが可能な場合に減損評価は行われる。売却可能有価証券が減損している場合、累積損失（資産の取得原価（元本返済額および償却額控除後）と現在の公正価値の差異から過年度に損益計算書に認識されていた当該資産の減損を控除した金額として算定されている）は資本から控除され、損益計算書に認識される。減損戻入額はその金融商品の性質に応じて対照的な処理を行う。

― 売却可能に分類された負債証券の公正価値がその後の期間に増加し、その増加を減損が損益

計算書上で認識された後に生じた事象に客観的に関連付けることができる場合、当該減損は損益計算書を通じて戻し入れられる。

－ 損益計算書に認識されている持分金融商品の減損は、損益計算書を通じて戻し入れられることはない。

（ⅱ）満期保有目的投資は、グループが満期まで保有する積極的な意図および能力を有し、固定または確定的な支払および固定満期がある非デリバティブ金融資産である。満期保有目的投資は、当初は公正価値に直接帰属する取引費用を加算した金額で評価され、その後、減損控除後の実効金利法を用いた償却原価で測定される。

(j) 売戻および買戻契約（株式貸借契約を含む）

事前に決められた価格で買い戻すことを条件に売却される有価証券（レポ取引）は貸借対照表に計上され、受取対価は負債に計上される。売り戻すことを条件に購入される有価証券（リバース・レポ取引）は貸借対照表上で認識されることはなく、支払対価は「銀行に対する貸付金」または「顧客に対する貸付金」のいずれかに計上される。売戻価格と買戻価格の差異は利息として会計処理され、契約期間にわたり認識される。

証券貸借取引は通常、有価証券あるいは現金の支払または受取により担保されている。これらの契約に基づく相手先への有価証券の譲渡は通常は貸借対照表に反映されない。支払現金担保は資産として、受取現金担保は負債としてそれぞれ計上される。

借入有価証券は貸借対照表に認識されることはない。第三者へ売却された場合は、当該有価証券の返済義務がトレーディング負債に計上され、公正価値による評価が行われるとともに、公正価値の変動による損益が「トレーディング純利益」に計上される。

(K) デリバティブおよびヘッジ会計

デリバティブは当初は公正価値で認識され、その後、公正価値で再評価される。上場デリバティブの公正価値は市場価格から入手される。店頭取引デリバティブの公正価値は割引キャッシュ・フロー・モデルやオプション価格モデル等の評価手法を用いて決定される。

転換社債に転換オプションが組み込まれるように、その他の金融商品にデリバティブが組み込まれることがある。組込デリバティブは、その経済的特徴およびリスクを主契約のものと明確かつ密接に関連付けることができず、個別の契約に含まれていた場合には組込デリバティブの条件が独立のデリバティブの定義を満たし、組み合わされた契約がトレーディング目的で保有されたり、損益を通じた公正価値評価の指定を受けたりしていない場合に個別のデリバティブとして扱われる。これらの組込デリバティブは公正価値で評価され、公正価値の変動は損益計算書に認識される。

デリバティブは、公正価値が正の場合は資産に、負の場合は負債に分類される。異なる取引から生じるデリバティブ資産および負債は、同様の取引相手との取引であり、相殺する法的権利が存在し、当事者がキャッシュ・フローを純額で決済することを意図している場合に限り相殺される。

公正価値による損益の認識方法は、デリバティブがトレーディング目的であるか、またはヘッジに指定されているかによって異なり、後者の場合は、ヘッジ対象のリスクの性質に基づいて認識される。トレーディング目的保有デリバティブの公正価値の変動によるすべての損益は、損益計算書に認識される。グループは

ヘッジに指定されたデリバティブを、(i) 認識資産または負債、もしくは確定契約の公正価値変動に対するヘッジ（「公正価値ヘッジ」）、(ii) 認識資産または負債もしくは予定取引によって発生する可能性の高い将来キャッシュ・フローの変動に対するヘッジ（「キャッシュ・フロー・ヘッジ」）、または（iii）海外事業への純投資のヘッジ（「純投資ヘッジ」）のいずれかに分類している。ヘッジ会計は、一定の基準を満たしていることを条件に、公正価値ヘッジ、キャッシュ・フロー・ヘッジ、純投資ヘッジのヘッジ手段として指定されたデリバティブに適用される。

ヘッジ会計

ヘッジの開始時点で、グループはヘッジ手段とヘッジ対象の関係、およびヘッジの引受けに対するリスク管理目的および戦略を文書化している。グループはまた、ヘッジ開始時点からその後も継続してヘッジ取引で使用されたデリバティブが、ヘッジ対象の公正価値またはキャッシュ・フローのリスクに起因する変動を極めて有効に相殺するかどうかに関する評価を文書化している。適格ヘッジの利息は「正味受取利息」に計上される。

公正価値ヘッジ

公正価値ヘッジとして指定され、適格なデリバティブの公正価値の変動は、ヘッジされたリスクに関係する資産および負債あるいは資産および負債グループの公正価値の変動とともに損益計算書に認識される。

ヘッジ関係がヘッジ会計の基準を満たさなくなった場合、ヘッジ対象の帳簿価額に対する累積調整額は再計算された実効金利に基づいて満期までの残存期間にわたり損益計算書に計上される。ただし、ヘッジ対象の認識が中止された場合は直ちに損益計算書に計上される。

キャッシュ・フロー・ヘッジ

キャッシュ・フロー・ヘッジとして指定され、適格なデリバティブの公正価値の変動の有効部分は、キャッシュ・フロー・ヘッジ準備金として資本の部に認識される。非有効部分の公正価値の変動による損益は、直ちに損益計算書に認識される。

資本の部における累積金額はヘッジ対象が損益に影響を及ぼす期間に損益計算書に振り替えられる。しかし、ヘッジされた予定取引により非金融資産または非金融負債を認識する結果となった場合、過年度に資本にて繰り延べられていた損益は、資産または負債に関する原価の当初評価に振り替えられる。

ヘッジ手段が失効または売却された場合、あるいはヘッジ会計基準を満たさなくなった場合、その時点の資本の部における累積損益は、予定取引が最終的に損益計算書に認識されるまで資本の部に引き続き計上される。予定取引が発生する見込みがなくなった場合は、資本の部に計上されていた累積損益は直ちに損益計算書に振り替えられる。

純投資ヘッジ

海外事業への純投資のヘッジはキャッシュ・フロー・ヘッジと同じように会計処理される。ヘッジの有効部分に関する損益は資本の部に認識される。非有効部分に関する損益は、直ちに損益計算書に認識される。資本の部における累積損益は、海外事業が処分される際に損益計算書に計上される。

ヘッジの有効性に関するテスト

グループは、ヘッジ会計の適用が認められるためには、ヘッジの開始から有効期間にわたり、ヘッジが極めて有効であると見込まれることを要求している。実際の有効性も継続的に検証されなければならない。

ヘッジ関係の文書には、ヘッジの有効性がどのように評価されているかに関して記載されている。グループ会社がヘッジの有効性を評価するために採用する方法は、リスク管理戦略に基づいて決定される。

将来的有効性に関しては、ヘッジ手段が、ヘッジが指定された期間のリスクに起因する公正価値またはキャッシュ・フローの変動を相殺する上で極めて有効であることが要求される。実際の有効性は、公正価値またはキャッシュ・フローの変動が80%から125%の範囲で互いに相殺されることによって確保される。

ヘッジの非有効部分は損益計算書上の「トレーディング純利益」に認識される。

ヘッジ会計の適用が認められないデリバティブ

ヘッジ会計の適用が認められないデリバティブの公正価値の変動による損益は、損益計算書に直ちに認識される。これらの損益は「トレーディング純利益」に計上される。ただし、デリバティブが公正価値評価を指定された金融商品とともに管理されている場合（グループが発行した債務に関するデリバティブを除く）には、公正価値の変動による損益は「公正価値評価の指定を受けた金融商品による純利益」に計上される。グループが発行した公正価値評価を指定された負債証券とともに管理されているデリバティブに対する利息は「支払利息」に認識されている。これらのデリバティブに関するその他の損益は、「公正価値評価の指定を受けた金融商品による純利益」に計上される。

(l) 金融資産および負債の認識中止

金融資産のキャッシュ・フローを受け取る権利が失効した場合、あるいはグループが金融資産を移転した場合（つまり、金融資産のキャッシュ・フローを受け取る約定権利を移転するか、もしくは以下のような契約において、金融資産のキャッシュ・フローを受け取る権利を維持しているものの、受取人に対してキャッシュ・フローを支払う約定債務を引き受けている場合）金融資産の認識は中止される。

― 資産から同額が回収される場合を除き、キャッシュ・フローを引き渡す義務がない。

― 契約条件が、資産を売却または担保として供することを禁止している。

― 回収されたキャッシュ・フローが、重大な遅延なく受取人に送金される。

金融資産が移転された場合、以下のいずれかによって認識が中止される。

― 所有に伴うリスクと便益の大半を他に移転した場合、または

― グループがリスクと便益の大半を維持または移転していないが、支配を維持していない場合

金融負債は、債務の解消、取消し、失効等により負債が消滅した場合に認識が中止される。

(m) 金融資産と金融負債の相殺

金融資産と金融負債は、これらの認識金額を相殺する法的権利が存在し、純額で決済する、もしくは資産

の実現と同時に負債を決済する意図がある場合に相殺され、純額が貸借対照表に計上される。

(n) 子会社、関連会社および合弁事業

当行の子会社、関連会社および合弁事業への投資は、減損および子会社の場合には買収前配当金を控除後の取得原価で計上されている。投資の回収可能額を算定する際に用いた見積りに変更があった場合は、減損の戻入が損益計算書に認識される。

グループの関連会社および合弁事業への投資は、持分法で認識されている。当初は関連するのれんを含む取得原価で計上し、その後に買収後の純資産に対するグループの持分の変更を調整している。

グループは、損益に認識されていない関連会社および合弁事業への投資の帳簿価額に対する調整を資本の部の「関連会社および合弁事業」準備金に直接認識している。

グループの関連会社および合弁事業との取引に関する未実現利益は、これらの関連会社または合弁事業におけるグループの持分に基づいて消去されている。未実現損失についても、譲渡された資産が減損しているという証拠がない限り、関連会社および合弁事業におけるグループの持分に基づいて消去される。

(o) のれんおよび無形資産

（ⅰ）企業結合（子会社、合弁事業または関連会社の取得を含む）によるのれんは、取得費用が取得した識別可能な資産、負債および偶発債務におけるグループの持分の公正価値を上回る場合に生じる。取得事業の識別可能資産、負債および偶発債務におけるグループの持分の公正価値が取得費用を上回る場合は、超過額が損益計算書に直ちに認識される。
無形資産は、これらが分離可能であるか、約定権利またはその他の法的権利から生じており、公正価値を確実に見積ることができる場合にのれんとは別に認識される。

のれんは、減損テストを行うために現金生成単位に配分される。減損テストは、内部管理目的でのれんがモニターされる最小単位を対象に実施される。減損テストは少なくとも年に一度、また現金生成単位に減損の兆候がある場合に、事業からの予想将来キャッシュ・フローの現在価値を純資産の帳簿価額（関連するのれんを含む）と比較することにより行われている。のれんは損益計算書に計上された減損累計額控除後の取得原価で計上される。

合弁事業または関連会社の取得によるのれんは「関連会社および合弁事業における持分」に計上されている。

事業の処分日に、関連するのれんは純資産に対するグループの持分として処分時の損益の算定に含まれる。

（ⅱ）無形資産は、有効な長期保険業務、コンピュータ・ソフトウェア、商号、顧客リスト、コア預金関係、クレジット・カード顧客関係、商業またはその他ローン契約関係の価値を含む。無形資産は、帳簿価額が回収できない可能性を示す事象または状況の変化がみられる場合には、減損について検討される。

－無期限の耐用年数を有する無形資産または未だ使用できる状態ではない無形資産は、少なくとも年に一度減損テストを行う。この減損テストは、毎年同じ時期に実施することを条件として、当事業年度中であればいつでも実施することができる。当期において認識された無形資産の減損テストは期末までに実施される。

－有限の耐用年数を有する無形資産（有効な長期保険業務の価値を除く）は、償却費および減損累計額を控除後の取得原価で計上され、見積耐用年数にわたり償却される。見積耐用年数は法律で定められた期間または見積経済耐用年数のいずれか短い方の期間である。

有効な長期保険業務の価値に関する会計方針は、注記２(x)を参照のこと。

無形資産は以下の耐用年数にわたり償却されている。

商号	10年
購入したソフトウェア	５年
内部開発されたソフトウェア	５年
顧客または商業上の関係	３年から10年
その他	10年

(p) 有形固定資産

土地および建物は、減損および減価償却費を控除後の取得原価またはIFRSへの移行日の公正価値で計上される。これらの資産を見積耐用年数にわたって償却する際の減価償却費は以下のとおり算定されている。

－所有地は減価償却されない

－所有建物は、定額法による１年当たり２％の償却額、あるいは残存耐用年数に基づいて算定される償却額のいずれか大きい方の金額で減価償却される。

－リース建物は、リースの解約不能期間または残存耐用年数にわたり定額法で減価償却される。

設備および付帯設備（グループが貸し手であるオペレーティング・リースの設備を含む）は、減損および減価償却費を控除後の取得原価で計上される。減価償却費は、定額法により、通常５年から20年、最長で35年の耐用年数にわたって資産を償却するように算定されている。

有形固定資産は、帳簿価額が回収できない可能性を示す事象または状況の変化があった場合に減損について検討する。

グループは、特定の不動産を、賃貸料または投下資本増加、あるいはその両方を得る投資目的で保有している。投資不動産は貸借対照表に公正価値で計上され、公正価値の変動は変動があった年度の損益計算書に認識される。公正価値は、独立の鑑定士が認められた評価手法を用いて決定している。

(q) ファイナンス・リースおよびオペレーティング・リース

資産の所有に伴う実質的にすべてのリスクおよび便益（法的所有権は必ずしも含まない）を相手先に移転する契約はファイナンス・リースとして分類される。グループがファイナンス・リースにおける貸し手である場合、リース債権（未収収益控除後）は「銀行に対する貸付金」または「顧客に対する貸付金」のいずれか適切な方に計上される。未収金融収益はリースに対する純投資の収益率が一定となるようにリース期間にわたり「正味受取利息」に認識される。

グループがファイナンス・リースにおける借り手である場合、リース資産は「有形固定資産」に計上され、これに対応する貸し手への負債は「その他負債」に計上される。ファイナンス・リースおよびこれに対応する負債は、当該資産の公正価値または最低リース支払額の現在価値のどちらか少ない方で当初は認識される。未払金融費用は負債残高に対する利率が一定となるようにリースに内在する利率に基づいてリース期間にわたり「正味受取利息」に認識される。

その他のリースはすべてオペレーティング・リースとして分類される。グループが貸し手である場合、グループはオペレーティング・リースに影響を受ける資産を「有形固定資産」に計上し、適切な会計処理を行っている。減損は、残存価値を全額回収することができないために、当該資産の帳簿価額に減損が生じた場合に認識される。グループが借り手である場合は、リース資産は貸借対照表に計上されない。オペレーティング・リースに基づく未払または未収賃料はリース期間にわたり定額法で会計処理され、「一般管理費」および「その他の営業収益」にそれぞれ計上される。

セール・アンド・リースバック取引は、資産を売却し、その後、同一資産をリース・バックする取引である。結果として生じるリースは、ファイナンス・リースまたはオペレーティング・リースのいずれかに分類され、適宜、会計処理される。セール・アンド・リースバック取引がファイナンス・リースとして認識される場合、売却代金の帳簿価額超過額は繰延べられ、リース期間にわたって償却される。セール・アンド・リースバック取引がオペレーティング・リースに認識される場合、損益は即時認識される。

(r) 法人税

法人税は、当期法人税および繰延法人税から構成されている。法人税は株主持分に直接認識される項目に関連する場合は株主持分に計上されるが、それ以外は損益計算書に計上される。

当期法人税は、当事業年度の課税所得に対して支払われることが予定されている税金である。当期法人税は、貸借対照表日に有効または実質的に有効な税率で計算され、過年度について支払われる税金に対する調整を行っている。当期法人税資産と負債は、グループが純額決済する意図があり、相殺する法的権利が存在する場合に相殺される。

繰延法人税は貸借対照表上の資産および負債の帳簿価額と税務上の資産および負債の金額の一時差異に対して認識される。繰延税金負債は通常すべての課税対象の一時差異に関して認識され、繰延税金資産は減算可能な一時差異の利用対象となる将来の課税所得が発生する可能性が高い場合にそれを限度として認識される。

繰延税金は、貸借対照表日に有効または実質的に有効な税率に基づいて、資産が実現される、あるいは負債が決済される年度に適用が見込まれる税率を用いて算定される。繰延税金資産と負債は、同一の税務報告グループから発生し、同一の税務当局によって課される法人税に関連し、事業体が相殺する法的権利を有している場合に相殺される。

退職後給付の数理計算上の損益に関連する繰延税金は、資本の部に直接認識されている。資本の部に直接計上されている売却可能投資およびキャッシュ・フロー・ヘッジ手段の公正価値の再評価に関連する繰延税金も資本の部に直接計上され、その後、繰り延べられた公正価値の損益が損益計算書に認識される際に、損益計算書に計上される。

(s) 年金およびその他の退職後給付

グループは世界各国において多数の年金制度およびその他の退職後給付制度を有している。これらの制度は、確定給付制度および確定拠出制度、ならびに退職後医療制度等の様々なその他の退職後給付制度からなる。

確定拠出制度および国が運営する退職給付制度の支払額（これらの制度におけるグループの債務が確定拠出制度と同様である場合）は、期限の到来と同時に費用計上される。

確定給付年金費用および確定給付債務の現在価値は、予想単位積増方式を用いて当該制度の数理士によって報告日に算定される。損益計算書に計上される費用は、主に年金資産の期待収益控除後の現在勤務費用と年金債務に対する割引率のアンワインディングで構成され、営業費用に表示されている。過去勤務費用は給付が権利確定した部分は直ちに認識されるが、それ以外は、権利が確定するまで平均期間にわたり定額法で認識される。数理計算上の損益は、数理計算上の仮定に基づく過去の期待収益と当期の実際の結果との差異および数理計算上の仮定の変動によって生じる。数理計算上の損益は株主持分に認識され、発生年度の認識収益費用計算書に表示される。

貸借対照表に認識される確定給付年金債務は、未認識の過去勤務費用および年金資産の公正価値を調整後の確定給付債務の現在価値を表している。確定給付制度の正味剰余金は未認識の過去勤務費用に将来の拠出額に対する払戻および控除の現在価値を加えた金額に制限されている。

確定給付医療制度等のその他の退職後給付制度によって生じた債務に関する費用は、確定給付年金制度と同様の基準により会計処理されている。

(t) 株式報酬制度

グループに採用された従業員に即座に付与される権利確定期間のないエイチエスビーシー・ホールディングス・ピーエルシーの株式は、直ちに費用計上される。グループとの雇用開始と同時に従業員に報奨が付与され、当該報奨が権利確定するまでに従業員が一定期間にわたり役務を提供しなければならない場合、その費用は権利確定するまでの期間に配分される。

エイチエスビーシー・ホールディングスがグループの従業員に対して付与した株式オプションは、持分決済型株式報酬取引として会計処理される。報酬費用は権利確定期間にわたって損益計算書に認識され、付与日のオプションの公正価値を参照し、オプションの失効等の市場以外の権利確定条件の影響を考慮して決定される。オプションは、従業員が権利確定期間の終了前にグループとの雇用を終了した場合に失効する。勤務期間の費用を計上する際は、このような従業員の将来の退職に関する見積りが考慮される。これらの報奨の公正価値は権利確定期間にわたって資本に貸方計上され、当該報奨は、エイチエスビーシー・ホールディングスの従業員に対する株式譲渡により充足される。

グループ会社がグループの従業員に対して付与した株式報奨は、現金決済型株式報酬取引として会計処理され、権利確定期間にわたって損益計算書上に公正価値で費用計上される。当該株式報奨の公正価値に関する負債は貸借対照表上に認識され、その後は権利確定期間にわたって各報告日および決済日に再測定される。当該報奨の権利確定条件が満たされている場合、当該従業員を雇用する事業体がエイチエスビーシー・ホールディングスの株式を従業員に譲渡する義務を負う。

従業員がグループから離職したことにより権利確定期間中に株式報奨およびオプションが失効する場合、それまでの費用は損益計算書に戻し入れられる。従業員がグループとの雇用は終了していないが、制度から脱退したことにより報奨が失効する場合、権利確定の繰り上げとして会計処理され、未認識費用は損益計算書に即時認識される。株式報奨およびオプションが完全に権利確定した後に失効する場合は、会計処理は行われない。

(u) 外貨換算

グループ会社の財務諸表項目は、その事業体が事業活動を行う主な経済環境における通貨（「機能通貨」）を用いて評価される。エイチエスビーシー・バンク・ピーエルシーの連結財務諸表は、グループの表

示通貨である英国ポンドで表示されている。

外貨での取引は、取引日の為替レートを用いて機能通貨に換算されている。外貨建ての貨幣性資産および負債は貸借対照表日の為替レートで機能通貨に換算されている。結果として生じる換算差額は損益計算書に計上される。取得原価で評価されている外貨建ての非貨幣性資産および負債は、当初の取引日の為替レートを用いて機能通貨に換算される。公正価値で評価される外貨建ての非貨幣性資産および負債は、当該公正価値が決定された日の為替レートで機能通貨に換算される。非貨幣性項目の損益が資本に直接認識される場合、非貨幣性項目の損益の為替構成部分は資本に認識される。非貨幣性項目の損益が損益計算書に認識される場合、非貨幣性項目の損益の為替構成部分は損益計算書に直接認識される。

財務諸表上、機能通貨が英国ポンドではない支店、子会社、合弁事業および関連会社の資産（該当する場合は資産に関連したのれんを含む）および負債は、貸借対照表日の為替レートでグループの表示通貨に換算される。機能通貨が英国ポンドではない支店、子会社、合弁事業および関連会社の損益は、報告期間の平均為替レートで英国ポンドに換算されている。期首の外貨純投資の再換算および平均レートから期末レートへの報告期間の損益の再換算による換算差額は、資本における「換算準備金」に認識される。IFRSへの移行日に、グループはIFRS第１号に基づいてすべての海外事業に関する累積換算差額をゼロに設定した。海外事業への純投資の一部である貨幣性項目の換算差額は、個別財務諸表の損益計算書に認識される。連結財務諸表においては、換算差額は換算準備金として株主持分に認識される。海外事業の売処分時には、関連する換算差額および過年度に準備金に認識されていた換算差額は、損益計算書に認識される。

(v) 引当金

引当金は、過去の事象から生じた現在の法的債務またはみなし債務を決済するために経済的便益が流出する可能性があり、当該債務の金額を確実に見積もることができる場合に認識される。

偶発債務（担保として供されている特定の保証および信用状を含む）は、過去の事象から生じる潜在的な債務であり、その存在はグループが完全に支配できない１つまたは複数の不確定な事象が将来発生するか否かによってのみ確認される。偶発債務は、財務諸表では認識されないものの、決済の可能性が低い場合を除き、開示される。

(w) 金融保証契約

保険契約に分類されない金融保証契約に基づく負債は、当初は公正価値（通常、受取手数料または未収手数料）で計上される。その後、金融保証負債は、当初公正価値から累積償却額を控除後の金額または当該債務を決済するために必要な支出に関する最善の見積額のいずれか高い方で評価される。保証契約が保険契約に分類されている場合、金融保証負債は保険負債と同様に評価される。

エイチエスビーシー・バンク・ピーエルシーは、その他のグループ会社に対して金融保証を発行しており、それらは上記に従って会計処理されている。

(x) 保険契約

グループは、保険子会社を通じて、保険リスク、金融リスクまたはこれら双方を伴う契約を顧客に提供している。特定の不確実な事象が将来発生した場合に当事者を補償する契約により、グループが当該当事者から重要な保険リスクを請け負っている場合に、当該契約は保険契約として分類される。保険契約では金融リ

スクも移転されるが、保険リスクが重要である場合は保険契約として計上される。

IFRS第４号で認められているとおり、任意参加型の投資契約は保険契約として会計処理される。

保険契約は以下のとおり会計処理される。

保険料

損害保険事業の保険料総額は、会計年度中に負担したリスクに相当する保険契約期間にわたり収益に計上される。会計年度中に引き受けた貸借対照表日後のリスク期間に関連する事業の未収保険料または相当分は、比例配分により日割または月割計算される。

生命保険の保険料は受取可能となった際に会計処理される。ただし、ユニット連動型保険の場合は負債の確定時に保険料が計上される。

再保険料はこれらが関連する直接保険の保険料と同一の会計年度に会計処理される。

保険金および再保険金

損害保険事業の保険金総額は、支払保険金および支払備金の変動を含む。

生命保険契約の保険金総額には、期中に生じた保険金の費用総額（手数料および配当予定額に基づく保険契約者配当を含む）が反映されている。期中に生じる保険金は、満期保険金、解約返戻金および死亡保険金を含む。

満期保険金は、支払期日到来時に認識される。解約返戻金は、支払時またはもっと早い段階（通知に従って関連する保険負債の計算に当該契約を含めることを中止した時点）で認識される。死亡保険金は、通知があった時点で認識される。

再保険料は関連する保険金と同一の期間に会計処理される。

保険契約に基づく負債

損害保険契約の支払備金は、報告済みか否かにかかわらず、貸借対照表日において発生済であるが未決済のすべての保険金に関する見積最終費用、ならびに関連する手数料の加算、見積回収価値およびその他回収額の減算に基づいて決定されている。発生済未報告の保険金に対する負債は、見積ベースで適切な統計に基づく手法を用いて決定される。

非連動型生命保険契約に基づく負債は、現地の数理計算原則に基づいて各生命保険事業別に計算されている。

ユニット連動型生命保険契約に基づく負債は、関連するファンドまたは指標の価値を参照して計算された解約返戻金または譲渡価格と少なくとも同等である。

負債十分性テストは、その負債の帳簿価額が将来キャッシュ・フローの現在の見積りに照らし合わせて十分であることを保証するために保険負債に対して実施される。負債十分性テストを実施する場合、すべての契約上のキャッシュ・フローは割引かれ、当該負債の帳簿価額と比較される。不足が確認された場合は、損益計算書上に直ちに費用計上される。

保有長期保険事業の現在価値

貸借対照表日現在保有している、長期保険事業に分類される保険契約の価値は、資産として認識される。

保有長期保険事業の現在価値は、現在保有している事業から生じると予想される将来キャッシュ・フローを割り引くことによって算定される。算定に際しては、将来死亡率、失効率および費用水準、ならびに各長期保険事業に帰属するリスクプレミアムを反映したリスク割引率といった要因が仮定として用いられる。保有長期保険事業の現在価値の変動は「その他営業収益」に税込みベースで計上される。

将来の利益配当

保険契約者に対する任意の利益配当金の給付を規定している保険契約の負債は、保険契約者が未実現利益から給付を得ることのできる範囲で、当該契約を裏付ける資産に関連して認識される正味未実現利益が含まれている。給付は、当該契約の契約条件、規制または過去の分配方針に基づいて、契約条件、規制または過去の分配方針から生じる可能性がある。これに対応する負債の変動は、資産に関連する正味未実現利益と同一割合で資本または損益計算書に認識される。正味未実現損失に対しては、回収可能性が極めて高い場合に限り、繰延利益配当資産が認識される。

(y) 投資契約

非連動型およびユニット連動型投資契約に基づく顧客の負債および連動金融資産は公正価値評価の指定を受けている。公正価値の変動は「公正価値評価の指定を受けた金融投資による純収益」として計上される。受取保険料および支払保険金は各投資契約に対して計上される負債の増加または減少として会計処理される。

投資管理手数料は投資管理サービスの提供期間にわたり損益計算書の「正味受取手数料」に認識される。

新規投資契約の獲得または既存の投資契約の更新に直接関連する費用は、繰り延べられ、投資管理サービスの提供期間にわたり償却される。

(z) 発行済負債証券ならびに顧客および銀行からの預金

金融負債は、グループが契約相手先と契約条項を締結した際（一般的に取引日）に認識される。金融負債は、当初は公正価値（通常、受取対価から直接帰属する取引費用を控除した金額）により測定される。その後は、損益を通じて公正価値評価されているものおよび金融保証を除き、金融負債は償却原価で測定され、直接帰属する取引費用を控除後の受取額と負債の償還金額の差額を予想期間にわたり実効金利法を用いて償却している。

(aa) 株式資本

発行済金融商品は、現金または他の金融資産を譲渡する契約上の義務が存在しない場合に、資本に分類される。持分金融商品の発行に直接帰属する付加的費用は、税引後の金額により受取額の減少項目として資本に計上される。

(ab) 現金および現金同等物

キャッシュ・フロー計算書においては、現金および現金同等物には、価格の変動リスクが非常に少なく既知の現金金額に容易に交換可能な流動性の高い投資が含まれている。このような投資は通常、取得日から３ヶ月未満で満期が到来するものであり、現金、中央銀行預け金、短期国債およびその他の適格手形、銀行に対する貸付金、他行から回収中または他行へ送金中の項目、および預金証書が含まれている。

(ac) 売却目的固定資産

グループは、固定資産または処分グループの帳簿価額が継続使用よりもむしろ主として売却取引を通じて回収される場合に、それらを売却目的に分類している。

グループがこの分類を使用するためには、資産または処分グループが現状のままで即時に売却可能であり、売却可能性が高いことが要求される。売却可能性は以下の場合に高いと言える。

－ 適切な地位にある経営陣が資産または処分グループを売却する計画を明言している。

－ 買い手を決定し、計画を完了するための行動計画が着手されている。

－ 資産または処分グループが、現在の公正価値に比べて妥当な価格で積極的に売り出されている。

－ 分類日から１年以内に売却が完了することが見込まれている。

－ 計画に対する重大な変更が行われる可能性または計画が中止される可能性が低い。

グループが、資産または処分グループを売却目的に分類する場合、帳簿価額と売却費用控除後の公正価値のいずれか低い方で評価される。

3 仮定と見積りの使用

グループの経営成績は、連結財務諸表の作成の基礎となる会計方針、仮定および見積りに影響を受ける。連結財務諸表を作成する際に適用された会計方針は、注記２に詳述されている。

英国法のもとでは、財務諸表を作成するにあたり、適切な会計方針を選択すること、および合理的で慎重な判断や見積りを行うことは、取締役の責任である。

会計方針が適用される項目の重要性という観点から、または重要な判断と見積りを伴うことから、グループの経営成績および財政状態にとって重要と見なされる会計方針は、以下のとおりである。

貸付金の減損

顧客に対する貸付金の減損に関連する損失についてのグループの会計方針は、財務諸表の注記２(f)に記載されている。詳細については注記38「リスク管理」を参照のこと。

減損した貸付金に係る損失は、グループの損益計算書の勘定科目「貸倒損失およびその他の信用リスク引当金」に計上されている。これらの損失が増加することにより、グループの当期利益が同額減少することになる（一方で、貸倒損失の減少または戻入はその反対の影響を及ぼす。）

グループの方針は、少なくとも半年に１度、または個々の状況次第ではより頻繁に、重要性の基準を上回る各ファシリティに対する貸倒引当金の水準を見直すことを要求している。ここには通常、保有する担保の見直し（担保の法的強制力の再確認を含む）および受領した実額と受領予定額の評価が含まれている。

同種の貸付金の場合、通常、各ポートフォリオに内在する損失を評価するための最も客観的で関連性のある情報は、過去の実績である。経済状況や法規制の変更により、過去の損失実績からは貸借対照表日現在において特定のポートフォリオに内在する損失について関連性のある情報が得られない場合、経営陣は貸倒引当金の適切な水準を算定するにあたり、統計モデルに完全に反映されない可能性のあるポートフォリオ・リスク要因の直近の傾向を考慮している。主要なリスク要因には、不良債権の償却および延滞についての最近の傾向、国および地方の住宅市場の動向などの経済状況、商品構成および集中度の変化、破産動向、金利やエネルギー価格の変動などのその他の市況、法規制の変更および自然災害などが含まれる。

ポートフォリオ・アプローチは、通常、以下に適用される。

- 低額、同種、小規模事業
- 住宅抵当貸付
- クレジット・カードおよびその他の無担保消費者貸付商品
- 自動車ローン

これらのポートフォリオに関する引当金は、通常、毎月再評価が行われ、新規の引当金の計上または既存の引当金の戻入れは、識別されたポートフォリオごとに計算される。

のれんの減損

のれんに関するグループの会計方針は注記２(o)に記載されている。

のれんは、減損テストの目的のために現金生成単位（「CGU」）に配分される。のれんの減損を特定および評価するプロセスにおいて、CGUの予測キャッシュ・フローの減少および/または資本コストの増加が認められた場合、CGUの見積公正価値が減少することになる。その結果、CGUの見積回収可能価額が帳簿価額を下回った場合、のれんの減損費用が計上され、グループの当期利益が同額減少する。のれんは、減損損失累計額を控除後の取得原価で計上されている。

個別のCGUに割当てられる資本コストの決定および将来キャッシュ・フローの見積りに関しては、重要な経営上の判断が行われる。この件に関する詳細については、注記21「金融商品以外の資産の減損」に記載されている。

金融商品の評価

金融商品の評価に関するグループの会計方針は注記２(d)に記載されており、さらに注記17「デリバティブ」および注記31「金融商品の公正価値」に詳述されている。

独立した価格が入手できないために観察可能な市場データを参照する評価手法を用いて公正価値を決定する場合、経営陣は、モデルを適用する際に以下の事項を検討している。

- 金融商品に関する将来キャッシュ・フローの可能性およびタイミングに関する予測。金融商品の契約条件履行に関する契約相手方の能力に疑義がある場合は、経営陣の判断を必要とする可能性があるが、通常これらのキャッシュ・フローは、金融商品の契約条件に基づいている。
- 金融商品についての適切な割引率。経営陣は、当該金融商品のリスク・フリー金利に対する適切なス

プレッドの評価に基づいてこの利率を決定している。

比較可能な金融商品を参照することで金融商品を評価する場合、経営陣は、保有ポジションの比較対象となっている金融商品の満期、仕組み、および格付けを考慮している。基礎となる構成要素の公正価値を用いたモデルに基づいて金融商品を評価する場合、経営陣は、ビッド/オファー・スプレッド、信用プロファイル、およびモデルの不確実性などの要因を考慮して、調整の必要性について検討している。これらの調整は、グループ全体で一貫して適用されている明確な方針に基づいて行われている。

観察不能な市場データがデリバティブの評価に重要な影響を及ぼす場合、評価モデルによって示される公正価値の初期変動は、適切な基準に基づいて取引期間にわたって計上、入力データが観察可能になったときに損益計算書に計上、または取引の満了時もしくは終了時に計上のいずれかの方法で計上される。

損益を通じて公正価値評価される金融商品は、トレーディング目的で保有されている金融商品および公正価値評価を指定されている金融商品で構成されている。公正価値の変動は、発生年度のグループの損益計算書に直接影響を及ぼす。

「売却可能」に分類される金融資産の公正価値の変動は、当該金融資産が売却されるまで資本に直接計上される。金融資産が売却された場合、公正価値の累積変動額は損益計算書に借方計上または貸方計上される。売却可能金融資産の公正価値の減少が資本に直接認識され、当該資産が減損しているという客観的な証拠が存在する場合、資本に直接認識されていた累積損失は資本から控除され、損益に認識されるため、グループの営業利益が減少する。

年金

用いられた仮定は、注記８「従業員報酬および給付」に開示されている。

株式に基づく報酬

用いられた仮定は、注記10「株式に基づく報酬」に開示されている。

連結

グループが特別目的会社を連結する状況については、注記１(c)に概要が記載されており、注記38「リスク管理」に開示されている。

4 公正価値評価の指定を受けた金融資産からの純収益

公正価値評価の指定を受けた金融資産からの純収益は以下を含んでいる。

- 投資契約に基づく負債を含む、公正価値評価の指定を受けた金融資産および負債の公正価値における変動によるすべての収益および損失
- 公正価値評価の指定を受けた金融資産および負債と共に管理されているデリバティブの公正価値における変動からのすべての収益および損失
- 下記に関連する受取利息、支払利息、および配当収入
  - 公正価値評価の指定を受けた金融資産および負債
  - 上記と共に管理されているデリバティブ

ただしグループの発行済負債証券および劣後負債から生じる利息、およびそれらと共に管理されているデリバティブの利息部分はここには含まれず、「支払利息」に計上されている。

	2007年	2006年
以下から生じた純収益	百万ポンド	百万ポンド
－保険契約および投資契約に基づく債務履行のために保有されている金融資産	368	395
－公正価値評価の指定を受けたその他の金融資産(1)	188	50
－公正価値評価の指定を受けた金融資産と共に管理されているデリバティブ(1)	7	26
	563	471
－投資契約に基づく顧客に対する負債	(295)	(350)
－自己の発行済負債証券および劣後負債(2)	76	186
－自己の発行済負債証券および劣後負債と共に管理されているデリバティブ	(27)	(186)
－公正価値評価の指定を受けたその他の金融負債	(183)	(62)
－公正価値評価の指定を受けた金融負債と共に運用されているデリバティブ	(8)	－
	(437)	(412)
公正価値評価の指定を受けた金融商品からの純収益	126	59

(1) グループは、特定の貸出金について公正価値による評価を指定している。

(2) 自己の発行済負債証券および劣後負債の公正価値における変動から生じる損益は、それらの信用リスクにおける変動から生じる可能性がある。2007年、グループは、信用リスクの変動から生じたこれらの金融商品の公正価値の変動に関して、205百万ポンドの利益（2006年：６百万ポンドの損失）を計上した。

5 正味保険料収入

	2007年				
	損害保険	生命保険(非連動型)	生命保険(連動型)	任意分配型投資契約(2)	合計
			百万ポンド		
計上保険料総額(1)	372	723	129	933	2,157
未経過保険料の変動	6	2	－	－	8
保険料収入総額	378	725	129	933	2,165
再保険会社に出再した計上保険料総額	(73)	(154)	(9)	－	(236)
未経過保険料の変動における再保険会社の持分	(8)	－	－	－	(8)
保険料収入総額における再保険会社の持分	(81)	(154)	(9)	－	(244)
正味保険料収入	297	571	120	933	1,921

(1) 2007年の計上保険料総額には、FSAの政策綱領PS06/14の実施に関する調整を含む。

(2) 任意分配型投資契約は、2007年にエイチエスビーシー・アシュアランスVIE（フランス）およびエイチエスビーシー・アシュアランスIARD（フランス）の支配権を取得した結果、認識された。

	2006年				
	損害保険	生命保険(非連動型)	生命保険(連動型)	任意分配型投資契約	合計
			百万ポンド		
計上保険料総額	131	304	52	－	487

未経過保険料の変動	22	5	―	―	27
保険料収入総額	153	309	52	―	514
再保険会社に出再した計上保険料総額	(63)	(131)	(7)	―	(201)
未経過保険料の変動における再保険会社の持分	4	―	―	―	4
保険料収入総額における再保険会社の持分	(59)	(131)	(7)	―	(197)
正味保険料収入	94	178	45	―	317

6 正味発生保険金および保険契約準備金の変動

	2007年				
	損害保険	生命保険(非連動型)	生命保険(連動型)	任意分配型投資契約(1)	合計
	百万ポンド				
支払保険金、給付金および解約払戻金	250	132	139	537	1,058
保険契約準備金の変動	36	(123)	19	536	468
発生保険金および保険契約準備金の変動、総額	286	9	158	1,073	1,526
支払保険金、給付金および解約払戻金における再保険会社の持分	(65)	(73)	(8)	―	(146)
保険契約準備金変動における再保険会社の持分	29	263	2	―	294
発生保険金および保険契約準備金の変動における再保険会社の持分	(36)	190	(6)	―	148
正味発生保険金および保険契約準備金の変動	250	199	152	1,073	1,674

(1) 任意分配型投資契約は、2007年にエイチエスビーシー・アシュアランスVIE（フランス）およびエイチエスビーシー・アシュアランスIARD（フランス）の支配権を取得した結果、認識された。

	2006年				
	損害保険	生命保険(非連動型)	生命保険(連動型)	任意分配型投資契約	合計
	百万ポンド				
支払保険金、給付金および解約払戻金	83	103	119	―	305
保険契約準備金の変動	(5)	(32)	(50)	―	(87)
発生保険金および保険契約準備金の変動、総額	78	71	69	―	218
支払保険金、給付金および解約払戻金における再保険会社の持分	(36)	(69)	(5)	―	(110)
保険契約準備金変動における再保険会社の持分	7	(35)	11	―	(17)
発生保険金および保険契約準備金の変動における再保険会社の持分	(29)	(104)	6	―	(127)

正味発生保険金および保険契約準備金の変動	49	(33)	75	—	91

7 正味営業収益

当期の正味営業収益は、以下の収益、費用、利益および損失の項目を控除後の金額で計上されている。

	2007年	2006年
	百万ポンド	百万ポンド
収益		
金融商品の利息－トレーディング目的保有、または公正価値評価の指定を受けた金融資産にかかる利息を除く	**16,439**	13,339
減損金融資産について認識された利息	**28**	39
トレーディング目的以外で保有、または公正価値評価の指定を受けていない金融資産に関して稼得した手数料で、実効金利に含まれていないもの	**2,966**	2,316
グループが顧客を代理して資産を保有または投資している信託およびその他の受託活動に関連して稼得した手数料	**767**	691
費用		
金融商品の利息－トレーディング目的保有または公正価値評価の指定を受けた金融負債にかかる利息を除く	**12,310**	8,936
トレーディング目的以外で保有、または公正価値評価の指定を受けていない金融資産または負債に関する支払手数料で、実効金利の計算に含まれていないもの	**571**	478
グループが顧客を代理して資産を保有または投資している信託およびその他の受託活動に関連する支払手数料	**18**	12
利益/（損失）		
売却目的資産の処分による利益	**111**	—
減損損失：		
－貸付金	**(1,043)**	(935)
－売却可能金融投資	**(23)**	(8)

8 従業員報酬および給付

	グループ		当行	
	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
賃金および給与	**3,465**	3,221	**1,935**	1,951
社会保障費用	**478**	409	**195**	187
退職後給付	**344**	299	**287**	220
	4,287	3,929	**2,417**	2,358

当事業年度にグループが雇用していた平均人数は、以下のとおりである。

	2007年	2006年

英国個人向け金融サービス（UK PFS）、グローバル・バンキング・アンド・マーケットおよびコマーシャル・バンキング	**51,050**	49,484
インターナショナル・バンキング	**12,671**	9,279
フランス	**14,905**	14,620
プライベート・バンキング	**4,486**	4,109
HSBCトリンカウス・アンド・ブルクハルト	**1,817**	1,635
合計	**84,929**	79,127

退職後給付制度

損益計算書上の費用

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
確定給付年金制度				
－エイチエスビーシー・バンク(UK)年金制度	**245**	182	**245**	182
－その他の制度	**(5)**	21	**1**	－
確定拠出制度	**95**	88	**33**	31
確定給付医療制度	**9**	8	**8**	7
	344	299	**287**	220

貸借対照表上で認識された負債

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
確定給付年金制度				
－エイチエスビーシー・バンク(UK)年金制度	**403**	1,907	**403**	1,907
－その他の制度	**107**	165	**12**	10
確定給付医療制度	**164**	180	**136**	152
	674	2,252	**551**	2,069

年金制度

現行制度は拠出型の確定給付制度で、年金資産はグループとは独立した信託または類似する基金において保有されている。この制度は少なくとも毎年、または各国の慣習および規定に従って、資格を有する保険数理士によって見直されている。確定給付債務および関連する当期勤務費用の算定に用いられる数理上の仮定は、保険制度が運営されている国の経済状況に応じて異なっている。

銀行の従業員を対象とした確定給付年金契約は、エイチエスビーシー・ バンク(UK）年金制度（「制度」）によって提供されており、その制度資産は個別の信託基金に保有されている。当該年金制度は、受託会社であるエイチエスビーシー・バンク・ペンション・トラスト（UK）リミテッド（「受託会社」）によって管理されている。その取締役会は13名の取締役で構成され、うち４名は従業員によって、また２名は

年金受給者によって選出される。年金制度の受託会社の取締役は、制度の年金受給者の最善の利益のために行動することが要求されている。

医療給付制度

グループは、英国およびフランスにおける制度に基づいて非拠出型の退職後医療給付も提供している。退職後医療給付制度は、確定給付年金制度と同じ方法で会計処理されている。当該制度は、少なくとも毎年、または各国の慣習および規定に従って、資格を有する保険数理士によって見直されている。確定給付債務および関連する当期勤務費用の算定に用いられる数理上の仮定は、当該制度が運営されている国の経済状況に応じて異なっている。当期のグループの医療費用の合計は９百万ポンド（2006年：８百万ポンド）であった。

退職後確定給付制度の主要な数理上の仮定

2007年12月31日現在における確定給付年金制度および退職後医療給付の算定に用いられた主要な数理上の財務仮定は、2008年の期間費用の測定の基礎を成すものであり、以下のとおりである。

	割引率	想定インフレ率	支払中の年金および繰延年金の増加率	昇給率	医療費用趨勢比率
			%		
2007年12月31日現在					
英国	5.80	3.30	3.30	4.30	7.30
フランス	4.50	2.00	2.00	3.00	6.00
ドイツ	4.50	2.00	2.00	3.00	該当なし
スイス	2.25	1.50	該当なし	2.25	該当なし

グループは、保険数理士と相談の上、高格付（AA）で年金債務と同じ満期を有する負債証券の現行平均利回りに基づき、割引率を決定している。また制度資産の期待収益率は、グループの保険数理士に相談した上で、過去の市場における収益率に基づき、現行のインフレ率や金利などの追加的な要素に関する調整を加味して決定している。

2006年12月31日現在における確定給付年金制度および退職後医療給付の算定に用いられた主要な数理上の財務仮定は、2007年の期間費用の測定の基礎を成すものであり、以下のとおりである。

	割引率	想定インフレ率	支払中の年金および繰延年金の増加率	昇給率	医療費用趨勢比率
			%		
2006年12月31日現在					
英国	5.10	3.00	3.00	4.00	7.00
フランス	4.50	2.00	2.00	3.00	6.00
ドイツ	4.50	2.00	2.00	3.00	該当なし

スイス	2.25	1.50	該当なし	2.25	該当なし

2007年12月31日現在、用いられた生命表および65歳時における平均余命は以下のとおりである。

	生命表	男性加入者の65歳時における余命		女性加入者の65歳時における余命	
		現在65歳	現在45歳	現在65歳	現在45歳
英国	PA92U2005	20.40	21.70	23.40	24.60
フランス	TG05	22.93	25.73	26.41	29.29
ドイツ	Heubeck 2005G	18.06	20.84	22.20	24.85
スイス	BVG2005	17.90	17.90	20.98	20.98

2006年12月31日現在、用いられた生命表および65歳時における平均余命は以下のとおりである。

	生命表	男性加入者の65歳時における余命		女性加入者の65歳時における余命	
		現在65歳	現在45歳	現在65歳	現在45歳
英国	PA92U2005	20.30	21.60	23.30	24.60
フランス	TPG93	22.79	25.59	26.28	29.14
ドイツ	Heubeck 2005G	18.06	20.84	22.20	24.85
スイス	EVK2000	17.76	17.76	21.09	21.09

数理上の仮定の感応度

割引率は、報告期間中に生じた市況の変動に影響を受ける。使用されている死亡率は、制度加入者のプロファイルから得られる実績値の影響を受ける。下表は、これらの仮定およびその他の主要な仮定が変動した場合の以下の年度における年金債務および年金費用への影響を示したものである。

	エイチエスビーシー・バンク（UK）年金制度	
	2007年	2006年
	百万ポンド	
割引率		
25ベーシスポイント増加した場合の12月31日現在における年金債務の変動	(493)	(553)
25ベーシスポイント減少した場合の12月31日現在における年金債務の変動	530	584
25ベーシスポイント増加した場合の年金費用の変動	(10)	(10)
25ベーシスポイント減少した場合の年金費用の変動	10	11
インフレ率		
25ベーシスポイント増加した場合の12月31日現在における年金債務の変動	530	584
25ベーシスポイント減少した場合の12月31日現在における年金債務の変動	(493)	(553)
25ベーシスポイント増加した場合の年金費用の変動	40	45
25ベーシスポイント減少した場合の年金費用の変動	(37)	(39)
支払中の年金および繰延年金の増加率		
25ベーシスポイント増加した場合の12月31日現在における年金債務の変動	410	463
25ベーシスポイント減少した場合の12月31日現在における年金債務の変動	(378)	(444)
25ベーシスポイント増加した場合の年金費用の変動	30	29

25ベーシスポイント減少した場合の年金費用の変動	**(28)**	(28)
昇給率		
25ベーシスポイント増加した場合の12月31日現在における年金債務の変動	**120**	146
25ベーシスポイント減少した場合の12月31日現在における年金債務の変動	**(115)**	(140)
25ベーシスポイント増加した場合の年金費用の変動	**11**	16
25ベーシスポイント減少した場合の年金費用の変動	**(10)**	(14)
死亡率		
仮定生存年数が１年延びることから生じる年金債務の変動	**340**	385

	その他の制度	
	2007年	2006年
	百万ポンド	
仮定生存年数が１年延びることから生じる年金債務の変動	**9**	16

確定給付年金制度

貸借対照表に計上された価値

	2007年12月31日			
	エイチエスビーシー・バンク (UK) 年金制度		**その他の制度**	
	期待収益率	**価値**	**期待収益率(2)**	**価値**
	%	**百万ポンド**	**%**	**百万ポンド**
株式	**8.3**	**2,283**	**7.2**	**196**
社債	**6.1**	**7,646**	**3.6**	**260**
不動産	**7.3**	**936**	**5.2**	**11**
その他	**5.1**	**451**	**4.9**	**90**
制度資産の公正価値		**11,316**		**557**
拠出型債務の現在価値		**(11,719)**		**(610)**
非拠出型債務の現在価値		**—**		**(33)**
確定給付債務		**(11,719)**		**(643)**
制度剰余金に関する制限の影響		**—**		**(21)**
未認識過去勤務費用		**—**		**—**
正味負債(1)		**(403)**		**(107)**

(1) 確定給付年金制度の正味負債415百万ポンドは、当行に関連したものである（2006年：1,917百万ポンド）。
(2) 期待収益率は制度資産の公正価値を基準に加重計算される。

	2006年12月31日			
	エイチエスビーシー・バンク (UK) 年金制度		**その他の制度**	
	期待収益率	**価値**	**期待収益率(1)**	**価値**
	%	**百万ポンド**	**%**	**百万ポンド**

株式	8.0	2,570	5.7	178
社債	5.3	6,208	3.3	229
不動産	7.0	1,047	―	5
その他	4.3	660	3.0	48
制度資産の公正価値		10,485		460
拠出型債務の現在価値		(12,392)		(595)
非拠出型債務の現在価値		―		(32)
確定給付債務		(12,392)		(627)
制度剰余金に関する制限の影響		―		2
未認識過去勤務費用		―		―
正味負債		(1,907)		(165)

(1) 期待収益率は制度資産の公正価値を基準に加重計算される。

当制度は、支払期日を迎えた未払債務から生じる将来キャッシュ・フロー負債に対応するために、多様な投資のポートフォリオを有している。当該制度の受託会社は、書面による投資方針（「SIP」）を作成することが義務付けられている。このSIPは、投資判断の方針を規定するものである。

2006年に、受託会社は、３年ごとに行われる評価の直近の結果（2005年12月31日実施）および制度への拠出に関する当行との協議内容に照らして、制度の投資戦略の見直しを行った。この見直しの結果、受託会社は、制度から生じる金融リスクの軽減を図ることを目的として改定された投資戦略を採用した。この改定後の投資戦略を採用したことによる制度の資産配分への影響は、制度が保有する株式の割合を減少させ、負債証券の割合を増加させるというものであった。当該制度は、ポートフォリオから生じるリスクを管理するために当行とデリバティブ取引を締結している。これらのデリバティブの内訳は、金利、ロンドン銀行間取引金利（「LIBOR」）スワップおよびインフレ、小売価格指数（「RPI」）スワップである。これらのスワップの条件に基づき、当該制度は、制度加入者への将来給付支払額の予測に基づいて、当該制度に払い込まれるキャッシュ・フローと引き換えにLIBOR関連の利息を支払うことを約束している。これらのスワップについては、注記42「関連当事者間取引」で詳述されている。

確定給付債務の現在価値の変動

	2007年		2006年	
	エイチエスビーシー・バンク(UK)年金制度	その他の制度	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド	
１月１日現在残高	12,392	627	11,961	601
当期勤務費用	227	23	242	24
利息費用	623	23	560	21
従業員拠出額	―	16	―	13
数理上の利益	(1,208)	(49)	(2)	(15)
支払給付	(315)	(37)	(369)	(32)
過去勤務費用－即時権利確定	―	3	―	2
削減	―	(29)	―	―
為替およびその他の変動	―	66	―	13

12月31日現在残高	**11,719**	**643**	12,392	627

制度資産の公正価値の変動

	2007年		2006年	
	エイチエスビーシー・バンク(UK)年金制度	**その他の制度**	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド	
１月１日現在残高	**10,485**	**460**	10,107	404
期待収益	**605**	**25**	620	22
グループ拠出額	**535**	**13**	127	15
従業員拠出額	**－**	**16**	－	11
実際利益	**6**	**3**	－	7
支払給付	**(315)**	**(24)**	(369)	(16)
決済時に分配された資産	**－**	**(3)**	－	－
為替およびその他の変動	**－**	**67**	－	17
12月31日現在残高	**11,316**	**557**	10,485	460

2007年12月31日に終了した事業年度における制度資産の実際運用収益は639百万ポンド（2006年：649百万ポンド）であった。グループは、2008年に確定給付年金制度に対して251百万ポンドの拠出を行う予定である。

損益計算書の「従業員報酬および給付」に計上された費用合計

	2007年		2006年		2005年	
	エイチエスビーシー・バンク(UK)年金制度	**その他の制度**	エイチエスビーシー・バンク(UK)年金制度	その他の制度	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド		百万ポンド	
当期勤務費用	**227**	**23**	242	20	211	23
利息費用	**623**	**23**	560	16	540	20
制度資産の期待収益	**(605)**	**(25)**	(620)	(16)	(525)	(15)
過去勤務費用	**－**	**3**	－	1	－	(2)
削減による（利益）/損失	**－**	**(29)**	－	－	－	－
費用合計	**245**	**(5)**	182	21	226	26

要約

	2007年	2006年	2005年

	エイチエスビーシー・バンク(UK)年金制度	その他の制度	エイチエスビーシー・バンク(UK)年金制度	その他の制度	エイチエスビーシー・バンク(UK)年金制度	その他の制度
	百万ポンド		百万ポンド		百万ポンド	
確定給付債務	(11,719)	(643)	(12,392)	(627)	(11,961)	(601)
制度資産の公正価値	11,316	557	10,485	460	10,107	404
制度剰余金に関する制限の影響	―	(21)	―	2	―	―
正味積立不足額	(403)	(107)	(1,907)	(165)	(1,854)	(197)
制度負債における実際利益	(30)	(4)	300	1	40	3
制度資産における実際利益/（損失）	6	3	―	7	905	9
数理上の仮定の変更による利益/（損失）	1,238	53	(298)	14	(1,166)	(71)
正味数理利益/（損失）合計	1,214	52	2	22	(221)	(59)

IFRSへの移行後、資本に計上された正味数理利益合計は738百万ポンドである。2007年に、正味数理損失とともに資本に計上された制度剰余金に関する制限の影響額合計は、17百万ポンドの損失であった（2006年：３百万ポンドの損失）。

当該制度に対して３年ごとに実施される保険数理評価は、直近では受託会社に代わって制度保険数理士により2005年12月31日に実施された。この評価によって1,200百万ポンドの積立不足が確認された。採用された評価方法は、予測年金単位クレジット方式である。制度からの予測キャッシュ・フローは、2005年12月31日におけるRPIスワップ損益分岐曲線を参照して予測された。昇給額はRPIに年１％を上乗せして仮定されており、インフレによる年金増加率は、RPIと同率（ただし、年率０％（下限）から５％（上限）の間）と仮定されている。予測キャッシュ・フローは、2005年12月31日現在のLIBORスワップ曲線に投資戦略の期待収益に対するマージンである年110ベーシスポイントを加えた利率を用いて割り引かれた。前回の評価以降３年間における制度年金受給者の死亡実績について分析が行われ、当該分析結果および評価日以降の死亡表PA92シリーズにおける中間層の将来改善率に基づき死亡率の仮定を行った。

2005年12月31日の評価の一部として、当該制度が廃止されて制度加入者の給付金が保険会社に買い取られる場合（この制度の規模では現実に起こる可能性は低い）や、当行の支援を受けずに受託会社が制度を継続的に運営すると仮定した場合に、負債の支払いに必要となる制度資産の金額も算定された。この方法によって算定された必要額は、2005年12月31日現在で15,500百万ポンドと見積もられた。この目的でのソルベンシー・ポジションを見積るにあたり、継続的なポジション評価の場合よりも慎重な将来の死亡率改善に関する仮定が用いられ、受託会社は、現物と金利およびインフレ・スワップが適切に組み合わされたポートフォリオに一致させるよう投資戦略を変更すると仮定されている。この費用のための明確な引当金も含まれている。

評価結果を予測して、2005年12月22日、エイチエスビーシー・バンク・ピーエルシーは、制度の積立不足額を減らすために10億ポンドの追加拠出を行った。評価結果を受けて、受託会社と当行は、最長10年間にわたって積立不足を解消し、適切な継続的拠出率を採用する積立計画に合意している。これらの交渉の結果、当行は、2007年１月１日から次回の保険数理評価完了予定日である2008年12月31日までの期間にわたり、年金計算の対象となる給与の36.0パーセントの割合で継続的に当該制度への拠出を行うことに合意してい

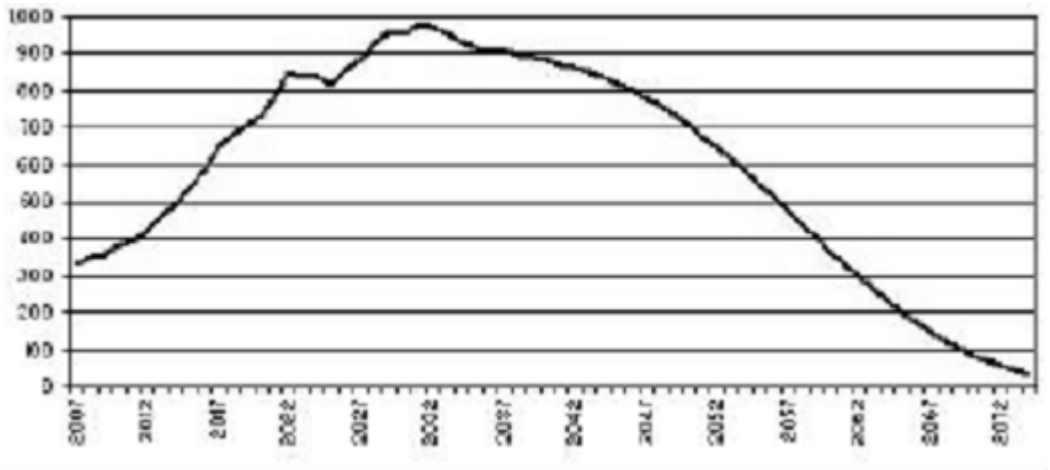
る。2006年、当行は年金計算の対象となる給与の20.0パーセントの割合で拠出を行っており、これを補足するためにさらに年金計算の対象となる給与の２パーセントに相当する金額を、2007年１月１日から2014年12月31日までの期間にわたって支払う予定である。また、当行は、積立不足を解消するために、以下に記載した一連の追加拠出を行うことにも合意している。

	百万ポンド
2012年	465
2013年	465
2014年	465

受託会社および当行は、年次ベースで、また2008年12月31日に実施予定の次回の３年毎の評価に向けて、積立不足の解消に向けての進捗状況を監視していく予定である。

制度から支払われる予定の給付金は、以下の図のようになると予想される。

給付支払額（百万ポンド）



退職後医療給付制度

貸借対照表に計上された価値

	2007年	2006年
	百万ポンド	百万ポンド
非拠出型債務の現在価値	(164)	(180)
正味負債(1)	(164)	(180)

(1) 退職後医療給付の正味負債136百万ポンドは、当行に関連するものである（2006年：152百万ポンド）。

確定給付債務の現在価値の変動

	2007年	2006年
	百万ポンド	百万ポンド
１月１日現在残高	180	168
当期勤務費用	1	1
利息費用	8	7

数理上の（利益）/損失	**(22)**	12
過去勤務費用		
－即時権利確定	**－**	－
－権利未確定給付	**－**	－
支払給付	**(6)**	(6)
為替およびその他の変動	**3**	(2)
12月31日現在残高	**164**	180

損益計算書の「従業員報酬および給付」に計上された費用合計

	2007年	2006年
	百万ポンド	百万ポンド
当期勤務費用	**1**	1
利息費用	**8**	7
費用合計	**9**	8

要約

	12月31日に終了した事業年度		
	2007年	2006年	2005年
	百万ポンド	百万ポンド	百万ポンド
確定給付債務	**(164)**	(180)	(168)
正味積立不足	**(164)**	(180)	(168)
制度負債における実際利益/（損失）	**8**	(5)	－
数理上の仮定の変更による利益/（損失）	**14**	(7)	(22)
正味数理利益/（損失）合計	**22**	(12)	(22)

2008年に、グループは医療給付制度に対して６百万ポンドの拠出を行う予定である。

資本に計上されている正味数理損失累計は14百万ポンドである。

医療費用趨勢比率の数理上の仮定は、計上額に重要な影響を与える。医療費用趨勢比率に関する仮定が１％変動した場合の2007年の計上額への影響額は以下のとおりである。

	１％上昇	**１％低下**
	百万ポンド	**百万ポンド**
当期勤務費用および利息費用の合計額の増加/（減少）	**2**	**(1)**
確定給付債務の増加/（減少）	**24**	**(19)**

当行

上記に開示されているように、確定給付制度の加入者である当行の従業員は、主にエイチエスビーシー・バンク（UK）年金制度の加入者である。

役員報酬

会社法第６章１部に準拠して算定された当行の役員報酬の合計は、以下のとおりである。

	2007年	2006年
	千ポンド	千ポンド
手当	466	365
給与およびその他の報酬	2,026	1,607
賞与	8,448 (1)	3,316 (2)
	10,940	5,288
制限付株式制度報奨の権利確定分	4,243	534

(1) 業績条件は付されていないが、期間制限が設定されている株式への繰延額4,274,098ポンドを含む。
(2) 過年度において賞与を放棄した代わりに、取締役1名の年金制度への雇用主による拠出額が、245,458ポンド増加した。

2007年に関連して、長期インセンティブ制度に基づき取締役１名に総額157,576ポンド（2006年：3,081,494ポンド）の報奨が支払われる予定である。

確定給付制度に基づく退職給付が取締役１名に対して計上され、マネー・パーチェス制度に基づく退職給付が取締役１名に対して計上されている。さらに、別の取締役１名に対して、2007年１月から８月まで、マネー・パーチェス制度に基づく退職給付が計上されている。取締役の役職勤務に関するマネー・パーチェス契約への当事業年度中の拠出金総額は395,023ポンドであった。

さらに、旧取締役との退職給付契約に基づき700,887ポンド（2006年：690,462ポンド）が支払われており、ここには旧取締役に対する非拠出型年金債務に関連する支払386,873ポンド（2006年：397,657ポンド）が含まれている。2007年12月31日現在、旧取締役に対する非拠出型年金債務に関する引当金は、4,653,000ポンド（2006年：5,130,000ポンド）であった。当事業年度の取締役の年金制度への拠出金総額は395,023ポンド（2006年：645,612ポンド。これには取締役による賞与の放棄から生じる245,458ポンドが含まれる）。

取締役に対する変動賞与は、個人および会社の業績に基づいており、当行の親会社であるエイチエスビーシー・ホールディングス・ピーエルシーの報酬委員会によって決定される。2000年エイチエスビーシー・ホールディングス制限付株式制度およびエイチエスビーシー株式制度に基づく条件付報奨の費用は、報奨の公正価値および株式の権利が確定する水準をもとに算定された金額が、報奨の対象となっている勤務期間にわたって毎年認識される。

これらの総額のうち、以下の金額は最高額の報酬を受け取った取締役（「最高報酬取締役」）に対して支払われた金額である。

	2007年	2006年
	千ポンド	千ポンド
手当	－	35
給与およびその他の報酬	208	422
賞与(1)	3,064	845(2)

(1) 業績条件は付されていないが、期間制限が設定された株式への繰延額1.2百万ポンドを含む。
(2) 過年度において賞与を放棄した代わりに、雇用主により245,458ポンドが確定拠出年金契約に対して拠出されたが、本表の数字には示されていない。

最高報酬取締役は、当事業年度中に権利確定した長期インセンティブ制度に基づく報奨により424,486株

式を受領した。最高報酬取締役は、当事業年度中に、エイチエスビーシー・ホールディングス・ピーエルシーの普通株式に関する株式オプションを行使しなかった。

最高報酬取締役の当事業年度のサービスに対して、当行から確定拠出年金契約へ180,000ポンドが拠出された。

当行の親会社であるエイチエスビーシー・ホールディングス・ピーエルシーの報酬委員会は、最高報酬取締役の当事業年度中のサービスに対して、エイチエスビーシー株式制度に基づきエイチエスビーシー・ホールディングス・ピーエルシーの普通株式額面価額157,576ポンドの条件付報奨を付与することを提案している。エイチエスビーシー株式制度および業績条件の詳細については、エイチエスビーシー・ホールディングス・ピーエルシーの取締役報酬報告書の中に含まれている。

9 一般管理費

監査人報酬

法定監査に関連する監査人報酬は、9.0百万ポンド（2006年：8.1百万ポンド）であった。

以下は、グループの主要な監査人であるKPMGオーディット・ピーエルシーおよびその関連会社（共に「KPMG」）に対するグループの支払報酬である。

	2007年	2006年
	百万ポンド	百万ポンド
エイチエスビーシー・バンク・ピーエルシーの法定監査に対する監査報酬		
－当事業年度に関連する報酬	3.3	3.3
－過年度に関連する報酬	0.1	－
	3.4	3.3
グループに提供されたその他のサービスに対するKPMGへの支払報酬		
－法律に基づく子会社の監査	5.0	4.4
－法律に基づくその他のサービス	2.2	2.3
－税務サービス	0.2	0.3
－情報技術関連サービス	0.2	0.1
－評価および数理上のサービス	0.1	0.1
－その他のすべてのサービス	1.9	1.4
	9.6	8.6
支払報酬合計	13.0	11.9

「エイチエスビーシー・バンク・ピーエルシーの法定監査に対する監査報酬」は、グループの連結財務諸表およびエイチエスビーシー・バンク・ピーエルシーの単体財務諸表の法定監査に関するKPMGオーディット・ピーエルシーへの支払報酬である。エイチエスビーシー・バンク・ピーエルシー子会社の法定監査に関する支払報酬はここには含まれておらず、「グループに提供されたその他のサービスに対する

KPMGへの支払報酬」に含まれている。

以下は、「グループに提供されたその他のサービスに対するKPMGへの支払報酬」に含まれるサービスの種類の説明である。

監査関連サービス:

- 法律に基づくグループ子会社の監査は、エイチエスビーシー・バンク・ピーエルシーの子会社および関連する年金制度の法定監査に対してKPMGに支払う報酬を含む。
- 法律に基づくその他のサービスは、法規則で定められた書類提出に関連するアシュアランス・サービスおよびその他のサービスを含む（コンフォート・レターや中間期レビューを含む）。

税務サービス

- 税務サービスは、税法コンプライアンス・サービスおよび税務アドバイザリー・サービスを含む。

その他のサービス:

- 情報技術関連サービスは、ITセキュリティおよび事業継続に関するアドバイスの提供ならびにITテストに関して合意された手続きを実施することを含む。
- 評価および数理上のサービスは、グループ内の移転に関する内部評価の意見を含む。
- その他のすべてのサービスは、翻訳サービス、都度の会計上のアドバイス、および財務モデルのレビューなど、その他のアシュアランスおよびアドバイザリー・サービスを含む。

エイチエスビーシー・バンク・ピーエルシーに対する非監査サービスについてのKPMGへの支払報酬は、当該報酬がグループ連結ベースで開示されているため、ここでは開示されていない。

10 株式報酬

エイチエスビーシー・ホールディングスによってグループの従業員に付与された株式オプション報奨は、持分決済型株式報酬として会計処理されており、従業員は権利行使の際にエイチエスビーシー・ホールディングスから株式を受領している。

エイチエスビーシー・ホールディングスの株式による報奨がグループ会社によってグループの従業員に提供される場合、報奨の権利確定条件が満たされた時に、当該従業員を雇用する事業体がエイチエスビーシー・ホールディングスの株式を従業員に譲渡する義務を負う。雇用会社は、株式報酬に関する負債を公正価値で認識し、当該公正価値について権利確定期間中の各報告日現在および決済日に再測定を行う。これらの取引は、現金決済型株式報酬取引として会計処理されている。

2007年において、持分決済型株式報酬取引に関する費用42百万ポンド、および現金決済型株式報酬取引に関する費用122百万ポンドが損益計算書に計上された（2006年：それぞれ、77百万ポンドおよび122百万ポンド）。持分決済型株式報酬費用は、付与日現在の取引の公正価値に基づいている。現金決済型の株式報酬費用は、決済日現在または期末日現在における取引の公正価値に基づいている。費用はすべて、グループの報酬体系の中で付与された従業員株式報奨に基づいて発生したものである。貸借対照表日現在、株式報酬に関する負債の帳簿価額は184百万ポンド（2006年：140百万ポンド）であった。

公正価値の計算

付与日現在における持分証券の公正価値は、ブラック・ショールズ・モデルの基礎的な仮定に基づいた二項モデルを用いて算定されている。一定期間の「エイチエスビーシー・グループの株主総利回り」に応じて権利が確定するオプション/株式報奨をモデル化する場合、これらの業績目標は、モンテ・カルロ・シュミレーションを用いたモデルの中に組み込まれる。オプションの予想年数は、オプション保有者の行動によって異なるものであり、その情報は過去の観察可能なデータに基づくオプション・モデルに組み込まれる。公正価値の算定には仮定を使用しており、また使用するモデルにも限界があるため、算定された公正価値は、本質的に主観的で不確実なものである。

2007年に付与されたオプションの公正価値の見積りに用いられた重要な仮定の加重平均値は、以下のとおりである。

	１年貯蓄型株式オプション制度	３年貯蓄型株式オプション制度	５年貯蓄型株式オプション制度	エイチエスビーシー株式制度
リスク・フリー金利(1)（%）	5.6	5.5	5.4	―
予想年数(2)（年数）	1.0	3.0	5.0	―
予想ボラティリティ(3)（%）	17.0	17.0	17.0	―

(1) リスク・フリー金利は、エイチエスビーシー・グループ株式オプション制度報奨および英国貯蓄型株式オプション制度についての英国債イールド・カーブをもとに決定された。海外貯蓄型株式オプション制度についても同様のイールド・カーブが使用された。
(2) 予想年数は単独の入力パラメーターではなく、様々な行動に関する仮定の関数である。
(3) 予想ボラティリティは、過去の平均株価ボラティリティ、および当該従業員オプションと類似する満期を有し、取引されているエイチエスビーシー株式に関するオプションから得られるインプライド・ボラティリティの両方を考慮することによって見積られている。

予想配当金は（該当する場合）、オプションおよび株式の評価モデルに組み込まれている。予想配当成長率は、米ドル建てで、最初の３年間は10パーセント（2006年：初年度は９パーセント）、それ以降は８パーセント（2006年：８パーセント）と決定されたが、これは一般的なアナリストの予測と一致したものである。

2007年の平均株価は9.03ポンド（2006年：9.60ポンド）であった。当事業年度中における株価（仲値）の最高は9.72ポンドであり最低は7.84ポンド（2006年：それぞれ10.28ポンドおよび9.14ポンド）であった。

2006年に付与されたオプションの公正価値の見積りに用いられた重要な仮定の加重平均値は、以下のとおりである。

	エイチエスビーシー・グループ株式オプション制度	３年貯蓄型株式オプション制度	５年貯蓄型株式オプション制度	エイチエスビーシー株式制度
リスク・フリー金利(1)（%）	4.7	4.8	4.7	―
予想年数(2)（年数）	1.0	3.0	5.0	―
予想ボラティリティ(3)（%）	17.0	17.0	17.0	―

(1) リスク・フリー金利は、エイチエスビーシー・グループ株式オプション制度報奨および英国貯蓄型株式オプション制度についての英国債イールド・カーブをもとに決定された。海外貯蓄型株式オプション制度についても同様のイールド・カーブが使用された。
(2) 予想年数は単独の入力パラメーターではなく、様々な行動に関する仮定の関数である。
(3) 予想ボラティリティは、過去の平均株価ボラティリティ、および当該従業員オプションと類似する満期を有し、取引

所で取引されているエイチエスビーシー株式に関するオプションから得られるインプライド・ボラティリティの両方を考慮することによって見積られている。

エイチエスビーシー株式制度

エイチエスビーシー株式制度は、2005年にエイチエスビーシー・グループによって採用された。この制度は、業績株式報奨、制限付株式報奨、および目標達成株式報奨で構成されている。エイチエスビーシー株式制度の目的は、役員の関心を株主価値の創出にあわせ、また個人の実績および潜在的可能性を認識することである。さらに、人材雇用と留保を目的として本制度に基づく報奨が付与されている。

業績株式報奨

業績株式報奨は、過年度の各個人の業績を考慮して上級執行役員に付与される。業績株式報奨は、予め定められた基準に対する達成度を測るため、２つの均等な要素に分割されている。１つは、株主総利回りに基づく報奨で、28の大手銀行から成る比較グループに対するエイチエスビーシーの順位に基づいて決定される。もう１つは、１株当たり利益目標の達成を条件とした報奨である。報奨の各要素について、基準値を満たしていることを前提に、目標の達成度に応じて、30%から100%のスライド制で従業員に株式が提供される。基準値を満たしていない場合は、該当する報奨部分の権利の確定はない。業績条件が満たしている部分の報奨については、３年後に株式が提供される。エイチエスビーシー・グループの業績が基準値を満たすことができない場合、これらの報奨全体の権利が失効する。

	2007年	2006年(2)
	株数（千株）	株数（千株）
１月１日現在残高	1,966	962
期中における取得	421	1,132
期中における付与	(203)	(128)
期中における権利失効	—	—
12月31日現在残高(1)	2,184	1,966

(1) 上表は当行従業員の報奨金1,735,782株（2006年：1,446,832株）を含む。
(2) 修正再表示。

2007年に業績株式報酬としてグループが付与した株式の加重平均公正価値は、8.96ポンド（2006年：7.38ポンド）であった。

制限付株式報奨

制限付株式報奨は、人材雇用と留保を目的として、または年次賞与の繰延べとして、一定の条件を満たした従業員に対して付与される。当該報奨は、付与日から１年から３年の間に受給権が確定する。

	2007年	2006年(2)
	株数（千株）	株数（千株）
１月１日現在残高	13,333	214
期中における取得	21,035	13,570
期中における付与	(2,454)	(163)

期中における権利失効	**(2,324)**	(288)
12月31日現在残高(1)	**29,590**	13,333

(1) 上表は、当事業年度中に当行従業員に付与された株式11,448,342株および2007年12月31日現在の発行済み株式16,576,814株を含む。
(2) 修正再表示。

2007年に制限付株式報酬としてグループが付与した株式の加重平均公正価値は、8.96ポンド（2006年：9.65ポンド）であった。

株式オプション

株式オプションは、エイチエスビーシー株式制度の規則のもとで、前年度の業績に基づいてフランスの従業員に対して付与された。この株式オプションには業績条件が付されており、グループの確定１株当たり利益および株主総利回りの、28の大手銀行から成る比較グループに対するエイチエスビーシー・グループの順位に基づき決定される。このオプションは付与の３年後に権利が確定する。2005年６月に付与されたオプションは、付与日から４年目まで行使可能であり、それ以降は権利が失効する。2005年９月に付与されたオプションは、付与日から10年目まで行使可能であり、それ以降は権利が失効する。

	2007年		2006年	
	オプション数（千個）	**加重平均行使価格（ポンド）**	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	**628**	**8.84**	628	8.84
期中における付与	**―**	**―**	―	―
期中における権利失効	**(103)**	**8.79**	―	―
12月31日現在残高	**525**	**8.85**	628	8.84

2007年に付与された株式オプションはなかった（2006年に付与されたオプションの公正価値：ゼロ）。貸借対照表日現在、未行使オプションの契約上の残余年数は2.39年である（2006年：３年）。貸借対照表日現在、未行使オプションの行使価格の範囲は8.794ポンドから9.17ポンドである。これらのオプションのうち、貸借対照表日現在において行使可能なものはなかった。

当事業年度中に行使された株式オプションはなかった。

貯蓄型株式オプション制度

貯蓄型株式オプション制度は、一定の条件を満たした従業員を対象として、月額最高250ポンドまでの積立てを行い、その貯蓄を株式取得に使用することを認めるオプションを付した貯蓄契約を推奨する制度である。この制度の目的は、すべての従業員の関心を株主価値の創出にあわせることである。オプションは、付与時に定められた条件に応じて、貯蓄契約の開始から３年または５年目のいずれかの応答日から６ヶ月間行使可能である。行使価格は、付与日における市場価格に対して20パーセント（2006年：20パーセント）割り引いた価格に設定されている。

	2007年	2006年

	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
1月1日現在残高	37,053	6.46	37,164	5.98
期中における付与	10,845	7.08	7,890	8.89
期中における権利行使	(3,623)	6.45	(6,714)	5.63
期中における移管	(1,242)	6.89	134	5.90
期中における権利失効	(2,004)	6.76	(1,421)	6.41
12月31日現在残高(1),(2)	41,029	6.59	37,053	6.46

(1) 上表は、当行従業員に対するオプションの2007年1月1日現在未行使残高33,571,481個（2006年：36,005,997個）、当事業年度中に付与されたオプション8,269,034個（2006年：7,537,041個）、および2007年12月31日現在未行使残高34,569,476個（2006年：33,571,481個）を含む。

(2) 当行従業員に対するオプションの加重平均行使価格は、2007年1月1日現在において6.44ポンド（2006年：5.97ポンド）、2007年12月31日現在において6.57ポンドであった。

当事業年度中に付与されたオプションの付与日現在における加重平均公正価値は、2.12ポンド（2006年：2.50ポンド）であった。以下は、貸借対照表日現在におけるオプションの未行使残高、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2007年	2006年
行使価格の範囲(ポンド)	5.35-8.02	5.35-8.02
オプション数(千個)	41,029	37,053
加重平均行使価格（ポンド）	6.59	6.46
加重平均残存契約期間（年数）	1.77	2.08
上記のうち行使可能：		
オプション数(千個)	154	214
加重平均行使価格（ポンド）	6.49	5.35

当行

	2007年	2006年
行使価格の範囲(ポンド)	5.35-8.02	5.35-8.02
オプション数(千個)	34,569	33,571
加重平均行使価格（ポンド）	6.57	6.44
加重平均残存契約期間（年数）	1.76	2.24
上記のうち行使可能：		
オプション数(千個)	85	186
加重平均行使価格（ポンド）	6.49	5.35

株式オプションが行使された日における加重平均株価は、8.96ポンド（2006年：9.54ポンド）であった。

2000年制限付株式制度

2000年エイチエスビーシー・ホールディングス制限付株式制度に基づき付与された業績株式報奨

制限付株式制度に基づく業績株式報奨は、1996年から2004年までの間に上級執行役員に付与された。この制度の目的は、役員の関心を株主価値の創出にあわせることであった。この目的は、比較対象の大手銀行グループの数値に対して一定の株主総利回り目標を設定し、通常、当該目標の達成を報奨の権利確定条件とすることで達成された。2005年のエイチエスビーシー株式制度導入後、当該制度のもとで更なる報奨は付与されない予定である。

	2007年	2006年
	株数（千株）	株数（千株）
1月1日現在残高	1,977	2,210
期中における増加	849	80
期中における減少	(1,750)	(313)
期中における移管	(24)	―
12月31日現在残高(1)	1,052	1,977

(1) 上記の報奨はすべてエイチエスビーシー・バンク・ピーエルシーの役員に関連するものである。

2007年12月31日現在の株式の公正価値は、8.42ポンド（2006年：9.31ポンド）であった。

2007年12月31日現在における加重平均残存権利確定期間は、10ヶ月であった（2006年：15ヶ月）。

2000年エイチエスビーシー・ホールディングス制限付株式制度に基づき付与された制限付株式報奨(「功績株式」)

過年度における従業員の勤務実績、潜在的可能性および留保要件を考慮した上で、一定の条件を満たした従業員に制限付株式が付与された。制限付株式はまた、年次賞与の一部繰延べまたは雇用目的としても付与されている。当該株式報奨には、会社の業績条件は付されておらず、通常は、報奨の付与後1年から3年の間に従業員に引き渡されるが、従業員がその期間継続してエイチエスビーシー・グループに雇用されていることを条件としている。

	2007年	2006年
	株数（千株）	株数（千株）
1月1日現在残高	12,867	26,023
期中における引渡	(7,299)	(13,960)
期中における増加	452	1,139
期中における権利失効	(792)	(439)
期中における移管	883	104
12月31日現在残高(1)	6,111	12,867

(1) 上表は、当行従業員に対する2007年1月1日現在の残高7,525,817株（2006年：25,617,586株）、当期中に付与された0株（2006年：515,872株）および2007年12月31日現在の残高3,569,950株を含んでいる。

2007年または2006年には、2000年エイチエスビーシー・ホールディングス制限付株式制度に関連してグ

ループが付与した株式はなかった。

2007年12月31日現在の加重平均残存権利確定期間は0.14年（2006年：0.95年）であった。

エイチエスビーシー・グループ株式オプション制度

エイチエスビーシー・グループ株式オプション制度は、2000年から2005年の間に特定のグループの従業員に適用された長期インセンティブ制度である。当該制度の目的は、良好な実績をおさめている従業員の関心を株主価値の創出にあわせることであった。この目的は、一定の株主総利回り目標を設定し、通常、当該目標の達成を報奨の権利確定条件とすることで達成された。オプションは市場価値で付与され、権利確定条件を満たしていることを条件として、通常、付与日より３年目から10年目まで行使可能である。

	2007年		2006年	
	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	45,352	7.82	67,390	7.74
期中における付与	―	―	―	―
期中における権利行使	(2,098)	6.96	(22,211)	7.45
期中における移管	1,141	7.72	282	7.67
期中における権利失効	(2,173)	7.97	(109)	8.02
12月31日現在残高(1),(2)	42,222	7.86	45,352	7.82

(1) 上記には、当行の従業員に対する報奨が、2007年１月１日現在残高に21,402,302個（2006年：33,341,930個）、当期における付与は０個（2006年：０個）、2007年12月31日現在残高に21,270,293個（2006年：21,402,302個）含まれている。

(2) 当行従業員に対する報奨の加重平均行使価格は、2007年１月1日現在において7.80ポンド（2006年：7.61ポンド）、および2007年12月31日現在において7.83ポンド（2006年：7.80ポンド）であった。

(3) エイチエスビーシー・グループ株式オプション制度に基づき付与された2003年度報奨に関して、株主総利回りの達成条件が撤回されたことから生じた費用27.3百万ポンドが、2006年の損益計算書に計上された。エイチエスビーシー・グループ報酬委員会は、当該制度によって認められている裁量権を行使して、2003年度報奨に付されていた３年間の業績および株主利回りに関する業績条件を撤回した。これは、IFRS第２号に基づき制度の変更として会計処理され、その結果、上述の公正価値評価手法により算出された金額が、変更による追加付与分の公正価値として、損益計算書に追加で費用計上された。

2007年にエイチエスビーシー・グループ株式オプション制度のもとでグループによって付与された株式オプションはなかった（2006年に付与されたオプションの公正価値：ゼロ）。以下は、貸借対照表日現在におけるオプションの未行使残高、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2007年		2006年	
行使価格の範囲（ポンド）	6.00-8.00	8.01-10.00	6.00-8.00	8.01-10.00
オプション数（千個）	13,573	28,649	15,807	29,545
加重平均行使価格（ポンド）	6.91	8.30	6.91	8.31

加重平均残存契約期間（年数）	―	0.06	―	0.52
上記のうち行使可能：				
オプション数(千個)	13,573	23,383	15,807	188
加重平均行使価格（ポンド）	6.91	7.78	6.91	8.13

当行

	2007年		2006年	
行使価格の範囲（ポンド）	6.00-8.00	8.01-10.00	6.00-8.00	8.01-10.00
オプション数（千個）	7,029	14,241	7,520	13,882
加重平均行使価格（ポンド）	6.91	8.29	6.91	8.28
加重平均残存契約期間（年数）	―	0.002	―	0.22
上記のうち行使可能：				
オプション数(千個)	7,029	14,143	7,520	108
加重平均行使価格（ポンド）	6.91	8.28	6.91	8.13

エイチエスビーシー・フランスおよび子会社制度

エイチエスビーシー・フランスは、エイチエスビーシー・フランスの特定の経営幹部、取締役および役員、ならびに子会社の特定の上級幹部に対し株式購入および新株引受権を付与した。

1994年から1999年の間に付与されたオプションは、グループがエイチエスビーシー・フランスの買収案を発表した時点で権利が確定したため、エイチエスビーシー・フランスの評価の中に含まれた。

買収の公式発表後の2000年に、エイチエスビーシー・フランスは909,000株のオプションを付与したが、これらのオプションの権利は、支配権の変更時には確定しなかった。当該オプションは、継続雇用が条件となっており、2002年１月１日に権利が確定した。オプションの行使により取得したエイチエスビーシー・フランス株式は、フランス商業銀行株式との交換比率と同じ割合（エイチエスビーシー・フランス株１株に対して１株当たり0.50米ドルの普通株式13株）で、１株当たり0.50米ドルのエイチエスビーシー普通株式と交換可能である。オプションは市場価値で付与され、権利確定日より10年間行使可能である。

	2007年		2006年	
	オプション数（千個）	加重平均行使価格（ユーロ）	オプション数（千個）	加重平均行使価格（ユーロ）
１月１日現在残高	646	142.50	766	142.50
期中における行使	(44)	142.50	(120)	142.50
12月31日現在残高および行使可能	602	142.50	646	142.50

貸借対照表日現在における未行使オプションの加重平均残存契約期間は、2.3年（2006年：3.3年）であった。

株式オプション行使日現在の加重平均株価は、9.03ポンド（2006年：9.58ポンド）であった。

2000年の買収日時点で、エイチエスビーシー・フランスの一部の子会社も、それぞれ自社の株式に関するオプションを付与することが可能な従業員株式オプション制度を運営していた。これらのオプションの一部については、行使時に当該子会社の株式はエイチエスビーシー普通株式と交換される。当事業年中、このような契約に基づき交換可能なエイチエスビーシー・ホールディングス株式の総数は113,240株であった（2006年：356,491株）。

下記は、2002年11月７日付けでIFRS第２号を適用する前に付与されたため、貸借対照表または損益計算書には計上されていない株式報酬に関する詳細情報である。

エイチエスビーシー・グループ株式オプション制度

	2007年		2006年	
	オプション数（千個）	加重平均行使価格（ポンド）	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	35,798	8.17	46,654	8.10
期中における権利行使	(3,695)	7.87	(11,113)	7.90
期中における移管	2,552	8.22	320	7.83
期中における権利失効	(244)	7.81	(63)	7.74
12月31日現在残高(1),(2)	34,411	8.20	35,798	8.17

(1) 上記には、当行の従業員に対する報奨が、2007年１月１日現在残高に21,402,021個（2006年：30,424,672個）、および2007年12月31日現在残高に20,236,879個（2006年：21,402,021個）含まれている。

(2) 当行従業員に対する報奨の加重平均行使価格は、2007年１月1日現在において7.97ポンド（2006年：7.93ポンド）、および2007年12月31日現在において8.02ポンド（2006年：7.97ポンド）であった。

以下は、貸借対照表日現在におけるオプションの未行使残高、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2007年		2006年	
行使価格の範囲（ポンド）	6.38-7.46	7.47-9.54	6.38-7.46	7.47-9.54
オプション数（千個）	7,121	27,290	8,116	27,682
加重平均行使価格（ポンド）	6.85	8.56	6.84	8.56
加重平均残存契約期間（年数）	―	―	―	―
上記のうち行使可能：				
－オプション数（千個）	7,121	27,290	8,116	27,682
－加重平均行使価格（ポンド）	6.85	8.56	6.84	8.56

当行

	2007年		2006年	
行使価格の範囲（ポンド）	6.38-7.46	7.47-9.54	6.38-7.46	7.47-9.54

オプション数（千個）	**6,281**	**13,956**	7,207	14,195
加重平均行使価格（ポンド）	**6.82**	**8.56**	6.81	8.56
加重平均残存契約期間（年数）	**－**	**－**	－	－
上記のうち行使可能：				
－オプション数（千個）	**6,281**	**13,956**	7,207	14,195
－加重平均行使価格（ポンド）	**6.82**	**8.56**	6.81	8.56

貯蓄型株式オプション制度

	2007年		2006年	
	オプション数（千個）	**加重平均行使価格（ポンド）**	オプション数（千個）	加重平均行使価格（ポンド）
１月１日現在残高	**3,650**	**6.33**	7,347	6.51
期中における権利行使	**(3,465)**	**6.33**	(3,583)	6.70
期中における移管	**(24)**	**6.29**	11	6.36
期中における権利失効	**(58)**	**6.46**	(125)	6.37
12月31日現在残高(1),(2)	**103**	**6.32**	3,650	6.33

(1) 上表には、当行従業員に対するオプションが、2007年１月１日現在残高に3,500,932個（2006年：7,246,942個）、および2007年12月31日現在残高に98,706個（2006年：3,500,932個）含まれている。

(2) 当行従業員に対するオプションの加重平均行使価格は、2007年１月１日現在において6.33ポンド（2006年：6.51ポンド）、および2007年12月31日現在において6.32ポンド（2006年：6.33ポンド）であった。

以下は、貸借対照表日現在におけるオプションの未行使残高、加重平均行使価格、および加重平均残存契約期間を、行使価格の範囲ごとに分析したものである。

グループ

	2007年	2006年
行使価格の範囲（ポンド）	**6.04-6.75**	6.04-6.75
オプション数（千個）	**103**	3,650
加重平均行使価格（ポンド）	**6.32**	6.33
加重平均残存契約期間（年数）	**－**	0.33
上記のうち行使可能：		
－オプション数（千個）	**103**	82
－加重平均行使価格（ポンド）	**6.32**	6.75

当行

	2007年	2006年
行使価格の範囲（ポンド）	**6.04-6.75**	6.04-6.75
オプション数（千個）	**99**	3,501
加重平均行使価格（ポンド）	**6.32**	6.33
加重平均残存契約期間（年数）	**－**	0.33
上記のうち行使可能：		

－オプション数（千個）	**99**	75
－加重平均行使価格（ポンド）	**6.32**	6.75

11 法人所得税費用

	2007年	2006年
	百万ポンド	百万ポンド
当期税金		
英国法人所得税費用－当期	**661**	466
英国法人所得税費用－過年度に関する調整	**7**	(82)
海外の税金－当期	**331**	370
海外の税金－過年度に関する調整	**26**	(6)
	1,025	748
繰延税金		
一時差異の発生および解消	**(220)**	219
税率の変更の影響	**(20)**	－
過年度に関する調整	**(18)**	11
	(258)	230
法人所得税費用	**767**	978

英国内の当行および子会社は、30%（2006年：30%）の税率を用いて英国法人所得税を計上した。その他海外子会社および海外支店は、業務を展開している国における適切な税率を用いて税金を計上した。

2007年に制定され、2008年から施行となる、2007年金融法による英国の税率の30%から28%への引き下げおよびドイツの連邦税の引き下げの結果、繰延税金資産および負債を一回に限り再評価することとなった。この再評価によりグループの法人所得税費用計上額が20百万ポンド減少した。

	2007年		2006年	
		法人所得税費用総額比率		法人所得税費用総額比率
	百万ポンド	**%**	百万ポンド	%
法人所得税費用総額の分析				
英国法人所得税率30%の課税（2006年：30%）	**1,224**	**30.0**	1,139	30.0
税率の異なる主要な海外拠点における利益の影響	**(61)**	**(1.5)**	(65)	(1.7)
非課税利益	**(253)**	**(6.2)**	(19)	(0.5)
関連会社および合弁事業における利益の影響	**(12)**	**(0.3)**	11	0.3
過年度に未認識の一時差異	**(53)**	**(1.3)**	(24)	(0.6)
グループ持分の再構成により生じた繰延税金の戻入	**(180)**	**(4.4)**	－	－

過年度の負債に関する調整	16	0.4	(80)	(2.1)
その他項目	86	2.1	16	0.4
法人所得税費用総額	767	18.8	978	25.8

損益計算書に計上された金額に加えて、資本に直接計上された項目に関連する繰延税金総額は311百万ポンドであり、資本を減少させた（2006年：29百万ポンド、資本を増加させた）。

グループは様々な司法管轄において法人所得税を課せられており、法人所得税に対する引当金の見積りには重要な判断が必要である。また、最終的な結論が出るまでに時間を要する取引や税法の解釈が多く存在している。グループは追加税額を支払うことになるか否かの見積りに基づいて税金債務を認識している。この見積りのプロセスにおいて、必要に応じて専門家の助言を得ている。最終的な税金債務が当初計上された金額と異なる場合、当該差異は、見積りが変更された年度または最終的な債務額が確定した年度における法人所得税および繰延税金の計上額に影響を与える。

繰延税金

グループ

	2007年			2006年		
	繰延税金資産	繰延税金負債	合計	繰延税金資産	繰延税金負債	合計
	百万ポンド			百万ポンド		
一時差異						
－退職給付	35	262	297	31	749	780
－貸倒引当金	8	58	66	2	68	70
－顧客にリースした資産	(21)	(577)	(598)	(21)	(790)	(811)
－不動産再評価	(55)	(36)	(91)	(46)	(47)	(93)
－追加の資本控除	－	(49)	(49)	－	(60)	(60)
－その他の短期一時差異	83	(6)	77	63	(110)	(47)
未使用の税務上の欠損金	－	46	46	－	48	48
	50	(302)	(252)	29	(142)	(113)

貸借対照表上に認識されていない繰延税金資産の金額は53百万ポンド（2006年：115百万ポンド）である。これは失効日のないキャピタル・ロスのうち、潜在的な便益の回収可能性が低いとみなされる金額に関するものである。

当行

	2007年			2006年		
	繰延税金資産	繰延税金負債	合計	繰延税金資産	繰延税金負債	合計
	百万ポンド			百万ポンド		

一時差異						
－退職給付	**262**	**－**	**262**	730	－	730
－貸倒引当金	**63**	**－**	**63**	73	－	73
－不動産再評価	**(21)**	**－**	**(21)**	(29)	－	(29)
－追加の資本控除	**(50)**	**－**	**(50)**	(63)	－	(63)
－その他の短期一時差異	**218**	**(2)**	**216**	130	(49)	81
未使用の税務上の欠損金	**43**	**－**	**43**	32	16	48
	515	**(2)**	**513**	873	(33)	840

貸借対照表上に繰延税金が認識されていない一時差異の金額は46百万ポンド（2006年：107百万ポンド）である。これは失効日のないキャピタル・ロスのうち、潜在的な便益の回収可能性が低いとみなされる金額に関するものである。

子会社の場合は利益が無期限に再投資される予定であり、また支店に関しては近い将来において追加の税金が発生する見込みがないため、子会社および支店への投資に関する一時差異については、繰延税金は認識されていない。このような関連する一時差異の合計金額は3,486百万ポンド（2006年：2,977百万ポンド）であった。

期中の繰延税金の変動

	グループ		**当行**	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
期中の変動:				
１月１日現在	**(113)**	56	**840**	995
損益計算書への計上額	**258**	(230)	**52**	(124)
為替変動およびその他(1)	**(73)**	22	**1**	11
準備金を通じた変動	**(324)**	39	**(380)**	(42)
12月31日現在	**(252)**	(113)	**513**	840

(1) 2007年の変動には、期中のエイチエスビーシー・アシュランスVIE（フランス）およびエイチエスビーシー・アシュランスIARD(フランス)の取得により認識された68百万ポンドの繰延税金負債が含まれている。

12 配当金

	2007年		2006年	
	一株当たりポンド	**百万ポンド**	一株当たりポンド	百万ポンド
普通株式に係る配当金				
過年度に関する第２回中間配当金	**1.05**	**840**	0.88	700
当期に関する第１回中間配当金	**1.03**	**825**	1.12	891
	2.08	**1,665**	2.00	1,591

2007年にエイチエスビーシー・バンク・ピーエルシーの非累積第三次米ドル優先株式に関して支払われた１株当たりの配当金は0.91ポンド（2006年：ゼロ）であった。配当金支払額合計は32百万ポンドであった。

2007年にエイチエスビーシー・バンク・ピーエルシーの永久劣後債に関して支払われた利息は９百万ポンド（2006年：ゼロ）であった。

13 セグメント別分析

収益の配分は、株主資本の便益を、その費用がグループ内の資本および資金調達構造をもとにセグメント内の事業に実際に配分される様に反映している。

地域別

地域情報は、子会社の主要な事業の所在地別に分類されており、銀行の場合は、業績の報告または資金の貸出を行っている支店の所在地別に分類されている。

	英国	欧州大陸	その他の国	グループ内	合計
			百万ポンド		
2007年					
営業収益合計					
正味受取利息	2,275	1,188	88	303	3,854
正味受取手数料	2,723	1,355	106	―	4,184
トレーディング純収益	2,525	1,080	185	(303)	3,487
公正価値評価の指定を受けた金融商品による純収益	93	33	―	―	126
金融投資による純収益	364	188	―	―	552
配当金	19	23	1	―	43
正味保険料収入	693	1,228	―	―	1,921
その他営業収益	191	106	15	(5)	307
営業収益合計	8,883	5,201	395	(5)	14,474
関連会社および合弁事業における利益（損失）持分	(1)	49	(1)	―	47
税引前当期純利益	2,528	1,316	237	―	4,081
株主に帰属する利益	2,069	966	192	―	3,227
有形固定資産の減価償却および減損	(338)	(84)	―	―	(422)
無形資産の償却および減損ならびにのれんの減損	(122)	(19)	(1)	―	(142)
貸倒損失およびその他の信用リスク引当金	(953)	(91)	1	―	(1,043)
有形固定資産取得費用	(371)	(203)	(4)	―	(578)
無形資産取得費用	(97)	(25)	―	―	(122)
資産合計	440,411	218,927	14,333	(51,391)	622,280
負債合計	430,604	203,830	14,238	(51,391)	597,281

	英国	欧州大陸	その他の国	グループ内	合計
			百万ポンド		
2006年					
営業収益合計					

正味受取利息	3,083	985	41	87	4,196
正味受取手数料	2,379	1,285	78	—	3,742
トレーディング純収益	1,686	847	180	(87)	2,626
公正価値評価の指定を受けた金融商品による純収益	54	5	—	—	59
金融投資による純収益	105	130	4	—	239
配当金	19	31	—	—	50
正味保険料収入	176	141	—	—	317
その他営業収益	382	66	32	—	480
営業収益合計	7,884	3,490	335	—	11,709
関連会社および合弁事業における利益（損失）持分	(53)	14	(1)	—	(40)
税引前当期純利益	2,473	1,133	190	—	3,796
株主に帰属する利益	1,819	737	166	—	2,722
有形固定資産の減価償却および減損	(332)	(77)	(1)	—	(410)
無形資産の償却および減損ならびにのれんの減損	(130)	(21)	—	—	(151)
貸倒損失	(906)	(32)	—	—	(938)
有形固定資産取得費用	(525)	(101)	(2)	—	(628)
無形資産取得費用	(93)	(16)	—	—	(109)
資産合計	309,778	138,092	13,166	(20,276)	440,760
負債合計	301,147	125,863	13,088	(20,276)	419,822

事業種類別

グループの業務には、いくつかのサポート・サービスおよび本社機能を含む。これらの機能に関する費用は、体系的かつ一貫した基準で適宜に事業部門に配分される。

	2007年	2006年
	百万ポンド	百万ポンド
正味営業収益（貸倒損失額控除前）		
英国個人向け金融サービス	**3,745**	3,641
英国コマーシャル・バンキング	**2,207**	1,935
英国コーポレート・インベストメント・バンキング・アンド・マーケット	**2,065**	1,905
英国その他	**106**	52
インターナショナル・バンキング	**1,104**	871
フランス	**1,910**	1,733
プライベート・バンキング	**1,299**	1,153
HSBCトリンカウス・アンド・ブルクハルト	**364**	328
	12,800	11,618
税引前経常利益(損失)		
英国個人向け金融サービス	**740**	869
英国コマーシャル・バンキング	**1,004**	943

英国コーポレート・インベストメント・バンキング・アンド・マーケット	**468**	482
英国その他	**155**	45
インターナショナル・バンキング	**397**	305
フランス	**526**	488
プライベート・バンキング	**643**	555
HSBCトリンカウス・アンド・ブルクハルト	**148**	109
	4,081	3,796

	2007年	2006年
	百万ポンド	百万ポンド
資産合計		
英国個人向け金融サービス	**69,837**	73,723
英国コマーシャル・バンキング	**44,905**	34,105
英国コーポレート・インベストメント・バンキング・アンド・マーケット	**273,791**	175,182
英国その他	**—**	—
インターナショナル・バンキング	**22,190**	17,972
フランス	**156,533**	93,006
プライベート・バンキング	**40,900**	34,621
HSBCトリンカウス・アンド・ブルクハルト	**14,124**	12,151
	622,280	440,760
有形固定資産取得費用		
英国個人向け金融サービス	**165**	222
英国コマーシャル・バンキング	**77**	92
英国コーポレート・インベストメント・バンキング・アンド・マーケット	**130**	210
英国その他	**—**	—
インターナショナル・バンキング	**62**	43
フランス	**42**	40
プライベート・バンキング	**13**	13
HSBCトリンカウス・アンド・ブルクハルト	**89**	8
	578	628

	2007年	2006年
	百万ポンド	百万ポンド
その他無形資産取得費用		
英国個人向け金融サービス	**51**	44
英国コマーシャル・バンキング	**26**	33

英国コーポレート・インベストメント・バンキング・アンド・マーケット	25	23
英国その他	―	―
インターナショナル・バンキング	4	1
フランス	12	4
プライベート・バンキング	―	1
HSBCトリンカウス・アンド・ブルクハルト	4	3
	122	109

14 測定基準による金融資産および負債の分析

金融資産および金融負債は公正価値または償却原価で継続的に測定されている。注記２の主要な会計方針では、各種の金融商品の測定方法ならびに公正価値評価による損益を含む収益および費用の認識方法について記述している。下表は貸借対照表上の金融資産および負債を、金融商品の分類ごと（測定基準）に分析したものである。

グループ

2007年	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	―	―	―	―	―	7,146	―	―	7,146
他行から回収中の項目	―	―	―	―	―	2,434	―	―	2,434
トレーディング資産	153,206	―	―	―	―	―	―	―	153,206
公正価値評価の指定を受けた金融資産	―	14,969	―	―	―	―	―	―	14,969
デリバティブ	60,103	―	―	―	―	―	―	367	60,470
銀行に対する貸付金	―	―	―	60,764	―	―	―	―	60,764
顧客に対する貸付金	―	―	―	227,687	―	―	―	―	227,687
金融投資	―	―	38	―	69,490	―	―	―	69,528
その他資産	―	―	―	―	―	4,385	―	―	4,385
未収収益	―	―	―	―	―	5,647	―	―	5,647
金融資産合計	213,309	14,969	38	288,451	69,490	19,612	―	367	606,236
非金融資産合計									16,044
資産合計									622,280
金融負債									
銀行からの預金	―	―	―	―	―	48,786	―	―	48,786
顧客からの預金	―	―	―	―	―	268,269	―	―	268,269

他行へ送金中の項目	**－**	**－**	**－**	**－**	**－**	**1,975**	**－**	**－**	**1,975**
トレーディング負債	**117,454**	**－**	**－**	**－**	**－**	**－**	**－**	**－**	**117,454**
公正価値評価の指定を受けた金融負債	**－**	**15,659**	**－**	**－**	**－**	**－**	**－**	**－**	**15,659**
デリバティブ	**60,908**	**－**	**－**	**－**	**－**	**－**	**138**	**493**	**61,539**
発行済負債証券	**－**	**－**	**－**	**－**	**－**	**50,921**	**－**	**－**	**50,921**
その他負債	**－**	**－**	**－**	**－**	**－**	**6,332**	**－**	**－**	**6,332**
未払費用	**－**	**－**	**－**	**－**	**－**	**5,726**	**－**	**－**	**5,726**
劣後債務	**－**	**－**	**－**	**－**	**－**	**5,205**	**－**	**－**	**5,205**
金融負債合計	**178,362**	**15,659**	**－**	**－**	**－**	**387,214**	**138**	**493**	**581,866**
非金融負債合計									**15,415**
負債合計									**597,281**

グループ

	トレーディング目的保有	**公正価値による評価の指定**	**満期保有目的有価証券**	**貸出金および受取債権**	**売却可能有価証券**	**償却原価で計上されている金融資産および負債**	**公正価値ヘッジ手段として指定されたデリバティブ**	**キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ**	**合計**
2006年					百万ポンド				
金融資産									
現金および中央銀行預け金	－	－	－	－	－	3,618	－	－	3,618
他行から回収中の項目	－	－	－	－	－	2,937	－	－	2,937
トレーディング資産	85,994	－	－	－	－	－	－	－	85,994
公正価値評価の指定を受けた金融資産	－	5,985	－	－	－	－	－	－	5,985
デリバティブ	31,646	－	－	－	－	－	41	403	32,090
銀行に対する貸付金	－	－	－	44,428	－	－	－	－	44,428
顧客に対する貸付金	－	－	－	200,416	－	－	－	－	200,416
金融投資	－	－	76	－	42,304	－	－	－	42,380
その他資産	－	－	－	－	－	3,478	－	－	3,478
未収収益	－	－	－	－	－	3,533	－	－	3,533
金融資産合計	117,640	5,985	76	244,844	42,304	13,566	41	403	424,859
非金融資産合計									15,901
資産合計									440,760
金融負債									
銀行からの預金	－	－	－	－	－	38,513	－	－	38,513
顧客からの預金	－	－	－	－	－	227,350	－	－	227,350
他行へ送金中の項目	－	－	－	－	－	2,428	－	－	2,428

トレーディング負債	52,080	—	—	—	—	—	—	—	52,080
公正価値評価の指定を受けた金融負債	—	9,460	—	—	—	—	—	—	9,460
デリバティブ	32,247	—	—	—	—	—	37	459	32,743
発行済負債証券	—	—	—	—	—	38,090	—	—	38,090
その他負債	—	—	—	—	—	4,141	—	—	4,141
未払費用	—	—	—	—	—	3,812	—	—	3,812
劣後債務	—	—	—	—	—	5,380	—	—	5,380
金融負債合計	84,327	9,460	—	—	—	319,714	37	459	413,997
非金融負債合計									5,825
負債合計									419,822

当行

2007年	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ手段として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	—	—	—	—	—	3,677	—	—	3,677
他行から回収中の項目	—	—	—	—	—	1,377	—	—	1,377
トレーディング資産	149,102	—	—	—	—	—	—	—	149,102
公正価値評価の指定を受けた金融資産	—	3,439	—	—	—	—	—	—	3,439
デリバティブ	46,093	—	—	—	—	—	—	232	46,325
銀行に対する貸付金	—	—	—	32,028	—	—	—	—	32,028
顧客に対する貸付金	—	—	—	150,649	—	—	—	—	150,649
金融投資	—	—	—	—	13,822	—	—	—	13,822
未収収益	—	—	—	—	—	3,477	—	—	3,477
その他資産	—	—	—	—	—	1,372	—	—	1,372
金融資産合計	195,195	3,439	—	182,677	13,822	9,903	—	232	405,268
非金融資産合計									18,761
資産合計									424,029
金融負債									
銀行からの預金	—	—	—	—	—	41,061	—	—	41,061
顧客からの預金	—	—	—	—	—	184,899	—	—	184,899
他行へ送金中の項目	—	—	—	—	—	1,056	—	—	1,056
トレーディング負債	99,755	—	—	—	—	—	—	—	99,755

公正価値評価の指定を受けた金融負債	—	8,082	—	—	—	—	—	—	8,082
デリバティブ	47,339	—	—	—	—	—	—	197	47,536
発行済負債証券	—	—	—	—	—	8,117	—	—	8,117
その他負債	—	—	—	—	—	2,767	—	—	2,767
未払費用	—	—	—	—	—	3,745	—	—	3,745
劣後債務	—	—	—	—	—	4,744	—	—	4,744
金融負債合計	147,094	8,082	—	—	—	246,389	—	197	401,762
非金融負債合計									1,490
負債合計									403,252

当行

2006年	トレーディング目的保有	公正価値による評価の指定	満期保有目的有価証券	貸出金および受取債権	売却可能有価証券	償却原価で計上されている金融資産および負債	公正価値ヘッジ手段として指定されたデリバティブ	キャッシュ・フロー・ヘッジ商品として指定されたデリバティブ	合計
	百万ポンド								
金融資産									
現金および中央銀行預け金	—	—	—	—	—	2,496	—	—	2,496
他行から回収中の項目	—	—	—	—	—	1,367	—	—	1,367
トレーディング資産	62,729	—	—	—	—	—	—	—	62,729
公正価値評価の指定を受けた金融資産	—	—	—	—	—	—	—	—	—
デリバティブ	24,270	—	—	—	—	—	—	91	24,361
銀行に対する貸付金	—	—	—	25,121	—	—	—	—	25,121
顧客に対する貸付金	—	—	—	143,964	—	—	—	—	143,964
金融投資	—	—	—	—	12,135	—	—	—	12,135
その他資産	—	—	—	—	—	1,818	—	—	1,818
未収収益	—	—	—	—	—	1,974	—	—	1,974
金融資産合計	86,999	—	—	169,085	12,135	7,655	—	91	275,965
非金融資産合計									18,121
資産合計									294,086
金融負債									
銀行からの預金	—	—	—	—	—	29,182	—	—	29,182
顧客からの預金	—	—	—	—	—	164,054	—	—	164,054
他行へ送金中の項目	—	—	—	—	—	1,019	—	—	1,019
トレーディング負債	35,215	—	—	—	—	—	—	—	35,215
公正価値評価の指定を受けた金融負債	—	4,736	—	—	—	—	—	—	4,736

デリバティブ	24,878	—	—	—	—	—	—	89	24,967
発行済負債証券	—	—	—	—	—	5,408	—	—	5,408
その他負債	—	—	—	—	—	2,320	—	—	2,320
未払費用	—	—	—	—	—	2,429	—	—	2,429
劣後債務	—	—	—	—	—	4,999	—	—	4,999
金融負債合計	60,093	4,736	—	—	—	209,411	—	89	274,329
非金融負債合計									2,550
負債合計									276,879

15 トレーディング資産

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
トレーディング資産：				
－契約相手方により再担保または再売却される可能性のある資産	**57,912**	22,215	**37,040**	8,811
－契約相手方により再担保または再売却されない資産	**95,294**	63,779	**112,062**	53,918
	153,206	85,994	**149,102**	62,729
短期国債およびその他適格手形	**445**	197	**437**	165
負債証券	**58,741**	47,101	**37,902**	25,260
持分証券	**22,419**	10,836	**13,095**	7,279
銀行に対する貸付金	**37,020**	10,233	**59,451**	13,560
顧客に対する貸付金	**34,581**	17,627	**38,217**	16,465
	153,206	85,994	**149,102**	62,729

16 損益を通じた公正価値評価の指定を受けた金融資産

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
公正価値評価の指定を受けた金融資産				
－契約相手方により再担保または再売却されない資産	**14,969**	5,985	**3,439**	—

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
短期国債およびその他適格手形	**25**	28	**—**	—
負債証券	**7,822**	2,361	**3,439**	—
持分証券	**7,033**	3,476	**—**	—
銀行に対する貸付金	**89**	120	**—**	—
	14,969	5,985	**3,439**	—

17 デリバティブ

グループが保有しているデリバティブ未決済残高の商品契約種類別の公正価値

2007年12月31日現在

	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替レート	17,279	―	17,279	(17,757)	(30)	(17,787)
金利	31,397	367	31,764	(31,393)	(601)	(31,994)
株式	7,014	―	7,014	(6,719)	―	(6,719)
クレジット・デリバティブ	3,629	―	3,629	(4,294)	―	(4,294)
コモディティおよびその他	784	―	784	(745)	―	(745)
公正価値総額	60,103	367	60,470	(60,908)	(631)	(61,539)
合計			60,470			(61,539)

2006年12月31日現在

	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替レート	10,298	87	10,385	(10,572)	(89)	(10,661)
金利	18,141	357	18,498	(17,985)	(404)	(18,389)
株式	3,728	―	3,728	(4,063)	(3)	(4,066)
クレジット・デリバティブ	1,442	―	1,442	(1,585)	―	(1,585)
コモディティおよびその他	7	―	7	(12)	―	(12)
公正価値総額	33,616	444	34,060	(34,217)	(496)	(34,713)
相殺			(1,970)			1,970
合計			32,090			(32,743)

当行が保有しているデリバティブ未決済残高の商品契約種類別の公正価値

2007年12月31日現在

	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替レート	17,428	―	17,428	(17,493)	―	(17,493)
金利	22,240	232	22,472	(23,005)	(197)	(23,202)
株式	2,036	―	2,036	(1,825)	―	(1,825)
クレジット・デリバティブ	3,607	―	3,607	(4,276)	―	(4,276)
コモディティおよびその他	782	―	782	(740)	―	(740)
合計	46,093	232	46,325	(47,339)	(197)	(47,536)

	2006年12月31日現在					
	資産			負債		
	トレーディング	ヘッジ	合計	トレーディング	ヘッジ	合計
		百万ポンド			百万ポンド	
為替レート	10,864	－	10,864	(10,910)	－	(10,910)
金利	11,031	91	11,122	(11,021)	(89)	(11,110)
株式	965	－	965	(1,390)	－	(1,390)
クレジット・デリバティブ	1,407	－	1,407	(1,549)	－	(1,549)
コモディティおよびその他	3	－	3	(8)	－	(8)
合計	24,270	91	24,361	(24,878)	(89)	(24,967)

デリバティブは、株式、債券、金利、為替、信用スプレッド、コモディティおよび株式指数またはその他の指標等の基礎となる項目の価格から価値が派生する金融商品である。デリバティブを利用することにより、ユーザーは信用リスクまたは市場リスクに対するエクスポージャーを増加、減少または変更することが可能となる。グループは顧客のためにデリバティブの値付けを行い、デリバティブを利用して信用リスクおよび市場リスクに対するエクスポージャーを管理している。

デリバティブは公正価値で計上され、資産および負債の合計額がそれぞれ個別に貸借対照表上に表示されている。資産計上額は、グループにとってプラスの価値を有するすべての取引の相手方がすべて同時に不履行となり、それらの取引を即時に代替できると仮定した場合に、これらの取引を代替するのに要する費用額を表している。負債計上額は、グループが不履行に陥った場合に、グループの取引相手方が、彼らにとってプラスの価値を有する取引すべてを代替するのに要する費用額を表している。様々な取引に係るデリバティブ資産および負債は、取引相手が同じで、法的相殺権が存在し、キャッシュ・フローがネット・ベースで決済される場合にのみ相殺される。

デリバティブの利用

グループは主に、顧客のためのリスク・マネジメント・ソリューションの策定、自己売買目的およびグループ自身のリスクのヘッジおよび管理という３つの目的でデリバティブ取引を行っている。デリバティブ（IAS第39号に定義される有効なヘッジ手段として指定されているデリバティブを除く）はトレーディング目的で保有されている。トレーディング目的保有の分類には、２種類のデリバティブ商品が含まれている。販売およびトレーディング活動に利用されている商品ならびにリスク・マネジメント目的で利用されるが、様々な理由でヘッジ会計の要件を満たさない商品である。後者には、公正価値評価の指定を受けた金融商品とあわせて管理されているデリバティブが含まれる。これらの活動については下記に詳述される。

グループのデリバティブ活動は、デリバティブ・ポートフォリオにおいて重要な未決済残高を生じさせる。これらのポジションを確実に受容可能なリスク水準内に維持するよう継続的な管理が行われており、必要に応じてポジションの相殺が可能となる取引が実施されている。デリバティブ取引開始時において潜在的な信用エクスポージャーを評価・承認する際に、グループは、通常の貸付取引と同様の信用リスク管理手続きを用いている。

トレーディング・デリバティブ

グループのデリバティブ取引の大部分は販売およびトレーディング活動に関連している。販売活動は、顧客が既存のリスクまたは予想されるリスクの引受け、移転、変更または軽減ができるようなデリバティブ商品の組成および販売を含む。デリバティブのトレーディング活動は主に、価格またはマージンの短期的変動から利益を得るために行われている。ポジションは、活発に取引される場合や、あるいは為替レート、金利、株価もしくはその他の市場パラメーターの予想変動から利益を得るために一定期間にわたり保有される場合がある。トレーディング活動には、値付け、ポジショニングおよび裁定活動が含まれる。値付けは、スプレッドおよび取引高に基づき収益を生み出す目的で別の市場参加者に対して価格を提示するものである。ポジショニングは、価格、レートまたは指標がグループにとって有利な変動をすることにより便益を得ることを目的として市場リスクのポジションを管理するものである。裁定は市場間および商品間の価格差を特定しその価格差から利益を得るものである。

上記のように、トレーディング目的保有に分類されているその他デリバティブには、非適格ヘッジ・デリバティブ、非有効ヘッジ・デリバティブ、およびヘッジの有効性評価から除外されたヘッジ・デリバティブの構成要素が含まれる。非適格ヘッジ・デリバティブは、リスク管理目的で行われているが、ヘッジ会計上の要件を満たしていないものである。これらには、公正価値評価の指定を受けた金融商品とあわせて管理されているデリバティブを含む。

ヘッジ会計の適用が認められないデリバティブの公正価値における変動から生じる損益は、「トレーディング純収益」に計上される。ただし、公正価値評価の指定を受けた金融商品とあわせて管理されているデリバティブに係る損益については、そのヘッジ対象に係る損益とともに「公正価値評価の指定を受けた金融商品による純収益」に計上される。トレーディング・デリバティブの公正価値の変動には約定金利が含まれている。公正価値の指定を受けた金融商品とともに管理されているデリバティブの公正価値の変動は、約定金利を含んだ金額で「公正価値評価の指定を受けた金融商品による純利益」に計上されるが、例外として、デリバティブが発行済負債証券とあわせて管理されている場合の約定金利は、発行済負債証券に係る支払利息とともに支払利息に計上される。

トレーディング目的保有デリバティブの商品タイプごとの想定契約額

	12月31日に終了した事業年度			
	グループ		当行	
	2007年	2006年 (修正再表示)	2007年	2006年 (修正再表示)
	百万ポンド		百万ポンド	
為替レート	**1,027,254**	731,098	**996,917**	709,851
金利	**4,089,512**	3,445,072	**2,815,793**	2,438,804
株式	**119,493**	89,600	**31,186**	22,827
クレジット・デリバティブ	**485,976**	256,493	**482,397**	254,538
コモディティ	**13,837**	859	**15,283**	668
デリバティブ合計	**5,736,072**	4,523,122	**4,341,576**	3,426,688

これらの商品の想定元本または契約金額は、貸借対照表日における取引残高の名目価値を示すものであり、リスクの金額を表すものではない。

上記のクレジット・デリバティブの契約金額485,976百万ポンド（2006年：256,493百万ポンド）の内訳は、プロテクションの買い245,952百万ポンド（2006年：131,169百万ポンド）およびプロテクションの売り240,024百万ポンド（2006年：125,324百万ポンド）である。

観察不能なデータを用いるモデルにより評価されるデリバティブ

当初に認識した公正価値（取引価格）と、取引開始時に入手可能であった市場データが観測可能とみなされていた場合の金額との差額に関して損益計算書上に未認識の金額から、その後の減少額を控除した金額は以下のとおりである。

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
1月1日現在の未償却残高	**84**	63	**66**	37
新規取引に関する繰延額	**102**	118	**46**	87
期中の損益計算書認識額：				
－償却	**(26)**	(15)	**(9)**	(5)
－観測可能とみなされた後	**(33)**	(60)	**(26)**	(39)
－満期または解約	**(37)**	(21)	**(18)**	(14)
－為替変動およびその他	**－**	(1)	**－**	－
12月31日現在の未償却残高	**90**	84	**59**	66

ヘッジ手段

グループは、自社の資産および負債のポートフォリオならびに組成ポジションの管理をするために、ヘッジ目的でデリバティブ（主に金利スワップ）を利用している。その結果、グループの債券発行市場の利用による総合的なコストを最適化し、資産・負債の満期やその他の特性の構造上の不均衡から生じる市場リスクを緩和することが可能となる。

ヘッジ取引の会計処理は、ヘッジ対象の商品の性質およびヘッジ取引の種類により異なる。デリバティブは、公正価値ヘッジまたはキャッシュ・フロー・ヘッジの場合、会計処理上、ヘッジとして認められる場合がある。詳細は下記の関連項目において記述されている。

ヘッジ目的で保有されているデリバティブの商品別想定契約額

	グループ			
	2007年12月31日現在		2006年12月31日現在	
	キャッシュ・フロー・ヘッジ	**公正価値ヘッジ**	キャッシュ・フロー・ヘッジ（修正再表示）	公正価値ヘッジ（修正再表示）
	百万ポンド		百万ポンド	
為替レート契約	**93**	**444**	87	400
金利契約	**69,323**	**9,065**	56,277	3,222
株式	**－**	**12**	－	－

	当行	
	2007年12月31日現在	2006年12月31日現在

	キャッシュ・フロー・ヘッジ	公正価値ヘッジ	キャッシュ・フロー・ヘッジ（修正再表示）	公正価値ヘッジ（修正再表示）
	百万ポンド		百万ポンド	
為替レート契約	―	―	―	―
金利契約	**21,001**	**3**	18,083	9

当該商品の想定元本または契約金額は、貸借対照表日における取引残高の名目価値を示すものであり、リスクの金額を表すものではない。

公正価値ヘッジ

グループの公正価値ヘッジは主に金利スワップを使用するものであり、市場金利の変動による固定金利長期金融商品の公正価値の変動を抑えるために利用されている。適格公正価値ヘッジの場合は、デリバティブの公正価値およびヘッジされるリスクに関連する項目の公正価値の変動はすべて収益に認識される。ヘッジ関係が終了した場合、ヘッジ対象への公正価値調整額は引き続き当該項目の一部として報告され、残りのヘッジ期間にわたり利回りの調整として償却され損益計上される。

2007年12月31日現在、公正価値ヘッジの指定を受けたデリバティブの公正価値は、資産がゼロで負債が138百万ポンド（2006年：資産が41百万ポンドおよび負債が37百万ポンド）であった。

公正価値ヘッジの公正価値の変動により生じる利益または損失

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
公正価値ヘッジにおいて公正価値の変動により生じる（損失）利益				
－ヘッジ手段	**(58)**	**54**	**―**	**―**
－ヘッジされたリスクに起因するヘッジ対象	**62**	**(54)**	**―**	**―**

2007年12月31日に終了した事業年度において、公正価値ヘッジの非有効部分に関して損益計算書上に報告された金額は僅少であった。

キャッシュ・フロー・ヘッジ

グループのキャッシュ・フロー・ヘッジは主に金利スワップおよび通貨スワップを使用するものであり、変動金利が付されている、または将来に借換えもしくは再投資が想定されている非トレーディング資産および負債について、将来の金利キャッシュ・フローが変動するエクスポージャーをヘッジするために使用されている。金融資産および負債の各ポートフォリオについて、元本および金利からの将来キャッシュ・フローの金額およびタイミングが、契約条件や、期限前返済および債務不履行の見積りを含むその他関連要因に基づき予測されている。一定期間にわたるすべてのポートフォリオからの元本残高および金利キャッシュ・フローの総額をもとに、予定取引のキャッシュ・フロー・ヘッジとして指定されたデリバティブの

有効部分に係る利益および損失が特定される。損益は当初、キャッシュ・フロー・ヘッジ準備金として資本の部に直接認識され、予定キャッシュ・フローが損益計算書に影響を与えるのと同じ年度に損益計算書に振り替えられる。

2007年12月31日現在、予定取引のキャッシュ・フロー・ヘッジとして指定されたデリバティブの公正価値は、資産が367百万ポンド（2006年：403百万ポンド）および負債が493百万ポンド（2006年：459百万ポンド）であった。

2007年12月31日現在、期待金利キャッシュ・フローを生じさせる予定元本残高の明細は以下のとおりである。

グループ

	3ヶ月以内	3ヶ月超 1年以内	1年超 5年以内	5年超
	百万ポンド			
2007年12月31日現在				
資産	**22,133**	**24,583**	**16,648**	**13**
負債	**(11,007)**	**(10,736)**	**(11,582)**	**(571)**
正味エクスポージャー	**11,126**	**13,847**	**5,066**	**(558)**

	3ヶ月以内	3ヶ月超 1年以内	1年超 5年以内	5年超
	百万ポンド			
2006年12月31日現在				
資産	15,940	14,032	9,362	197
負債	(11,617)	(9,674)	(6,797)	—
正味エクスポージャー	4,323	4,358	2,565	197

当行

	3ヶ月以内	3ヶ月超 1年以内	1年超 5年以内	5年超
	百万ポンド			
2007年12月31日現在				
資産	**12,703**	**12,305**	**10,435**	**13**
負債	**(7,516)**	**(7,516)**	**(8,955)**	**(181)**
正味エクスポージャー	**5,187**	**4,789**	**1,480**	**(168)**

	3ヶ月以内	3ヶ月超 1年以内	1年超 5年以内	5年超
	百万ポンド			
2006年12月31日現在				
資産	19,733	19,708	10,885	—
負債	(15,930)	(15,861)	(12,002)	—

正味エクスポージャー	3,803	3,847	(1,117)	―

これらのデリバティブの非有効部分に係る利益および損失は、損益計算書に直ちに認識される。2007年12月31日に終了した事業年度中に、１百万ポンド（2006年：２百万ポンド）の損失がヘッジの非有効部分として認識された。

18 金融投資

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
金融投資				
―契約相手方により再担保または再売却される可能性のある投資	**3,710**	2,276	**3,047**	1,171
―契約相手方により再担保または再売却されない投資	**65,818**	40,104	**10,774**	10,964
	69,528	42,380	**13,821**	12,135

グループ

	2007年		2006年	
	帳簿価額	**公正価値**	帳簿価額	公正価値
	百万ポンド		百万ポンド	
短期国債およびその他適格手形	**1,882**	**1,882**	3,199	3,199
―売却可能	**1,882**	**1,882**	3,199	3,199
―満期保有	**―**	**―**	―	―
負債証券	**64,594**	**64,594**	37,286	37,286
―売却可能	**64,556**	**64,556**	37,210	37,210
―満期保有	**38**	**38**	76	76
持分証券	**3,052**	**3,052**	1,895	1,895
―売却可能	**3,052**	**3,052**	1,895	1,895
金融投資合計	**69,528**	**69,528**	42,380	42,380

当行

	2007年		2006年	
	帳簿価額	**公正価値**	帳簿価額	公正価値
	百万ポンド		百万ポンド	
短期国債およびその他適格手形	**1,397**	**1,397**	2,826	2,826
―売却可能	**1,397**	**1,397**	2,826	2,826
―満期保有	**―**	**―**	―	―
負債証券	**11,497**	**11,497**	8,923	8,923
―売却可能	**11,497**	**11,497**	8,923	8,923
―満期保有	**―**	**―**	―	―
持分証券	**927**	**927**	386	386

－売却可能	**927**	**927**	386	386
金融投資合計	**13,821**	**13,821**	12,135	12,135

次へ

19 証券化およびその他の仕組取引

グループは通常の業務において、認識済みの金融資産を第三者に直接譲渡する、または特別目的事業体に譲渡する取引を行っている。これらの譲渡により、関連する金融資産のすべてまたは一部の認識が中止される場合がある。

（ｉ）グループが金融資産からのキャッシュ・フローを受け取る契約上の権利および所有に伴う実質的にすべてのリスクおよび便益を移転する場合、当該資産すべてについての認識が中止される。リスクは、信用リスク、金利リスク、為替リスク、期限前返済リスクおよびその他の価格リスクを含む。さらに、特に金融資産のキャッシュ・フローを受け取る契約上の権利を留保し、当該キャッシュ・フローを一人または複数の受領者に重大な遅滞なく支払う契約上の義務を引き受けた場合にも、当該資産すべてについての認識が中止される。

（ⅱ）金融資産の売却または譲渡により、所有に伴うリスクおよび便益の一部のみが譲渡され、当該資産に関する支配権をグループが留保する場合、当該金融資産の一部について認識が中止される。グループが継続的に関与する金融資産については貸借対照表に認識される。

譲渡された金融資産で認識の中止が認められないものの多くは、（ｉ）買戻条件付契約のもとで契約相手方により担保として保有されている負債証券、（ⅱ）証券貸付契約に基づいて貸し付けられた持分証券である。下表は当期中に認識の中止が認められなかった金融資産および関連する金融負債の12月31日現在における帳簿価額を分析したものである。

グループ

	2007年		2006年	
	資産の帳簿価額	関連負債の帳簿価額	資産の帳簿価額	関連負債の帳簿価額
	百万ポンド		百万ポンド	
取引の性質				
買戻条件付	**50,868**	**51,338**	18,313	18,168
証券貸付契約	**10,818**	**10,813**	6,178	5,952
合計	**61,686**	**62,151**	24,491	24,120

当行

	2007年		2006年	
	資産の帳簿価額	関連負債の帳簿価額	資産の帳簿価額	関連負債の帳簿価額
	百万ポンド		百万ポンド	
取引の性質				
買戻条件付	**29,376**	**29,942**	4,002	3,871
証券貸付契約	**10,713**	**10,713**	5,980	5,951
合計	**40,089**	**40,655**	9,982	9,822

認識の中止が認められない金融資産の一部には、グループが証券化し、その後も継続的な関与を維持している貸出金、クレジット・カード、負債証券および売掛債権が含まれている。継続的関与には、投資家が契約条件に基づく支払い（例、金利ストリップ）を受けた後に資産から生じる将来キャッシュ・フローに対す

る権利の留保、劣後持分の提供、対象資産に対する継続的なサービシング業務の提供、または証券化事業体とのデリバティブ取引の締結を含む。そのため、グループはこれらの取引に関連するリスクに継続的にさらされている。

グループが証券化の継続的関与により留保する権利および義務は、当初、譲渡日における金融資産の公正価値の、認識が中止された部分と継続して認識されている部分への配分として計上される。下表は、グループが継続的に関与している当期中に部分的な認識の中止が認められた金融資産の帳簿価額および関連する負債の帳簿価額である。

	12月31日現在の証券化	
	2007年(1)	2006年
	百万ポンド	百万ポンド
資産の帳簿価額(当初残高)	－	2,035
資産の帳簿価額（現在、認識されている残高）	－	42
関連する負債の帳簿価額	－	24

(1) カリナン・ファイナンス・リミテッドを連結したことにより、証券化資産は2007年12月31日現在の貸借対照表上に計上されている。

20 関連会社および合弁事業における持分

グループの主要な関連会社

	2007年12月31日現在		
	設立国	株主資本におけるグループの持分	発行済株主資本
ボーカリンク	英国	13.95%	100,000

上記の投資はエイチエスビーシー・バンク・ピーエルシーにより所有されている。グループが所有するボーカリンクの議決権は20%未満ではあるが、取締役会の参加を通じてグループが影響力を行使しているため、グループの関連会社となっている。

2007年度中に、AEA インベスターズ（ケイマン）I エルピー、エイチエスビーシー PE ヨーロピアン No.2 エルピー、プライベート・エクイティ・ポートフォリオ（インベストメント）エルピー インクおよびモンタギューIIIエルピーに対するグループの持分は再構築された。その結果、グループはこれらのパートナーシップに対する重大な影響力を有しなくなったため、これらはグループの関連会社ではなくなっている。2007年12月31日現在、これらのパートナーシップに対するグループの持分は金融投資として会計処理された。

2007年中に、グループはエイチエスビーシー・アシュアランスVIE（フランス）（旧「エリサ・ライフ」）およびエイチエスビーシー・アシュアランスIARD（旧「エリサIARD」）の追加株式を取得して支配権を獲得したため、これらの事業会社はグループの関連会社ではなくなった。追加情報については、注記23「投資」に記載している。

関連会社に係る合算財務情報の要約

	2007年	2006年
	百万ポンド	百万ポンド
資産	**46**	10,539
負債	**41**	10,210
純利益	**56**	30

合弁事業における持分

	2007年12月31日現在		
	主要な活動	株主資本における エイチエスビーシー の持分	発行済 株主資本
インターナショナル・トランザクション・サービシズGmbH	アウトソーシング支援	51%	5百万ポンド
ボールテックス（UK）リミテッド	現金管理	50%	10百万ポンド
ホーンウッズ・タームタイム・クレジット	インベストメント・ホールディングスおよび管理	50%	1ポンド
エイチエスビーシー円インベストメント・パートナーズ	円投資	50%	—(1)

(1) エイチエスビーシー円インベストメント・パートナーズはパートナーシップであるため、発行済株主資本はない。

グループはインターナショナル・トランザクション・サービシズGmbHの株主資本の50%超を所有しているが、他の株主との契約により、当該事業体を共同支配するにあたり、戦略上、財務上および業務上の意思決定については共同の同意が求められる。

合弁事業に係る合算財務情報の要約

	2007年	2006年
	百万ポンド	百万ポンド
資産	**268**	52
負債	**207**	54
純利益	**4**	2

21 のれんおよび無形資産

のれんおよび無形資産は、企業結合より生じるのれん、有効な長期保険業務の現在価値およびその他の無形資産を含む。12月31日現在のこれらの資産の帳簿価額は以下のとおりである。

	グループ		当行	
	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
のれん	**8,974**	8,395	**291**	331
有効な長期保険業務の現在価値（「PVIF」）	**444**	407	**—**	—
その他の無形資産	**459**	449	**249**	226
合計	**9,877**	9,251	**540**	557

のれん

グループ

	2007年	2006年
	百万ポンド	百万ポンド
原価		
１月１日現在	**8,395**	8,664
増加(1),(2)	**1**	38
処分	**—**	—
為替差額	**585**	(312)
償却(4)	**(33)**	—
その他変動(3)	**26**	5
12月31日現在	**8,974**	8,395
減損損失累計額		
１月１日現在	**—**	—
認識された減損損失(4)	**(33)**	—
償却(4)	**33**	—
12月31日現在	**—**	—
12月31日現在の正味帳簿価額	**8,974**	8,395

(1) 2007年の増加は、エリゼ・フォレの持分増加により生じたのれん0.3百万ポンドを含む。

(2) 2006年の増加は、チェコ、スロバキアおよびハンガリーのコンシューマー・ファイナンス事業の買収により生じたのれん15百万ポンドおよびオルタナティブ・ファンド・サービス事業の買収により生じたのれん15百万ポンドを含む。

(3) 2007年のその他変動は、エイチエスビーシー・インシュアランス・ブローカーズ・ホールディングス・リミテッドに関するのれんのエイチエスビーシー・ホールディングスからエイチエスビーシー・バンク・ピーエルシーへの振替を含む。

(4) 当期減損費用は、損益計算書の「無形資産の償却および減損ならびにのれんの減損」に認識されている。2007年の減損費用33百万ポンドは、当期中に特定のHFCカード・ポートフォリオが売却目的資産に組み替えられたことにより生じた。これらのポートフォリオは当期中に売却され、その結果、のれんおよび関連する減損引当金33百万ポンドは償却された。

当行

	2007年	2006年
	百万ポンド	百万ポンド
原価		
１月１日現在	**331**	321
増加(1)	**—**	15
為替差額	**1**	(6)
償却(2)	**(33)**	—
その他変動	**(8)**	1
12月31日現在	**291**	331
減損損失累計額		
１月１日現在	**—**	—
認識された減損損失(2)	**(33)**	—

償却(2)	**33**	―
12月31日現在	**―**	―
12月31日現在の正味帳簿価額	**291**	331

(1) 2006年の増加はオルタナティブ・ファンド・サービス事業の買収取得より生じた15百万ポンドののれんを含む。

(2) 当期減損費用は、損益計算書の「無形資産の償却および減損ならびにのれんの減損」に認識されている。2007年の減損費用33百万ポンドは、当期中に特定のHFCカード・ポートフォリオが売却目的資産に組み替えられたことにより生じた。これらのポートフォリオは当期中に売却され、その結果、のれんおよび関連する減損引当金33百万ポンドは償却された。

2007年にのれんの減損33百万ポンド（2006年：ゼロ）が認識された。のれんに関する減損テストは、使用価値計算に基づいて2007年７月１日現在で決定された現金生成単位（「CGU」）の回収可能価額を比較することによって、毎年実施される。当該計算は、経営陣のキャッシュ・フロー予測をもとに、CGUが運用されている国における現在のGDPおよびインフレに基づく名目長期成長率を使用して永久的に推定したキャッシュ・フローの見積りを使用している。キャッシュ・フローは、CGUを構成している事業単位グループにおける長期的な展望に基づき、永久的に推定されている。使用される割引率は、CGUが営業を行っている国への投資に対してグループが割当てている資本コストに基づいている。

個別のCGUに割当てられ、CGUの将来キャッシュ・フローを割引くために使用される資本コストは、CGUの評価に重大な影響を及ぼす可能性がある。資本コストの比率は通常、適切な資本資産価格モデルによって導き出され、当該モデルに用いられる入力データは、該当する国のリスク・フリー・レートや評価対象である事業の固有リスクを反映するためのプレミアムまたはディスカウントを含む様々な財務・経済変数を反映している。これらの変数は経営陣の判断に基づいて設定されている。

経営陣の判断は、現金生成単位の将来キャッシュ・フローを見積る際に必要となる。これらの値は、詳細にわたる予測が入手可能な期間の見積キャッシュ・フローおよびその後のキャッシュ・フローの長期的かつ持続可能なパターンに関する仮定に対して敏感である。予測値は、将来において実績や検証可能な経済データと比較することが求められるため、基礎となる仮定の適用可能な範囲は抑制されるが、キャッシュ・フロー予測には、将来の事業予測に関する経営陣の見解が必然的に、また適切に反映されることになる。

以下のCGUの帳簿価額には、グループが報告するのれん総額の重要な割合を占めるのれんが含まれている。これらのCGUの貸借対照表には、のれん以外に、耐用年数が不確定な無形資産は計上されていない。

現金生成単位（「CGU」）	**2007年７月１日現在ののれん**	**割引率**	**当初キャッシュ・フロー予測を超える名目成長率**
	百万ポンド	**%**	**%**
プライベート・バンキング	**2,331**	**10.0**	**3.0**
フランス	**5,375**	**10.0**	**3.5**
上記のCGUにおけるのれん総額	**7,706**		

この見直しの結果、減損の証拠は検出されなかった。さらに、2007年中、当行の財務諸表に計上された子会社への投資の帳簿価額に関する減損はなかった。これらの投資の減損の要否を判断するために、帳簿価額に対する子会社の純資産価額の見直しが年次で実施されている。

有効な長期保険業務の現在価値（「PVIF」）

グループ

PVIF-個別の仮定

グループの主要な保険会社のPVIFの計算に用いられた主要な仮定は以下のとおりである。

	2007年	2006年
	UKライフ	UKライフ
リスク・フリー・レート	4.30%	4.30%
リスク割引率	8.00%	8.00%
費用インフレ率	3.40%	3.40%

PVIFの変動

	2007年	2006年
	百万ポンド	百万ポンド
１月１日現在	407	463
当年度の新規契約による増加	67	25
有効な契約における変動	(50)	(81)
為替およびその他調整額	20	―
12月31日現在	444	407

PVIFはリスクおよび不確実性を考慮した仮定に基づいて計算される。これらのキャッシュ・フローを予測するために、将来の実績に関する様々な仮定が各保険事業別に行われており、これらは各地の市況および各地における将来の動向に関する経営陣の判断を反映している。この計算の一貫した目的は、有効な長期保険業務における株主持分を反映する評価を達成するということである。グループの保険事業の一部はリスク・マージンを個別に各商品別の予測仮定に盛り込んでいる一方で、その他はリスク・マージンを全般的な割引率に盛り込んでいる。その結果、広範囲にわたるリスク割引率が適用されている。評価される商品の性質ならびに各地における基金の構成および構造が異なるため、様々な評価方法が利用されているが、一貫した方針が適用されている。

その他の無形資産

2007年12月31日現在に終了した事業年度における、無形資産（有効な長期保険業務の現在価値を除く）の変動の分析は以下のとおりである。

グループ

	商標	内部創出ソフトウェア	購入したソフトウェア	顧客または商業上の取引関係	その他	合計[3]
	百万ポンド					
原価						
2007年１月１日現在	13	675	58	244	17	1,007
増加[1]	―	103	15	―	4	122

処分	**－**	**－**	**(2)**	**－**	**－**	**(2)**
為替差額	**2**	**9**	**7**	**－**	**1**	**19**
その他変動	**－**	**1**	**－**	**(40)**	**(10)**	**(49)**
2007年12月31日現在	**15**	**788**	**78**	**204**	**12**	**1,097**
償却および減損累計額						
2007年１月１日現在	**(5)**	**(441)**	**(38)**	**(73)**	**(1)**	**(558)**
当期償却費用(2)	**(1)**	**(75)**	**(12)**	**(19)**	**(1)**	**(108)**
当期減損費用(2)	**－**	**(1)**	**－**	**－**	**－**	**(1)**
処分	**－**	**－**	**3**	**－**	**－**	**3**
為替差額	**(1)**	**(9)**	**(4)**	**－**	**－**	**(14)**
その他変動	**－**	**－**	**－**	**40**	**－**	**40**
2007年12月31日現在	**(7)**	**(526)**	**(51)**	**(52)**	**(2)**	**(638)**
2007年12月31日現在正味帳簿価額	**8**	**262**	**27**	**152**	**10**	**459**

	商標	**内部創出ソフトウェア**	**購入したソフトウェア**	**顧客または商業上の取引関係**	**その他**	**合計**(3)
	百万ポンド					
原価						
2006年１月１日現在	16	578	56	246	16	912
増加(1)	－	101	7	－	1	109
処分	－	－	(6)	(3)	－	(9)
為替差額	(3)	(1)	－	(1)	－	(5)
その他変動	－	(3)	1	2	－	－
2006年12月31日現在	13	675	58	244	17	1,007
償却および減損累計額						
2006年１月１日現在	(5)	(366)	(30)	(19)	(1)	(421)
当期償却費用(2)	(1)	(78)	(11)	(20)	－	(110)
当期減損費用(2)	－	(3)	(1)	(37)	－	(41)
処分	－	－	6	3	－	9
為替差額	1	1	－	－	－	2
その他変動	－	5	(2)	－	－	3
2006年12月31日現在	(5)	(441)	(38)	(73)	(1)	(558)
2006年12月31日現在正味帳簿価額	8	234	20	171	16	449

(1) 当期において、グループは無形資産の取得に係る２百万ポンド（2006年：ゼロ）の契約債務を有していた。

(2) 当期の償却および減損費用は損益計算書の「無形資産の償却および減損ならびにのれんの減損」に計上されている。2006年の減損費用は、HFCカード事業において顧客の延滞が生じ、無形資産の回収可能価額が修正されたことから生じた。

(3) 上記には、マークス・アンド・スペンサー・リテール・ファイナンシャル・サービシズ・ホールディングス・リミテッドに関連する無形資産の正味帳簿価額141百万ポンド（2006年：158百万ポンド）が含まれており、2007年12月31日に終了した事業年度の償却費用は17百万ポンド（2006年：16百万ポンド）であった。残存償却期間は７年である。

当行

	内部創出ソフトウェア	顧客または商業上の取引関係(1)	その他	合計
原価		百万ポンド		
2007年１月１日現在	**572**	**41**	**3**	**616**
増加	**96**	**－**	**－**	**96**
その他変動	**－**	**(41)**	**－**	**(41)**
2007年12月31日現在	**668**	**－**	**3**	**671**
償却累計額				
2007年１月１日現在	**(348)**	**(41)**	**(1)**	**(390)**
当期償却費用(1)	**(72)**	**－**	**(1)**	**(73)**
当期減損費用(1)	**(1)**	**－**	**－**	**(1)**
その他変動	**1**	**41**	**－**	**42**
2007年12月31日現在	**(420)**	**－**	**(2)**	**(422)**
2007年12月31日現在の正味帳簿価額	**248**	**－**	**1**	**249**

	内部創出ソフトウェア	顧客または商業上の取引関係(1)	その他	合計
原価		百万ポンド		
2006年１月１日現在	**479**	**41**	**2**	**522**
増加(1)	**94**	**－**	**1**	**95**
その他変動	**(1)**	**－**	**－**	**(1)**
2006年12月31日現在	**572**	**41**	**3**	**616**
償却累計額				
2006年１月１日現在	**(273)**	**(3)**	**－**	**(276)**
当期償却費用(1)	**(73)**	**(2)**	**(1)**	**(76)**
当期減損費用(1)	**(3)**	**(36)**	**－**	**(39)**
その他変動	**1**	**－**	**－**	**1**
2006年12月31日現在	**(348)**	**(41)**	**(1)**	**(390)**
2006年12月31日現在の正味帳簿価額	**224**	**－**	**2**	**226**

(1) 当期の償却および減損費用は損益計算書の「無形資産の償却および減損ならびにのれんの減損」に計上されている。2006年の減損費用は、HFCカード事業において顧客の延滞が生じ、無形資産の回収可能価額が修正されたことから生じた。

22 有形固定資産

グループ

	自己保有の土地および建物	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品(1)	オペレーティング・リース資産	合計(2)
			百万ポンド			
原価または公正価値						

2007年１月１日現在	966	362	275	2,657	3,004	7,264
増加－原価[3]	104	3	84	321	66	578
子会社の買収	49	－	－	1	－	50
公正価値調整	13	－	－	－	－	13
処分[4]	(257)	(320)	(12)	(135)	(65)	(789)
振替	－	－	4	(1)	－	3
為替換算差額	55	－	4	69	－	128
その他の変動	(6)	－	2	(9)	－	(13)
2007年12月31日現在	924	45	357	2,903	3,005	7,234
減価償却累計額						
2007年１月１日現在	(97)	(27)	(150)	(1,656)	(926)	(2,856)
当期減価償却費	(22)	(3)	(22)	(281)	(100)	(428)
処分[4]	48	15	8	76	58	205
振替	－	－	(2)	－	－	(2)
認識された減損	－	－	－	－	－	－
減損の戻入	6	－	－	－	－	6
為替換算差額	(4)	－	(2)	(39)	－	(45)
その他の変動	(6)	－	(1)	12	－	5
2007年12月31日現在	(75)	(15)	(169)	(1,888)	(968)	(3,115)
2007年12月31日現在の正味帳簿価額	849	30	188	1,015	2,037	4,119

(1) ファイナンス・リースに基づいて保有している資産の正味帳簿価額171百万ポンド（2006年：169百万ポンド）を含んでおり、2007年12月31日現在の当該資産の減価償却累計額は1.5百万ポンド（2006年：20百万ポンド）であった。

(2) 負債に対する担保として供されている資産の正味帳簿価額173百万ポンド（2006年：172百万ポンド）を含んでおり、2007年12月31日現在の当該資産の減価償却累計額は３百万ポンド（2006年：24百万ポンド）であった。

(3) 2007年12月31日現在、グループは、有形固定資産の取得に関する契約債務281百万ポンド（2006年：329百万ポンド）を保有していた。

(4) 正味帳簿価額517百万ポンドの売却目的資産への振替を含む。

	自己保有の土地および建物	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品[1]	オペレーティング・リース資産	合計[2]
	百万ポンド					
原価または公正価値						
2006年１月１日現在	1,045	370	235	2,472	2,746	6,868
増加－原価	42	2	57	378	149	628
公正価値調整	6	－	－	－	－	6
処分	(110)	(1)	(17)	(164)	(15)	(307)
振替	－	－	－	7	－	7
為替換算差額	(16)	－	(2)	(39)	－	(57)
その他の変動	(1)	(9)	2	3	124	119
2006年12月31日現在	966	362	275	2,657	3,004	7,264
減価償却累計額						
2006年１月１日現在	(90)	(28)	(153)	(1,556)	(722)	(2,549)
当期減価償却費	(24)	(9)	(15)	(268)	(94)	(410)

処分	14	－	18	149	14	195
振替	－	－	－	(7)	－	(7)
為替換算差額	2	－	－	27	－	29
その他の変動	1	10	－	(1)	(124)	(114)
2006年12月31日現在	(97)	(27)	(150)	(1,656)	(926)	(2,856)
2006年12月31日現在の正味帳簿価額	869	335	125	1,001	2,078	4,408

当行

	自己保有の土地および建物	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品	合計
			百万ポンド		
原価または公正価値					
2007年１月１日現在	**397**	**368**	**240**	**2,105**	**3,110**
増加－原価[1]	**18**	**2**	**78**	**209**	**307**
子会社の買収	**－**	**－**	**－**	**－**	**－**
処分[2]	**(191)**	**(320)**	**(9)**	**(109)**	**(629)**
振替	**－**	**－**	**－**	**(1)**	**(1)**
為替換算差額	**－**	**－**	**1**	**2**	**3**
その他の変動	**(3)**	**－**	**1**	**－**	**(2)**
2007年12月31日現在	**221**	**50**	**311**	**2,206**	**2,788**
減価償却累計額					
2007年１月１日現在	**(59)**	**(27)**	**(136)**	**(1,367)**	**(1,589)**
当期減価償却費	**(11)**	**(3)**	**(18)**	**(201)**	**(233)**
処分[2]	**35**	**15**	**7**	**56**	**113**
振替	**－**	**－**	**－**	**－**	**－**
認識された減損	**－**	**－**	**－**	**－**	**－**
減損の戻入	**－**	**－**	**－**	**－**	**－**
為替換算差額	**－**	**－**	**－**	**(1)**	**(1)**
その他の変動	**－**	**－**	**－**	**－**	**－**
2007年12月31日現在	**(35)**	**(15)**	**(147)**	**(1,513)**	**(1,710)**
2007年12月31日現在の正味帳簿価額	**186**	**35**	**164**	**693**	**1,078**

(1) 2007年12月31日現在、当行は有形固定資産の取得に関する契約債務103百万ポンド(2006年：111百万ポンド)を保有していた。

(2) 正味帳簿価額457百万ポンドの売却目的資産への振替を含む。

	自己保有の土地および建物	長期賃借土地および建物	短期賃借土地および建物	設備および什器備品	合計
			百万ポンド		
原価または公正価値					
2006年１月１日現在	454	376	208	1,922	2,960

増加－原価[1]	37	2	54	280	373
処分	(89)	(1)	(22)	(105)	(217)
振替	－	－	－	9	9
その他の変動	(5)	(9)	－	(1)	(15)
2006年12月31日現在	397	368	240	2,105	3,110
減価償却累計額					
2006年１月１日現在	(62)	(28)	(147)	(1,254)	(1,491)
当期減価償却費	(13)	(9)	(12)	(199)	(233)
処分	11	－	23	95	129
振替	－	－	－	(9)	(9)
その他の変動	5	10	－	－	15
2006年12月31日現在	(59)	(27)	(136)	(1,367)	(1,589)
2006年12月31日現在の正味帳簿価額	338	341	104	738	1,521

「短期賃借土地および建物」には、建物に対する改良として区分された資産に関して以下の金額が含まれており、減価償却控除後の取得原価で計上されている。

	グループ		当行	
	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
原価				
１月１日現在	264	231	239	207
増加	84	56	78	54
処分	(12)	(22)	(9)	(22)
振替	3	－	－	－
為替換算差額	3	(2)	－	－
その他の変動	3	1	1	－
12月31日現在	345	264	309	239
減価償却累計額				
１月１日現在	(145)	(150)	(137)	(150)
当期減価償却費	(19)	(13)	(17)	(11)
処分	8	24	7	24
振替	－	－	－	－
為替換算差額	(1)	－	－	－
その他の変動	(1)	(6)	－	－
12月31日現在	(158)	(145)	(147)	(137)
12月31日現在の正味帳簿価額	187	119	162	102

投資不動産

当期の投資不動産の内訳（公正価値）は、以下のとおりであった。

	自己保有の土地および建物[1]

	百万ポンド
公正価値	
2007年１月１日現在	31
増加－原価	82
子会社の買収	49
売却可能投資への組替	(30)
公正価値調整	13
その他の変動	7
2007年12月31日現在	152
公正価値	
2006年１月１日現在	27
処分	(1)
公正価値調整額	6
その他の変動	(1)
2006年12月31日現在	31

(1) 98ページ（訳注：原文のページ数である。）の有形固定資産に含まれている。

投資不動産は、各年の12月31日現在において、不動産の所在地および種類に関する最近の実績を有している独立した専門鑑定人によって公開市場価格基準で評価されている。2007年12月31日に終了した事業年度において、13百万ポンドの剰余金（2006年：６百万ポンドの剰余金）が損益計算書上に貸方計上された。

「その他営業収益」には、グループが投資不動産に関して稼得した賃貸収益２百万ポンド（2006年：２百万ポンド）が含まれていた。当期中に投資不動産に関して発生した直接営業費用ゼロ（2006年：ゼロ）は、「一般管理費」に認識された。

顧客にリースしたグループの不動産

2007年12月31日現在、顧客にリースしたグループの不動産（いずれもグループは保有していない）には、オペレーティング・リースに基づく賃貸分４百万ポンド（2006年：25百万ポンド）が含まれており、これは減価償却累計額５百万ポンド（2006年：20百万ポンド）控除後の金額である。

23 投資

エイチエスビーシー・バンク・ピーエルシーの主要な子会社

	設立または登録国	株主資本における エイチエスビーシー・バンク・ピー エルシーの持分 %
エイチエスビーシー・フランス	フランス	99.99
エイチエスビーシー・アセット・ファイナンス（UK）リミテッド	イングランド	100
エイチエスビーシー・バンク・エーエス	トルコ	100

エイチエスビーシー・バンク・インターナショナル・リミテッド	ジャージー島	99.93
エイチエスビーシー・バンク・マルタ・ピーエルシー	マルタ	68.19
エイチエスビーシー・グエルツェラー・バンク・アーゲー	スイス	99.93
エイチエスビーシー・インボイス・ファイナンス（UK）リミテッド	イングランド	100
エイチエスビーシー・ライフ（UK）リミテッド	イングランド	100
エイチエスビーシー・レイル（UK）リミテッド	イングランド	100
エイチエスビーシー・プライベート・バンク（ガーンジー）リミテッド	ガーンジー島	99.93
エイチエスビーシー・プライベート・バンク（スイス）エスエー	スイス	99.49
エイチエスビーシー・プライベート・バンク（UK）リミテッド	イングランド	99.93
エイチエスビーシー・トリンカウス・アンド・ブルクハルト・アーゲー	ドイツ	78.60
エイチエスビーシー・トラスト・カンパニー（UK）リミテッド	イングランド	100
マークス・アンド・スペンサー・リテール・フィナンシャル・サービシズ・ホールディングス・リミテッド	イングランド	100

エイチエスビーシー・バンク・ピーエルシーが議決権の50%未満を保有している連結対象のSPE

	連結総資産の帳簿価額	
	十億ポンド	SPEの性質
アッシャー・ファイナンス・リミテッド	3.7	仕組投資ビークル
ブライアント・パーク・ファンディング・エルエルシー	2.6	導管会社
カリナン・ファイナンス・リミテッド	16.6	仕組投資ビークル
リージェンシー・アセッツ・リミテッド	4.5	導管会社
ソリティア・ファンディング・リミテッド	10.8	導管会社

上記の子会社はすべて12月31日までの財務諸表を作成している。

買収

2007年にエイチエスビーシー・バンク・ピーエルシーは、以下の子会社または事業の買収を行い、これらはパーチェス法で会計処理された。

- 2007年１月１日に、エイチエスビーシー・バンク・ピーエルシーはエイチエスビーシー・インシュアランス・ブローカーズ・ホールディングス・リミテッドの株式資本の100%を115百万ポンドの現金対価で取得した。当該取得によって生じたのれんはなかった。取得した正味資産の内訳は以下のとおりである。

	公正価値	取得直前の帳簿価額
	百万ポンド	百万ポンド
現金および現金同等物	329	329
売掛債権およびその他の債権	639	639

無形資産	35	35
有形固定資産	4	4
その他投資	126	126
買掛債務またはその他の債務	(1,018)	(1,018)
正味取得資産	115	115

2007年において、当該取得事業がグループにもたらした営業収益は338百万ポンドで、税引前利益は36百万ポンドであった。

― 2007年３月26日に、エイチエスビーシー・バンク・ピーエルシーは、同社の子会社エイチエスビーシー・フランスを通じて、エイチエスビーシー・アシュアランスVIE（フランス）（旧「エリサ・ライフ」）およびエイチエスビーシー・アシュアランスIARD（フランス）（旧「エリサIARD」）の株式の残りの50.01%を取得し、各事業会社における持分合計を100%とした。

グループは、当該取得に関して現金対価156百万ポンドを支払った。当該取得資産の公正価値は現金対価を９百万ポンド超過していた。この超過額は、損益計算書上で「その他営業収益」に認識されている。

取得により生じた資産、負債および偶発債務について暫定的に決定された公正価値は以下のとおりである。

	公正価値	取得直前の帳簿価額
	百万ポンド	百万ポンド
公正価値評価の指定を受けた金融資産	3,926	3,926
デリバティブ資産	25	25
銀行に対する貸付金	48	48
金融投資	5,728	5,728
無形資産	199	199
有形固定資産	48	48
前渡金および未収収益	131	131
その他資産項目	41	41
公正価値評価の指定を受けた金融負債	(37)	(37)
デリバティブ負債	(7)	(7)
発行済保険契約に基づく負債	(8,929)	(8,929)
その他負債項目	(844)	(844)
正味取得資産	329	329

2007年において、当該取得事業がグループにもたらした営業収益は1,205百万ポンドで、税引前利益は35百万ポンドであった。2007年１月１日に当該取得が行われていた場合、グループの営業収益合計は15,020百万ポンドになり、当期純利益は3,396百万ポンドになっていた。これらの金額はグループの会計方針に従って算定されている。

2006年、エイチエスビーシー・バンク・ピーエルシーは、以下の子会社または事業の買収を行い、これらはパーチェス法で会計処理された。

― 2006年３月２日にグループは、エイチエスビーシー・トリンカウス・アンド・ブルクハルト・アーゲーにおける持分を0.709%（現金対価10.85百万ポンド）増加させた。この持分の増加により、6.88百万ポ

ンドののれんが発生した。

― 2006年11月９日にグループは、グループのオランダにある持株会社エイチエスビーシー・ヨーロッパ（ネザーランド）ビーヴィを通じて、ハンガリーにあるベネフィシャル・ツルトおよびチェコ共和国とスロバキアにあるベネフィシャル・ファイナンス・エーエスの２社のコンシューマー・ファイナンス子会社を買収した。両社は、エイチエスビーシー・ファイナンス・コーポレーションが所有するハウスホールド・インターナショナル・ヨーロッパ・リミテッドの完全所有子会社であり、買収対価は24.4百万ポンドであった。当該買収により、14.5百万ポンドののれんが発生した。

24 その他資産

	グループ		当行	
	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
金地金	147	233	70	180
売却目的の処分グループ資産	626	22	555	16
売却目的処分資産(1)	78	―	78	―
再保険資産	528	633	―	―
当期税金未収還付金	67	33	1	―
裏書および支払承諾見返	375	353	251	238
その他	4,115	3,180	1,122	1,580
	5,936	4,454	2,077	2,014

(1) 2007年12月31日現在、帳簿価額78百万ポンド（2006年：ゼロ）のHFCカード・ポートフォリオ資産は、売却目的の処分グループに分類された。

売却目的資産

	グループ		当行	
	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
売却目的非流動資産				
有形固定資産	586	16	555	16
投資不動産	31	―	―	―
金融資産	7	―	―	―
債権	2	6	―	―
売却目的に分類される資産合計	626	22	555	16

2007年５月31日、当行は、ロンドン市カナダ・スクエア８の不動産および長期賃借土地に関して、メトロバセサ・エスエー（「メトロバセサ」）と1,090百万ポンドでのセールス・アンド・リースバック契約を締結した。当該契約条件に従って、当行は年間賃借料43.5百万ポンドでメトロバセサから20年間にわたり当該建物をリースバックしており、賃借料の値上げについては、小売価格指数（全項目）に連動させて、年間最大上昇率６％および年間最小上昇率2.5%の範囲内で毎年見直されることになっている。通常の事業において、当行は当該取引の負債部分に関して、当該不動産費用を担保とした810百万ポンドのつなぎ融資の形式

で、独立企業間市場金利でメトロバセサに対して資金提供を行っている。当該つなぎ融資は、2007年11月30日に支払期限が到来し、当行が供与した新たなファシリティにより、2008年11月30日まで延長された。資本部分の280百万ポンドは、2007年５月31日にメトロバセサにより現金で決済された。

当行は、当該建物の購入資金の一部として融資を提供していることによって重要な持分を留保しているため、当該売却は2007年12月31日現在の財務諸表に認識されていない。したがって、カナダ・スクエア８の帳簿価額432百万ポンドは売却目的非流動資産として有形固定資産に表示され、メトロバセサから受け取った資本部分は貸借対照表上、繰延収益として表示されている。つなぎ融資の返済が行われた時に、当該売却が認識される予定である。

売却目的に分類された有形固定資産には、セールス・アンド・リースバック取引を通じてグループが処分する意思のあるその他の不動産、および顧客によって担保に供されていた、担保権実行済み不動産が含まれる。

25 トレーディング負債

	帳簿価額			
	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
銀行からの預金	**39,382**	8,672	**48,390**	10,497
顧客からの預金	**21,999**	9,791	**17,636**	8,610
その他の発行済負債証券	**14,353**	9,863	**10,597**	5,972
その他負債－正味売りポジション	**41,720**	23,754	**23,132**	10,136
	117,454	52,080	**99,755**	35,215

26 公正価値評価の指定を受けた金融負債

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
銀行からの預金	**3,635**	108	**3,513**	72
投資契約に基づく顧客に対する負債	**5,842**	4,553	**－**	－
発行済負債証券	**2,820**	1,141	**1,204**	1,003
劣後負債	**3,084**	3,353	**3,365**	3,661
優先株式	**278**	305	**－**	－
	15,659	9,460	**8,082**	4,736

2007年12月31日現在、公正価値評価の指定を受けた金融負債の帳簿価額は、契約上の満期金額を37百万ポンド下回っていた（2006年：111百万ポンド上回っていた）（当行については2007年：19百万ポンド下回り、2006年：113百万ポンド上回っていた）。2007年12月31日現在、信用リスクの変動に起因する公正価値の累積変動額は、165百万ポンドの利益（2006年：48百万ポンドの損失）（当行については2007年：163百万ポンドの利益、2006年：47百万ポンドの損失）であった。

27 その他負債

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
グループが連結したファンドの投資家帰属額	**1,225**	396	**－**	－
株式に基づく報酬	**184**	140	**105**	89
ファイナンス・リースに基づく債務	**327**	327	**－**	－
裏書および支払承諾	**375**	353	**251**	238
その他負債	**4,732**	3,398	**2,518**	2,087
	6,843	4,614	**2,874**	2,414
ファイナンス・リースに基づく債務の期日到来：				
－１年未満	**－**	1	**－**	－
－１年から５年	**－**	3	**－**	－
－５年超	**327**	323	**－**	－
	327	327	**－**	－

28 発行済保険契約に基づく負債

	2007年		
	総額	**再保険**	**純額**
	百万ポンド	**百万ポンド**	**百万ポンド**
損害保険負債			
未経過保険料引当金	**387**	**(48)**	**339**
通知済保険金	**301**	**(129)**	**172**
既発生未報告保険金	**112**	**(15)**	**97**
その他	**18**	**(18)**	**－**
	818	**(210)**	**608**
保険契約準備金			
生命保険（非連動型）	**1,128**	**(290)**	**838**
任意参加型の投資契約	**9,447**	**－**	**9,447**
生命保険（連動型）	**858**	**(28)**	**830**
	11,433	**(318)**	**11,115**
保険契約に基づく負債合計(1)	**12,251**	**(528)**	**11,723**

(1) 任意参加型の投資契約は金融商品であるが、グループはIFRS第４号で認められているとおり、引き続きそれらを保険契約として処理した。

	2006年		
	総額	**再保険**	**純額**
	百万ポンド	**百万ポンド**	**百万ポンド**
損害保険引当金			
未経過保険料準備金	286	(27)	259

通知済保険金	75	(32)	43
既発生未報告保険金	41	(20)	21
その他	—	—	—
	402	(79)	323
保険契約準備金			
生命保険（非連動型）	837	(525)	312
任意参加型の投資契約	—	—	—
生命保険（連動型）	647	(29)	618
	1,484	(554)	930
保険契約に基づく負債合計(1)	1,886	(633)	1,253

(1) 任意参加型の投資契約は金融商品であるが、グループはIFRS第４号で認められているとおり、引き続きそれらを保険契約として処理した。

保険契約に基づく負債の変動は、以下のとおりであった。

損害保険負債

	2007年12月31日に終了した事業年度		
	総額	再保険	純額
	百万ポンド	百万ポンド	百万ポンド
未経過保険料準備金（「UPR」）			
１月１日現在	286	(27)	259
（収益）／費用として認識されたUPRの変動			
－計上保険料総額	(372)	73	(299)
－稼得保険料総額	378	(81)	297
為替およびその他の変動	95	(13)	82
12月31日現在	387	(48)	339
通知済および既発生未報告			
１月１日現在	116	(52)	64
－通知済保険金	75	(32)	43
－既発生未報告保険金	41	(20)	21
当事業年度に関する支払保険金	(250)	65	(185)
当事業年度通知済	302	29	331
為替およびその他の変動	245	(186)	59
12月31日現在			
－通知済保険金	301	(129)	172
－既発生未報告保険金	112	(15)	97
12月31日現在	413	(144)	269

	2006年12月31日に終了した事業年度		
	総額	再保険	純額

	百万ポンド	百万ポンド	百万ポンド
UPR			
１月１日現在	313	(23)	290
（収益）／費用として認識されたUPRの変動			
－計上保険料総額	(131)	63	(68)
－稼得保険料総額	153	(59)	94
為替およびその他の変動	(49)	(8)	(57)
12月31日現在	286	(27)	259
通知済および既発生未報告			
１月１日現在	121	(57)	64
－通知済保険金	89	(39)	50
－既発生未報告保険金	32	(18)	14
当事業年度に関する支払保険金	(83)	36	(47)
当事業年度通知済	78	(29)	49
為替およびその他の変動	－	(2)	(2)
12月31日現在			
－通知済保険金	75	(32)	43
－既発生未報告保険金	41	(20)	21
12月31日現在	116	(52)	64

上記の各表には、少額ではあるが過年度に発生した保険金に関する金額が含まれている。したがって、保険金の支払状況に関する詳細を示す表は作成されていない。これは、損害保険金のほとんどが短期間のうちに決済されるためである。

生命保険契約準備金

	2007年12月31日に終了した事業年度		
	総額	再保険	純額
	百万ポンド	百万ポンド	百万ポンド
生命保険（非連動型）			
１月１日現在	**837**	**(525)**	**312**
給付金支払額	**(132)**	**73**	**(59)**
保険契約準備金の増加	**9**	**190**	**199**
為替およびその他の変動	**414**	**(28)**	**386**
12月31日現在	**1,128**	**(290)**	**838**
任意参加型の投資契約			
１月１日現在	**－**	**－**	**－**
給付金支払額	**(537)**	**－**	**(537)**
保険契約準備金の増加	**1,073**	**－**	**1,073**
為替およびその他の変動(1)	**8,911**	**－**	**8,911**
12月31日現在	**9,447**	**－**	**9,447**
生命保険（連動型）			
１月１日現在	**647**	**(29)**	**618**

給付金支払額	**(139)**	**8**	**(131)**
保険契約準備金の増加	**158**	**(6)**	**152**
為替およびその他の変動	**192**	**(1)**	**191**
12月31日現在	**858**	**(28)**	**830**
保険契約準備金合計	**11,433**	**(318)**	**11,115**

(1) 当事業年度中にエイチエスビーシー・アシュアランスVIE（フランス）およびエイチエスビーシー・アシュアランスIARD（フランス）の支配権を取得した結果、発行済保険契約に基づく負債8,929百万ポンドがグループによって認識された（当該取得の詳細情報は注記23に記載されている）。

	2006年12月31日に終了した事業年度		
	総額	再保険	純額
	百万ポンド	百万ポンド	百万ポンド
生命保険（非連動型）			
１月１日現在	847	(474)	373
給付金支払額	(103)	69	(34)
保険契約準備金の増加	71	(104)	(33)
為替およびその他の変動	22	(16)	6
12月31日現在	837	(525)	312
生命保険（連動型）			
１月１日現在	697	(40)	657
給付金支払額	(119)	5	(114)
保険契約準備金の増加	69	6	75
12月31日現在	647	(29)	618
保険契約準備金合計	1,484	(554)	930

保険契約準備金の増加は、当事業年度における保険契約準備金の増加につながるすべての事象の合計額を表している。これらは、死亡保険金、解約、失効、契約開始時に契約者に対して設定する保険契約準備金、配当宣言額および契約者に帰属するその他の金額を含む。

29 引当金

グループ

	引当金	
	2007年	2006年
	百万ポンド	百万ポンド
１月１日現在	**402**	384
追加引当金/引当金の増加(1)	**406**	206
引当金取崩額	**(317)**	(124)
戻入額	**(86)**	(72)
為替およびその他の変動	**22**	8
12月31日現在	**427**	402

(1) 空室引当金に関する割引のアンワインディング１百万ポンド（2006年：５百万ポンド）を含む。

上記には、特定の個人年金制度および抵当養老保険契約の売却に関して発生する可能性のある補償費用に係る引当金60百万ポンド（2006年：58百万ポンド）ならびに補償回収金に係る引当金が含まれている。当該引当金はモデル・ケースから推定した数理計算に基づいている。支出の発生時期は個別の請求の決済時期によって決まる。

当行

	引当金	
	2007年	2006年
	百万ポンド	百万ポンド
1月1日現在	105	124
追加引当金/引当金の増加(1)	251	46
引当金取崩額	(172)	(43)
戻入額	(29)	(23)
為替およびその他の変動	8	1
12月31日現在	163	105

(1) 空室引当金に関する割引のアンワインディング1百万ポンド（2006年：5百万ポンド）を含む。

上記には以下が含まれる。

（ⅰ）有償不動産契約に関する引当金28百万ポンド（2006年：54百万ポンド）。このうち7百万ポンド（2006年：13百万ポンド）は、2002年に当行がカナリー・ワーフに移転した結果、空室となった賃貸物件の割引将来費用に関連している。当該引当金は、新規テナント募集中の空室の賃貸料、未払賃貸料に対する予想未収賃貸料の不足額およびテナント募集のための建物改装費用をカバーしている。市場賃貸料の変動、新規テナント募集における遅延および賃貸契約の見直しの時期が不確定要素となっている。

（ⅱ）数多くの信託に対する当行の子会社によるサービスの提供に関連した見積補償費用に関する引当金85百万ポンド（2006年：ゼロ）。当行は、当初見積補償費用に関して子会社に弁済を行っている。引当金合計は、モデル・ケースから推定した計算に基づいている。引当金の通知および弁済時期に影響を及ぼす要因が不安定要素となっている。

30 劣後債務

	グループ		当行	
	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
劣後債務				
－償却原価	5,205	5,380	4,744	4,999
劣後債務	3,111	2,960	4,744	4,553
優先株式	2,094	2,420	―	446
－公正価値評価の指定を受けた	3,362	3,658	3,365	3,661
劣後債務	3,084	3,353	3,365	3,661

優先株式	**278**	305	**—**	—
	8,567	9,038	**8,109**	8,660

グループの劣後借入金

		帳簿価額	
		2007年	2006年
		百万ポンド	百万ポンド
300百万米ドル	劣後債、金利6.95%、満期2011年	**162**	166
250百万ユーロ	変動金利劣後ローン、満期2015年	**183**	168
600百万ユーロ	期限前償還条項付劣後債、金利4.25%、満期2016年(1)	**439**	408
800百万ユーロ	期限前償還条項付変動金利劣後債、満期2016年	**586**	536
350百万ポンド	期限前償還条項付変動金利劣後債、満期2017年(2)	**355**	344
1,000百万ユーロ	変動金利劣後ローン、満期2017年	**734**	671
500百万ポンド	期限前償還条項付劣後債、金利4.75%、満期2020年(3)	**464**	480
500百万ユーロ	期限前償還条項付変動金利劣後債、満期2020年	**337**	335
350百万ポンド	期限前償還条項付劣後債、金利5%、満期2023年(4)	**335**	350
300百万ポンド	劣後債、金利6.5%、満期2023年	**298**	298
300百万米ドル	劣後債、金利7.65%、満期2025年	**179**	190
350百万ポンド	期限前償還条項付ステップ・アップ条項付劣後債、金利5.375%、満期2030年(5)	**325**	357
500百万ポンド	劣後債、金利5.375%、満期2033年	**474**	531
900百万ユーロ	非累積劣後債、金利7.75%、満期2040年	**660**	604
225百万ポンド	劣後債、金利6.25%、満期2041年	**223**	223
600百万ポンド	劣後債、金利4.75%、満期2046年	**591**	591
700百万ポンド	非累積ステップ・アップ条項付永久優先株式、金利5.844%(6)	**700**	700
300百万ポンド	非累積ステップ・アップ条項付永久優先株式、金利5.862%(7)	**278**	305
750百万米ドル	変動金利永久第一次キャピタル・ノート	**374**	382
500百万米ドル	変動金利永久第一次キャピタル・ノート	**249**	255

300百万米ドル	変動金利永久第一次キャピタル・ノート（シリーズ３）	**150**	153
150百万ポンド	ステップ・アップ条項付永久劣後債、金利8.625%	**－**	155
875百万米ドル	非累積第三次米ドル優先株式(8)	**－**	446
	50百万ポンド未満のその他の劣後債務	**471**	390
		8,567	9,038

(1) 期限前償還条項付劣後債（金利4.25%、満期2016年）の金利は、2011年３月に３ヶ月物EURIBORに1.05%を加えたものに変更される。

(2) 期限前償還条項付変動金利劣後債（満期2017年）の金利は、2012年６月まで5.75%に固定されている。その後の年利は、英国５年債の償還利回りに1.70%を加えたものとなる。

(3) 期限前償還条項付劣後債（金利4.75%、満期2020年）の金利は、2015年９月に３ヶ月物ポンドLIBORに0.82%を加えたものに変更される。

(4) 期限前償還条項付劣後債（金利5%、満期2023年）の金利は、2018年３月に英国５年債の償還利回りに1.80%を加えた年利に変更される。

(5) 期限前償還条項付ステップ・アップ条項付劣後債（金利5.375%、満期2030年）の金利は、2025年11月に３ヶ月物ポンドLIBORに1.50%を加えたものに変更される。

(6) 非累積ステップ・アップ条項付永久優先株式（金利5.844%）の配当率は、2031年11月に６ヶ月物ポンドLIBORに1.76%を加えたものに変更される。

(7) 非累積ステップ・アップ条項付永久優先株式（金利5.862%）の配当率は、2020年４月に６ヶ月物ポンドLIBORに1.85%を加えたものに変更される。

(8) 非累積第三次米ドル優先株式の取引条件が2007年７月31日に変更された結果、同日以降、当行の金融負債としての認識が中止され、資本として認識されている。

脚注(1)から(7)はすべて、金融庁の事前の承認をもって、金利変更日ならびにその後の金利更改日および一部は金利支払日に、借り手の選択により返済可能な債券に関連している。

31 金融商品の公正価値

公正価値は、知識のある自発的な主体間の独立した第三者間取引において、資産との交換または負債の決済が可能な金額のことである。

公正価値で継続的に測定される金融商品は、トレーディング資産および負債、損益を通じた公正価値評価の指定を受けた商品、デリバティブ、ならびに売却可能として分類された金融商品（短期国債およびその他の適格手形、負債証券および持分証券など）を含んでいる。

管理の枠組み

公正価値は、リスクを取る立場から独立した部門によって決定または検証されることを確実にするための管理の枠組みの適用を受ける。この目的のために、財務部門は公正価値の決定における最終責任を負い、その職務としてエイチエスビーシー・グループの財務取締役に報告する。財務部門は、評価を行う際に従わなければならない会計方針および手順を規定しており、この方針および手順がすべての関連する会計基準

に準拠していることを保証する責任がある。

評価モデルを用いて決定された公正価値についての管理の枠組みは、該当する場合、評価モデルの独立した開発または検証、評価モデルへの入力データの独立した決定または検証、評価モデル以外で必要な調整についての独立した決定または検証、ならびに、可能であればモデルからアウトプットした結果の独立した検証を含む。評価モデルを使用せずに決定された公正価値については、独立した価格決定または検証が行われる。独立した検証の実施結果は、上級経営陣に報告され、必要な場合は公正価値に対する調整が行われる。

公正価値により計上される金融商品の公正価値の決定

公正価値で継続的に測定される金融商品は、トレーディング資産および負債、損益を通じた公正価値評価の指定を受けた商品、デリバティブ、ならびに売却可能として分類された金融商品（短期国債およびその他の適格手形、負債証券ならびに持分証券など）を含んでいる。

グループの連結貸借対照表に公正価値で計上された金融商品の公正価値測定の信頼性は、以下のとおり、公正価値がどのように決定されているかに基づいて評価される。

(a) 市場価格

活発な市場における同一商品の市場価格を有する金融商品

(b) 観察可能な入力データを用いた評価手法

活発な市場における類似商品の市場価格または活発に取引されていない市場における同一商品または類似商品の市場価格を有する金融商品、およびすべての重要な入力データが観察可能であるモデルを用いて評価された金融商品

(c) 重要な観察不能な入力データによる評価手法

１つまたは複数の重要な入力データが観察不能であるモデルを用いて評価された金融商品

公正価値の最も適切な証拠は、活発に取引されている市場における市場価格である。金融商品の市場が活発でない場合に評価手法が用いられる。評価手法の大半は観察可能な市場データのみを使用するため、公正価値測定の信頼性は高い。しかし、一部の金融商品は、観察不能な１つまたは複数の重要な市場データを用いた評価手法に基づいて評価されている。これらの金融商品について得られる公正価値の測定結果は判断を要する。このような状況における「観察不能」とは、独立した第三者間取引が起こり得る価格水準を決定するために使用できる現行の市場データがほとんどない、または皆無であることを意味するが、通常、公正価値の決定の基礎となる市場データが完全に皆無であることを意味するものではない（たとえば、過去のデータが使用される場合がある）。また、公正価値の階層の評価は、金融商品の公正価値にとって重要である入力データの最低水準に基づいて行われる。その結果、観察不能な入力データの決定における不確実性によって、評価上の不確実性が公正価値自体の不確実性よりも低くなる。

特定の状況において、グループは公正価値オプションを発行済負債に適用している。入手できる場合、公正価値は、関連する特定の金融商品の活発な市場における市場価格に基づくことになる。入手できない場合、公正価値は、関連する特定の金融商品の活発に取引されていない市場における市場価格に基づくか、または類似する金融商品の活発な市場における市場価格と比較することによって見積もられる。そのため、これらの金融商品の公正価値は、信用スプレッドの影響を含んでいる。グループによって発行されている負債の信用スプレッドにおける変動から生じた利益および損失は、債券の契約期間にわたって戻入れられる。

発行済みの仕組債および特定のその他複合金融商品の負債は、トレーディング負債に公正価値で計上されている。これらの金融商品に適用されている信用スプレッドは、グループが仕組債を発行した時点におけるスプレッドから導かれている。これらの市場スプレッドは、一般負債またはクレジット・デフォルト・スワップの市場で観察される信用スプレッドと比較して著しくタイトである。

デリバティブ以外の金融商品のすべての正味ポジションおよびすべてのデリバティブのポートフォリオは、買値または売値のいずれかで評価される。ロング・ポジションは買値が付けられ、ショート・ポジションは売値が付けられる。

大量保有のデリバティブ以外の金融商品の公正価値は、一金融商品の価値の倍数に基づいて決定され、保有規模に対する修正は行われない。

市場価格が入手できない場合に使用される評価モデルは、公正価値を設定するために市場参加者が用いるであろうとグループが想定する特定の仮定を織り込んでいる。グループが評価モデルに含まれないその他の事項があると想定する場合、評価モデル以外で調整が行われる可能性がある。

このような調整の例は以下のとおりである。

- **信用リスクの調整：**店頭取引デリバティブの取引相手の信用力を反映した調整
- **市場データ/モデルの不確実性：**不確実な市場データ（例：非流動性に起因するもの）による公正価値の不確実性、または評価モデルの選択が特に主観的な分野における不確実性を反映するための調整
- **開始時利益（「day１損益準備金」）：**取引開始時に、１つまたは複数の重要な観察不能の入力データに基づいて評価される金融商品について、連結損益計算書に計上されていないが、繰延べられて公正価値の一部として含められている取引開始時の取引価格とモデル価値（調整済）間の差異

取引費用は公正価値の計算に含まれない。仲介料、手数料費用などの取引開始費用および取引後費用は営業費用に含まれる。店頭取引デリバティブのポートフォリオを管理するための将来費用も公正価値に含まれず、発生時に費用計上される。

・貸付金

貸付金は、入手できる場合は、ブローカーの指し値および/または市場コンセンサス・プロバイダーの価格に基づいて評価される。これらが入手できない場合、公正価値は、同一または比較可能な事業会社の発行するその他の市場金融商品から導かれる適切な信用スプレッドに基づいて決定される。

・負債証券、短期国債およびその他の適格手形ならびに持分証券

これらの金融商品は、入手できる場合は、取引所、ディーラー、ブローカー、産業グループまたは価格決定サービス機関から入手した市場価格に基づいて評価される。これらが入手できない場合は、公正価値は、類似する金融商品の市場価格を参照することによって決定されるか、または一部のモーゲージ・バック証券および非上場株式については、観察可能および観察不能な市場データからの入力データを用いた評価手法によって決定される。

・デリバティブ

店頭取引（すなわち、場外取引）のデリバティブは、評価モデルを用いて評価される。評価モデルは、「無裁定」原則に基づいて、予測将来キャッシュ・フローの現在価値を算定する。金利スワップやヨーロピアン・オプションなどの多くの一般デリバティブ商品に関して利用されるモデル・アプローチは、業界で標準的に用いられているものである。より複雑なデリバティブ商品の場合は、実務上の相違が一部見られる。評価モデルへの入力データは、可能な場合には常に、取引所、ディーラー、

ブローカー、およびコンセンサスプライスのプロバイダーの価格を含む、観察可能な市場データから決定される。特定の入力データは、市場では直接的に観察されない場合があるが、モデル較正手順を経た観察可能な価格から決定される。最終的に、一部の入力データは観察不能であるが、一般的に実績データまたはその他のデータから見積もることができる。観察可能な入力データの例は、直物および先物為替レート、一般に取引されているオプション商品の基準金利曲線およびボラティリティ局面を含む。観察不能な入力データの例は、あまり一般に取引されていないオプション商品の全部または一部のボラティリティ局面、ならびに市場ファクター間の相関関係を含む。

・プライベート・エクイティ

グループのプライベート・エクイティのポジションは、通常、売却可能として分類されており、活発な市場では取引されていない。当該投資に関する活発な市場が存在しない場合、公正価値は、投資対象会社の財政状態と経営成績、リスク・プロファイル、見通しおよびその他の要素の分析に基づいて見積もられるか、もしくは活発な市場における類似した会社の市場評価または類似した会社が所有者を変更した時点の価格などを参照することによって見積もられる。プライベート・エクイティ投資の公正価値の見積りには判断が要求され、本質的な不確実性が伴うため、投資が実現されるまでは主観的な評価要素は取り除かれない。

下表は、連結財務諸表上で公正価値により測定されている金融資産および金融負債の評価の基礎に関する分析を示している。

グループ

	評価手法					
	市場価格	観察可能な入力データの使用	重要な観察不能な入力データの使用	第三者合計	エイチエスビーシー・グループ会社との取引金額	合計
	百万ポンド					
2007年12月31日現在						
資産						
トレーディング資産	**80,256**	**61,878**	**3,603**	**145,737**	**7,469**	**153,206**
公正価値評価の指定を受けた金融資産	**10,615**	**4,330**	**—**	**14,945**	**24**	**14,969**
デリバティブ	**3,019**	**49,199**	**807**	**53,025**	**7,445**	**60,470**
金融投資	**17,757**	**42,229**	**3,314**	**63,300**	**6,190**	**69,490**
負債						
トレーディング負債	**56,494**	**41,237**	**2,366**	**100,097**	**17,357**	**117,454**
公正価値評価の指定を受けた金融負債	**9,481**	**6,178**	**—**	**15,659**	**—**	**15,659**
デリバティブ	**2,871**	**48,808**	**842**	**52,521**	**9,018**	**61,539**
2006年12月31日現在						
資産						
トレーディング資産	55,947	25,312	569	81,828	4,166	85,994
公正価値評価の指定を受けた金融資産	5,665	191	—	5,856	129	5,985

デリバティブ	1,808	25,142	480	27,430	4,660	32,090
金融投資	11,811	21,380	2,548	35,739	6,565	42,304
負債						
トレーディング負債	35,426	11,893	914	48,233	3,847	52,080
公正価値評価の指定を受けた金融負債	8,368	889	—	9,257	203	9,460
デリバティブ	2,767	23,149	526	26,442	6,301	32,743

当行

	評価手法					
	市場価格	観察可能な入力データの使用	重要な観察不能な入力データの使用	第三者合計	エイチエスビーシー・グループ会社との取引金額	合計
	百万ポンド					
2007年12月31日現在						
資産						
トレーディング資産	**39,935**	**58,777**	**3,603**	**102,315**	**46,787**	**149,102**
公正価値評価の指定を受けた金融資産	**—**	**3,439**	**—**	**3,439**	**—**	**3,439**
デリバティブ	**57**	**32,185**	**287**	**32,529**	**13,796**	**46,325**
金融投資	**6,749**	**5,843**	**1,026**	**13,618**	**(13)**	**13,605**
負債						
トレーディング負債	**33,285**	**34,301**	**2,319**	**69,905**	**29,850**	**99,755**
公正価値評価の指定を受けた金融負債	**4,278**	**3,804**	**—**	**8,082**	**—**	**8,082**
デリバティブ	**186**	**32,622**	**249**	**33,057**	**14,479**	**47,536**
2006年12月31日現在						
資産						
トレーディング資産	31,707	22,075	569	54,351	8,378	62,729
公正価値評価の指定を受けた金融資産	—	—	—	—	—	—
デリバティブ	—	16,670	241	16,911	7,450	24,361
金融投資	7,832	3,635	234	11,701	434	12,135
負債						
トレーディング負債	20,600	7,347	914	28,861	6,354	35,215
公正価値評価の指定を受けた金融負債	4,254	70	—	4,324	412	4,736
デリバティブ	1,108	15,111	175	16,394	8,573	24,967

公正価値評価モデルにおける観察不能な仮定の変動

上記のように、金融商品の公正価値は、特定の状況において、同一商品における観察可能な現行の市場取引から入手される価格によって裏付けられておらず、観察可能な市場データに基づくものではない仮定を織り込んだ評価モデルを用いて測定されている。下表は、公正価値の合理的に可能な代替的仮定の感応度を示している。

グループ

	利益/（損失）に反映		資本に反映	
	有利な変動	不利な変動	有利な変動	不利な変動
	百万ポンド		百万ポンド	
2007年12月31日現在				
デリバティブ/トレーディング資産/トレーディング負債(1)	**150**	**(93)**	**—**	**—**
公正価値評価の指定を受けた金融資産/負債	**—**	**—**	**—**	**—**
金融投資－売却可能	**—**	**—**	**171**	**(202)**
2006年12月31日現在				
デリバティブ/トレーディング資産/トレーディング負債	127	(132)	—	—
公正価値評価の指定を受けた金融資産/負債	—	—	—	—
金融投資－売却可能	—	—	28	(28)

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	利益/（損失）に反映		資本に反映	
	有利な変動	不利な変動	有利な変動	不利な変動
	百万ポンド		百万ポンド	
2007年12月31日現在				
デリバティブ/トレーディング資産/トレーディング負債(1)	**135**	**(107)**	**—**	**—**
公正価値評価の指定を受けた金融資産/負債	**—**	**—**	**—**	**—**
金融投資－売却可能	**—**	**—**	**87**	**(87)**
2006年12月31日現在				
デリバティブ/トレーディング資産/トレーディング負債	90	94	—	—
公正価値評価の指定を受けた金融資産/負債	—	—	—	—
金融投資－売却可能	—	—	23	(23)

(1) デリバティブ、トレーディング資産およびトレーディング負債は、これらの金融商品のリスク管理方法を反映させるためにひとつのカテゴリーとして表示されている。

損益計算書に計上された公正価値の変動

下表は、当期中に損益で認識された公正価値の変動の詳細を示している。当該公正価値は、同一商品における観察可能な現行の市場取引から入手される価格で裏付けられていない重要な仮定を織り込んだ、観察可能な市場データに基づかない評価手法を用いて見積もられている。

・本表は、これらの商品における公正価値の変動合計の詳細を示しており、観察不能部分に帰属する変動と無関係ではない。

・重要な観察不能な入力データによって評価された商品は、観察可能な入力データを用いて評価された商

品によってダイナミックヘッジされることが多い。本表は、これらヘッジの公正価値における変動を含んでいない。

・2006年12月31日現在は観察可能な入力データを用いて評価されていたが、2007年度において重要な観察不能な入力データによって評価されるようになった重要な資産および負債があった。本表は、カテゴリーの変更を受けて生じた公正価値の変動のみならず、2007年度のそのような商品の公正価値の変動全体を反映している。

グループ

	損益計算書への計上額	
	2007年	2006年
	百万ポンド	百万ポンド
デリバティブ/トレーディング資産/トレーディング負債	**92**	―

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	損益計算書への計上額	
	2007年	2006年
	百万ポンド	百万ポンド
デリバティブ/トレーディング資産/トレーディング負債	**27**	―

公正価値で計上されない金融商品の公正価値

貸借対照表上に公正価値で認識されていない金融商品の公正価値は、下記のとおり算定される。

公正価値の算定は、知識のある自発的な主体間の独立した第三者間取引において、金融資産が交換される、または金融負債が決済される金額に関するグループの見積りを織り込んでいる。これは、予想将来契約期間にわたり当該商品のキャッシュ・フローから発生するとグループが見積もる経済的利益および費用を反映していない。その他の報告会社は、観察可能な市場価格が入手できない状況で公正価値を決定する際に、異なる評価手法や仮定を用いることがあるため、会社間の公正価値を比較することは有意義でない可能性があり、当該データのユーザーはその使用に際して注意が必要である。

以下の種類の金融商品がトレーディング目的で保有されていない、または損益を通じた公正価値評価の指定を受けていない場合には、償却原価で測定される。資産または負債が公正価値ヘッジとして指定を受けており適格なデリバティブでヘッジされている場合には、そのようにヘッジされている資産または負債の帳簿価額は、ヘッジされたリスクのみの公正価値の調整を含んでいる。下記の貸借対照表現在における資産および負債の公正価値は、以下の開示目的のために見積もられたものである。

(i) 銀行および顧客に対する貸付金

貸付金の公正価値は、入手できる場合は観察可能な市場取引に基づいている。観察可能な市場取引がない場合は、公正価値は割引キャッシュ・フロー・モデルを用いて見積もられている。正常貸付金は、可能な限り、金額、顧客の種類、通貨、ファシリティの格付け、満期および表面利率ごとに区分された同種の貸付金プールに分類されている。通常、契約上のキャッシュ・フローは、市場参加者が満期、価格更改、および信用リスクの特性が類似する商品を評価する際に用いる割引率に関するグループの見積りを用いて割り引かれる。最近の価格情報がない場合の満期については、情報がある時点間の線形分析によって予測される。

貸付金および預金の要求払い返済額の公正価値は、貸借対照表日の帳簿価額として見積もられる。

貸付金ポートフォリオの公正価値は、貸借対照表日現在の貸付金の減損および市場参加者の契約期間における貸し倒れの見積りを反映している。

減損貸付金の公正価値は、回収が見込まれる期間の将来キャッシュ・フローを割り引くことで見積もられている。

（ii）金融投資

上場金融投資の公正価値は、市場買値を用いて決定される。非上場金融投資は、同等の上場証券の価格または将来の収益動向のいずれかを考慮に入れた評価手法を用いて決定される。

(iii) 銀行および顧客からの預金

公正価値を見積もるために、銀行および顧客からの預金は、残存期間ごとに分類されている。公正価値は、割引キャッシュ・フローを用いて、同様の残存期間を持つ預金に提示される現在の利率を適用して見積もられる。要求払預金の公正価値は、貸借対照表日現在、要求に応じて支払可能な金額であると予想される。

(iv) 発行済負債証券および劣後債務

公正価値は可能であれば貸借対照表日現在の市場価格を用いて、あるいは類似する金融商品の市場価格を参照して決定される。

本注記に表示されている公正価値は、特定日に評価されたものであり、当該商品の満期日または決済日に実際に支払う金額と大幅に異なる可能性がある。多くの場合、評価されたポートフォリオの規模を考慮して見積られた公正価値を即座に実現することは不可能である。したがって、これらの公正価値は、継続企業としてのグループに対するこれらの金融商品の価値を表すものではない。

すべての種類の金融商品の公正価値は、金融商品の単価に保有数を乗じた金額で表示されている。大量保有に関する割引割増修正は行われていない。

コア預金のポートフォリオの価値、クレジットカードおよび顧客関係などの無形資産の公正価値は金融商品ではないため上記には含まれていない。

下表は、その性質上短期である、または現在の市場金利に頻繁に金利更改される等の理由により、公正価値が帳簿価額に合理的に近似している金融商品を列挙している。

資産	負債
現金および中央銀行預け金	他行へ送金中の項目
他行から回収中の項目	裏書および支払承諾
裏書および支払承諾見返	「その他負債」に計上されている短期債務
「その他資産」に計上されている短期債権	未払費用
未収収益	

下表は、貸借対照表上で公正価値以外の方法により測定されている金融商品の公正価値の分析を示している。すべてのその他の金融商品の公正価値は、帳簿価額と等しい。

グループ

	2007年		2006年	
	帳簿価額	公正価値	帳簿価額	公正価値
	百万ポンド		百万ポンド	
資産				
銀行に対する貸付金	**60,764**	**60,764**	44,428	44,428
顧客に対する貸付金	**227,687**	**226,572**	200,416	200,416
金融投資：負債証券	**254**	**254**	76	76
負債				
銀行からの預金	**48,786**	**48,783**	38,513	38,510
顧客からの預金	**268,269**	**268,059**	227,350	227,358
発行済負債証券	**50,921**	**50,620**	38,090	38,178
劣後債務	**5,205**	**4,921**	5,380	5,338

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	2007年		2006年	
	帳簿価額	公正価値	帳簿価額	公正価値
	百万ポンド		百万ポンド	
資産				
銀行に対する貸付金	**32,028**	**32,028**	25,121	25,121
顧客に対する貸付金	**150,649**	**149,876**	143,964	143,964
負債				
銀行からの預金	**41,061**	**41,061**	29,182	29,182
顧客からの預金	**184,899**	**184,899**	164,054	164,185
発行済負債証券	**8,117**	**8,194**	5,408	5,421
劣後債務	**4,744**	**4,469**	4,999	4,959

32 資産および負債の満期分析

下表は、貸借対照表日における残存契約期間ごとの金融負債の割引前キャッシュ・フロー債務を分析したものである。

トレーディング負債およびトレーディング・デリバティブは、トレーディング負債が通常短期保有目的であることから、契約上の満期によって分類されるのではなく、「要求払」の満期区分に含められる。ヘッジ手段であるデリバティブ負債の割引前キャッシュ・フローは、契約上の満期に基づいて分類される。

グループ

	要求払	3ヶ月以内	3ヶ月から12ヶ月	1年から5年	5年超	合計
			百万ポンド			
銀行からの預金	**11,564**	**34,031**	**4,375**	**1,561**	**3,043**	**54,574**
顧客からの預金	**173,902**	**90,818**	**7,720**	**2,232**	**1,255**	**275,927**

トレーディング負債	**117,454**	**—**	**—**	**—**	**—**	**117,454**
公正価値評価の指定を受けた金融負債	**5,828**	**408**	**1,345**	**2,716**	**8,134**	**18,431**
デリバティブ	**60,908**	**4**	**246**	**483**	**104**	**61,745**
発行済負債証券	**316**	**32,903**	**8,741**	**11,527**	**2,962**	**56,449**
劣後債務	**—**	**36**	**190**	**782**	**7,121**	**8,129**
その他の金融負債	**2,567**	**6,152**	**861**	**253**	**585**	**10,418**
貸付契約	**36,914**	**58,332**	**8,610**	**23,791**	**11,497**	**139,144**
2007年12月31日現在合計	**409,453**	**222,684**	**32,088**	**43,345**	**34,701**	**742,271**

	要求払	３ヶ月以内	３ヶ月から12ヶ月	１年から５年	５年超	合計
			百万ポンド			
銀行からの預金	8,562	25,134	2,706	2,546	2,089	41,037
顧客からの預金	159,604	68,152	5,606	2,486	1,753	237,601
トレーディング負債	52,080	—	—	—	—	52,080
公正価値評価の指定を受けた金融負債	4,540	72	193	2,600	4,460	11,865
デリバティブ	34,217	77	27	310	52	34,683
発行済負債証券	275	26,392	2,165	9,539	2,272	40,643
劣後債務	—	62	181	1,430	7,068	8,741
その他の金融負債	649	4,794	68	71	357	5,939
貸付契約	42,454	50,090	5,306	17,132	13,931	128,913
2006年12月31日現在合計	302,381	174,773	16,252	36,114	31,982	561,502

当行

	要求払	**３ヶ月以内**	**３ヶ月から12ヶ月**	**１年から５年**	**５年超**	**合計**
			百万ポンド			
銀行からの預金	**9,626**	**29,888**	**1,496**	**137**	**112**	**41,259**
顧客からの預金	**141,788**	**35,584**	**2,648**	**5,094**	**1,334**	**186,448**
トレーディング負債	**99,755**	**—**	**—**	**—**	**—**	**99,755**
公正価値評価の指定を受けた金融負債	**—**	**54**	**161**	**2,401**	**7,769**	**10,385**
デリバティブ	**47,339**	**(41)**	**66**	**229**	**5**	**47,598**
発行済負債証券	**3**	**5,408**	**2,029**	**506**	**1,121**	**9,067**
劣後債務	**—**	**34**	**102**	**1,894**	**4,542**	**6,572**
その他の金融負債	**—**	**4,639**	**64**	**15**	**1**	**4,719**
貸付契約	**16,538**	**55,765**	**1,787**	**14,418**	**8,340**	**96,848**
2007年12月31日現在合計	**315,049**	**131,331**	**8,353**	**24,694**	**23,224**	**502,651**

	要求払	３ヶ月以内	３ヶ月から12ヶ月	１年から５年	５年超	合計
	百万ポンド					
銀行からの預金	7,002	20,590	1,432	175	106	29,305
顧客からの預金	128,767	26,196	1,856	4,226	3,769	164,814
トレーディング負債	35,215	―	―	―	―	35,215
公正価値評価の指定を受けた金融負債	―	43	174	2,435	4,197	6,849
デリバティブ	24,878	1	27	64	52	25,022
発行済負債証券	275	3,175	427	1,195	1,052	6,124
劣後債務	―	41	795	1,785	4,631	7,252
その他の金融負債	202	3,108	16	―	―	3,326
貸付契約	22,500	48,321	1,475	10,761	8,896	91,953
2006年12月31日合計	218,839	101,475	6,202	20,641	22,703	369,860

以下は、１年未満および１年超で回収または決済が見込まれる金額を合算した資産および負債項目を貸借対照表日における残存契約期間ごとに分析したものである。

契約上の満期は、以下で分析される資産および負債の予想満期に合理的に近似すると考えられている。しかし、要求払預金および当座貸越などの項目の契約上の満期は、予想満期と異なる場合がある。

トレーディング資産、トレーディング負債およびデリバティブは、貸借対照表日から12ヶ月以内に回収または決済が見込まれているため、当該分析から除外されている。

グループ

	2007年12月31日現在		
	１年以内	１年超	合計
	百万ポンド		
資産			
公正価値評価の指定を受けた金融資産	**2,267**	**12,702**	**14,969**
銀行に対する貸付金	**55,163**	**5,601**	**60,764**
顧客に対する貸付金	**119,052**	**108,635**	**227,687**
金融投資	**16,467**	**53,061**	**69,528**
その他の金融資産	**4,330**	**413**	**4,743**
	197,279	**180,412**	**377,691**
負債			
銀行からの預金	**44,422**	**4,364**	**48,786**
顧客からの預金	**264,976**	**3,293**	**268,269**
公正価値評価の指定を受けた金融負債	**4,750**	**10,909**	**15,659**
発行済負債証券	**39,675**	**11,246**	**50,921**
その他の金融負債	**6,332**	**358**	**6,690**
劣後債務	**―**	**5,205**	**5,205**
	360,155	**35,375**	**395,530**

	2006年12月31日現在		
	１年以内	１年超	合計
		百万ポンド	
資産			
公正価値評価の指定を受けた金融資産	794	5,191	5,985
銀行に対する貸付金	43,176	1,252	44,428
顧客に対する貸付金	100,933	99,483	200,416
金融投資	18,631	23,749	42,380
その他の金融資産	3,119	719	3,838
	166,653	130,394	297,047
負債			
銀行からの預金	34,175	4,338	38,513
顧客からの預金	223,932	3,418	227,350
公正価値評価の指定を受けた金融負債	342	9,118	9,460
発行済負債証券	28,053	10,037	38,090
その他の金融負債	922	860	1,782
劣後債務	123	5,257	5,380
	287,547	33,028	320,575

当行

	2007年12月31日現在		
	１年以内	**１年超**	**合計**
		百万ポンド	
資産			
公正価値評価の指定を受けた金融資産	**－**	**3,439**	**3,439**
銀行に対する貸付金	**28,479**	**3,549**	**32,028**
顧客に対する貸付金	**71,543**	**79,106**	**150,649**
金融投資	**8,467**	**5,354**	**13,821**
その他の金融資産	**1,485**	**154**	**1,639**
	109,974	**91,602**	**201,576**
負債			
銀行からの預金	**38,854**	**2,207**	**41,061**
顧客からの預金	**181,340**	**3,559**	**184,899**
公正価値評価の指定を受けた金融負債	**3,366**	**4,716**	**8,082**
発行済負債証券	**7,282**	**835**	**8,117**
その他の金融負債	**2,793**	**－**	**2,793**
劣後債務	**－**	**4,744**	**4,744**
	233,635	**16,061**	**249,696**

	2006年12月31日現在		
	1年以内	1年超	合計
	百万ポンド		
資産			
公正価値評価の指定を受けた金融資産	—	—	—
銀行に対する貸付金	24,528	593	25,121
顧客に対する貸付金	68,943	75,021	143,964
金融投資	9,665	2,470	12,135
その他の金融資産	1,734	206	1,940
	104,870	78,290	183,160
負債			
銀行からの預金	28,929	253	29,182
顧客からの預金	156,578	7,476	164,054
公正価値評価の指定を受けた金融負債	190	4,546	4,736
発行済負債証券	3,756	1,652	5,408
その他の金融負債	317	155	472
劣後債務	671	4,328	4,999
	190,441	18,410	208,851

グループの流動性および資金調達リスク管理については、注記38「リスク管理」に詳細が記載されている。

33 為替エクスポージャー

構造的為替エクスポージャー

グループの構造的為替エクスポージャーは、子会社、支店、合弁事業および関連会社の外貨資本および劣後債投資の純資産価値によって示されている。構造的為替エクスポージャーによる損益は準備金に計上されている。

グループの構造的為替エクスポージャーの管理については、注記38に記載されている。

正味構造的為替エクスポージャー

	2007年	2006年
構造的エクスポージャーの通貨	百万ポンド	百万ポンド
ユーロ	**10,449**	9,433
米国ドル	**558**	818
スイス・フラン	**1,324**	1,271
トルコ・リラ	**895**	494
マルタ・リラ	**135**	137
その他、100百万ポンド未満	**189**	145
合計	**13,550**	12,298

34 負債の担保として差し入れた資産および資産の担保として受け入れた担保

負債の担保として供された金融資産は以下のとおりである。

	エイチエスビーシー・グループの担保資産		当行の担保資産	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
短期国債およびその他の適格証券	**1,410**	213	**1,404**	213
銀行に対する貸付金	**5,402**	347	**1,113**	347
顧客に対する貸付金	**24,664**	11,213	**3,408**	11,213
負債証券	**100,750**	47,188	**38,696**	32,446
株式	**9,366**	5,887	**9,300**	5,767
	141,592	64,848	**53,921**	49,986

これらの取引は、一般の証券貸付業務および買戻契約に対する通常の取引条件に基づいて行われている。

資産の担保として受け入れた担保

債務不履行とならない限りグループに売却または再担保が認められている担保として受け入れた金融資産の公正価値は、104,506百万ポンド（2006年：46,794百万ポンド）である。

売却または再担保として受け入れた金融資産の公正価値は、59,668百万ポンド（2006年：24,729百万ポンド）である。グループは、これらの資産を返還する義務がある。

これらの取引は、一般の株式貸借業務に対する通常の取引条件に基づいて行われている。

35 払込済株式資本

授権株式資本

2007年および2006年12月31日現在のエイチエスビーシー・バンク・ピーエルシーの授権普通株式資本は1,000百万ポンド（１株当たり額面１ポンドで普通株式999,999,999株および１株当たり額面１ポンドで優先普通株式１株に区分される）であった。

2007年および2006年12月31日現在、エイチエスビーシー・バンク・ピーエルシーの授権優先株式資本は、１株当たり額面１ポンドの非累積優先株式150百万ポンドおよび１株当たり額面0.01米ドルの非累積優先株式2.44百万米ドルである。

発行済株式資本

エイチエスビーシー・バンク・ピーエルシーの普通株式

	株数	**百万ポンド**
2007年１月１日現在	**796,969,101**	**797**
発行株式	**1**	**—**
2007年12月31日現在	**796,969,102**	**797**
2006年１月１日現在	796,969,099	797
発行株式	2	—
2006年12月31日現在	796,969,101	797

エイチエスビーシー・バンク・ピーエルシーの非累積第三次米ドル優先株式

	株数	千ポンド
2007年１月１日現在	―	―
期中認識分	35,000,000	172
2007年12月31日現在	35,000,000	172

2007年７月31日に、エイチエスビーシー・バンク・ピーエルシーの非累積第三次米ドル優先株式の契約条件が変更された。その結果、当該優先株式は当行の金融負債から除去され、431百万ポンドの資本剰余金の計上により同日より資本に計上されている。当行は、優先株式を償還する義務はないが、事前にFSAの同意があればいつでもその一部または全部を償還することができる。優先株式の配当金は、取締役会の単独の絶対的な裁量によって年１回支払われる。配当金の支払いによって当行がFSAの自己資本比率基準を満たすことができなくなる場合、または配当金として分配できる当行の利益が、優先株式の配当金および同日に支払が予定されていて、同等の配当請求権があるその他の株式の配当金の全額を支払うには不十分である場合、あるいは普通株式を除いて、当行の資本におけるすべてのクラスの株式に付されている権利によって配当金の支払が禁止されている場合、取締役会は、優先株式に対する配当を宣言しない。優先株式には、当行の普通株式に転換する権利が付されていない。優先株式の保有者は、当行の株主総会に出席し、優先株式に付されている権利の変更または無効提案の決議および優先株式の払込資本金の減額提案の決議に対して議決権を行使することができる。優先株式の配当金が直近の配当期間について全額支払われていない、または当行の解散もしくは全事業の売却案の提議がなされた場合、そのような状況において、優先株の保有者は、株主総会に提議されたすべての事案について議決権を行使する権利を与えられている。未払配当金については、優先株式の保有者は、優先株式の配当金が全額支払われるまで、または一配当期間の配当金全額を支払うための資金が引き当てられるまで、すべての株主総会に出席し議決権を行使する権利を与えられている。

エイチエスビーシー・バンク・ピーエルシーの永久劣後債

	百万ポンド
2007年１月１日現在	―
期中発行額	1,000
2007年12月31日現在	1,000

エイチエスビーシー・バンク・ピーエルシーの永久劣後債の利息は、取締役会の単独の絶対的な裁量により、四半期ごとに支払われる。永久劣後債は、当行の選択によってのみ償還され、当行の普通株式に転換する権利は付されていない。

36 資本

グループ

2007年
その他準備金

	払込済株式資本	資本剰余金	利益剰余金	その他準備金					株主資本合計	少数株主持分	資本合計
				売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株式報酬準備金	関連会社および合弁事業			
	百万ポンド										
1月1日現在	797	14,558	4,966	523	(32)	(737)	199	125	20,399	539	20,938
新規引受株式（費用控除後）	1,000	510	—	—	—	—	—	—	1,510	2	1,512
当期中に認識された優先株式(1)	—	431	—	—	—	—	—	—	431	—	431
株主に帰属する当期利益	—	—	3,227	—	—	—	—	—	3,227	—	3,227
親会社株主への配当金	—	—	(1,706)	—	—	—	—	—	(1,706)	—	(1,706)
確定給付制度に係る数理上の利益	—	—	1,267	—	—	—	—	—	1,267	3	1,270
資本に計上された公正価値に係る（損失）利益	—	—	—	(964)	(71)	—	—	101	(934)	—	(934)
損益計算書への振替額	—	—	—	(501)	33	—	—	(122)	(590)	—	(590)
持分決済型の株式報酬取引に係る損益計算書への計上額	—	—	—	—	—	—	40	—	40	—	40
資本に直接計上されたまたは資本から振替られた項目に係る税金	—	—	(382)	61	10	—	—	—	(311)	—	(311)
少数株主への振替	—	—	—	3	—	—	—	—	3	(3)	—
少数株主に帰属する利益	—	—	—	—	—	—	—	—	—	87	87
少数株主への配当金	—	—	(7)	—	—	—	—	—	(7)	(67)	(74)
関連会社からの振替	—	—	(16)	120	—	—	—	(104)	—	—	—
為替差額	—	—	—	—	—	1,094	—	—	1,094	15	1,109
その他	—	—	(1)	1	—	—	—	—	—	—	—
12月31日現在	1,797	15,499	7,348	(757)	(60)	357	239	—	24,423	576	24,999

(1) 当事業年度中に持分証券として認識された当行の非累積第三次米ドル優先株式において生じた資本剰余金。詳細は注記35を参照のこと。

2006年

	払込済株式資本	資本剰余金	利益剰余金	その他準備金					株主資本合計	少数株主持分	資本合計
				売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株式報酬準備金	関連会社および合弁事業			
	百万ポンド										
1月1日現在	797	13,883	3,880	433	86	(141)	111	42	19,091	543	19,634

新規引受株式（費用控除後）	—	675	—	—	—	—	—	—	675	—	675
株主に帰属する当期利益	—	—	2,722	—	—	—	—	—	2,722	—	2,722
親会社株主への配当金	—	—	(1,591)	—	—	—	—	—	(1,591)	—	(1,591)
確定給付制度に係る数理上の利益	—	—	8	—	—	—	—	—	8	1	9
資本に計上された公正価値に係る利益（損失）	—	—	—	258	(64)	—	—	137	331	—	331
損益計算書への振替額	—	—	—	(179)	(118)	—	—	(54)	(351)	—	(351)
持分決済型の株式報酬取引に係る損益計算書への計上額	—	—	—	—	—	—	77	—	77	—	77
資本に直接計上されたまたは資本から振替られた項目に係る税金	—	—	(31)	(4)	64	—	—	—	29	—	29
少数株主への振替	—	—	—	15	—	—	—	—	15	(15)	—
少数株主に帰属する利益	—	—	—	—	—	—	—	—	—	96	96
少数株主への配当金	—	—	(9)	—	—	—	—	—	(9)	(65)	(74)
為替差額	—	—	—	—	—	(596)	—	—	(596)	(21)	(617)
その他	—	—	(13)	—	—	—	11	—	(2)	—	(2)
12月31日現在	797	14,558	4,966	523	(32)	(737)	199	125	20,399	539	20,938

当行

	2007年								
				その他準備金					
	払込済株式資本	資本剰余金	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株式報酬準備金	関連会社および合弁事業	資本合計
	百万ポンド								
１月１日現在	797	14,558	1,650	91	(8)	(2)	121	—	17,207
新規引受株式（費用控除後）	1,000	510	—	—	—	—	—	—	1,510
当期中に認識された優先株式(1)	—	431	—	—	—	—	—	—	431
株主に帰属する当期利益	—	—	2,351	—	—	—	—	—	2,351
親会社株主への配当金	—	—	(1,706)	—	—	—	—	—	(1,706)
確定給付制度に係る数理上の利益	—	—	1,231	—	—	—	—	—	1,231

資本に計上された公正価値に係る利益	**—**	**—**	**—**	**238**	**10**	**—**	**—**	**—**	**248**
損益計算書への振替額	**—**	**—**	**—**	**(167)**	**19**	**—**	**—**	**—**	**(148)**
持分決済型の株式報酬取引に係る損益計算書への計上額	**—**	**—**	**—**	**—**	**—**	**—**	**26**	**—**	**26**
資本に直接計上されたまたは資本から振替られた項目に係る税金	**—**	**—**	**(372)**	**16**	**(8)**	**—**	**—**	**—**	**(364)**
為替差額	**—**	**—**	**—**	**—**	**—**	**(10)**	**—**	**—**	**(10)**
その他	**—**	**—**	**—**	**1**	**—**	**—**	**—**	**—**	**1**
12月31日現在	**1,797**	**15,499**	**3,154**	**179**	**13**	**(12)**	**147**	**—**	**20,777**

(1) 当事業年度中に、持分証券として計上された当行の非累積第三次米ドル優先株式において生じた資本剰余金。詳細は注記35を参照のこと。

	2006年								
				その他準備金					
	払込済株式資本	資本剰余金	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株式報酬準備金	関連会社および合弁事業	資本合計
	百万ポンド								
1月1日現在	797	13,883	1,384	36	(22)	(1)	69	—	16,146
引受済新規株式（費用控除後）	—	675	—	—	—	—	—	—	675
株主に帰属する当期利益	—	—	1,896	—	—	—	—	—	1,896
親会社株主への配当金	—	—	(1,591)	—	—	—	—	—	(1,591)
確定給付制度に係る数理上の損失	—	—	(10)	—	—	—	—	—	(10)
資本に計上された公正価値に係る利益	—	—	—	63	56	—	—	—	119
損益計算書への振替額	—	—	—	2	(35)	—	—	—	(33)
持分決済型の株式報酬取引に係る損益計算書への計上額	—	—	—	—	—	—	52	—	52
資本に直接計上されたまたは資本から振替られた項目に係る税金	—	—	(25)	(10)	(7)	—	—	—	(42)
為替差額	—	—	—	—	—	(1)	—	—	(1)
その他	—	—	(4)	—	—	—	—	—	(4)
12月31日現在	797	14,558	1,650	91	(8)	(2)	121	—	17,207

37 キャッシュ・フロー計算書の注記

税引前利益に含まれる非現金項目

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
減価償却費および減損	**564**	561	**340**	348
貸付金減損（回収額を含む）	**1,043**	938	**825**	798
引当金	**342**	140	**230**	22
金融投資の減損	**—**	(4)	**—**	—
確定給付年金制度に対する費用	**240**	203	**245**	182
ディスカウントおよびプレミアムの償却	**(166)**	23	**(33)**	(83)
	2,023	1,861	**1,607**	1,267

営業資産の変動

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
前渡金および未収収益の変動	**(2,129)**	(836)	**(1,454)**	(657)
正味トレーディング有価証券および正味デリバティブの変動	**(6,299)**	(6,018)	**(25,811)**	(5,775)
銀行に対する貸付金の変動	**(10,421)**	(547)	**(7,371)**	2,238
顧客に対する貸付金の変動	**(27,302)**	(17,669)	**(6,616)**	(9,126)
公正価値評価の指定を受けた金融資産の変動	**(8,984)**	(640)	**(3,439)**	16
その他資産の変動	**(1,482)**	(342)	**(63)**	(508)
	(56,617)	(26,052)	**(44,754)**	(13,812)

営業負債の変動

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
未払費用および繰延収益の変動	**2,313**	748	**1,642**	721
銀行からの預金の変動	**10,273**	4,315	**11,879**	1,183
顧客からの預金の変動	**40,919**	21,875	**20,845**	22,293
発行済負債証券の変動	**12,831**	11,289	**2,709**	(2,804)
公正価値評価の指定を受けた金融負債の変動	**6,199**	1,275	**3,346**	415
その他負債の変動	**11,016**	(200)	**(1,058)**	(362)
	83,551	39,302	**39,363**	21,446

現金および現金同等物の内訳

	グループ	当行

	2007年	2006年	2007年	2006年
	百万ポンド		百万ポンド	
現金および中央銀行預け金	**7,146**	3,618	**3,677**	2,496
他行から回収中の項目	**2,434**	2,937	**1,377**	1,367
銀行に対する貸付金（１ヶ月以内）	**37,751**	31,838	**13,205**	13,669
短期国債、その他手形および預金証書（３ヶ月未満）	**5,879**	10,756	**5,389**	9,972
控除：他行へ送金中の項目	**(1,975)**	(2,428)	**(1,056)**	(1,019)
現金および現金同等物合計(1)	**51,235**	46,721	**22,592**	26,485

(1) 現金および現金同等物合計には、グループが使用できない以下の金額が含まれる。海外子会社が保有している為替管理規制対象の18百万ポンド（2006年：65.6百万ポンド）およびその他の規制対象の3,098百万ポンド（2006年：942百万ポンド）である。

当期中のグループの利息支払額の合計は、13,318百万ポンド（2006年：11,176百万ポンド）であった。当期中のグループの利息受取額の合計は、14,632百万ポンド（2006年：16,312百万ポンド）であった。当期中のグループが受け取った配当金の合計は715百万ポンド（2006年：635百万ポンド）であった。

38 リスク管理

グループのすべての活動について、一定のリスクおよび組み合わされた複数のリスクの分析、評価、受諾および管理が行われている。

金融商品から生じる最も重要なリスクは、信用リスク（カントリーリスクおよびクロス・ボーダー・リスクを含む）、流動性リスク、市場リスク、および保険リスクである。市場リスクは為替、金利および株価リスクを含む。さらに、特別目的事業体とのオンバランスおよびオフバランス・シート取引、ならびに金融保証、信用状および貸付契約を含むその他のオフバランス・シート契約からもリスクが生じている。

グループにとって重要なすべてのリスクの管理方法については以下に記載している。

信用リスク管理

信用リスクは、顧客または取引相手が契約に基づく債務を履行できない場合の損失リスクである。信用リスクは、主に貸出、貿易金融、資金取引およびリース事業によって生じている。信用リスクは、資産が負債証券の形式で保有されており、その価値が減少する可能性がある場合にも生じる。グループはこれらの活動によるリスクを監視および管理するための基準、方針および手続きを有している。

エイチエスビーシー・ホールディングス・ピーエルシーは上層的な信用リスク方針を設定する責任があり、世界各国の子会社の信用リスクに対して、上層的な一元的監視および管理を行っている。またその責務は下記を含む。

- 国有事業体、銀行およびその他金融機関に対するエクスポージャーを管理する。信用枠を最大限に利用し、過度なリスクの集中を避けるために、エイチエスビーシーのこれらのセクターにおける取引相手への信用リスクおよび決済リスクの上限は、エイチエスビーシー・グループの信用リスク部門により承認・管理されている。
- グループ間のエクスポージャーが、規制上の制限内に維持されているよう監視する。
- 国別の上限を設定し、さらにその中で満期別および業種別の上限を設定することにより、クロスボー

ダー・エクスポージャーを管理している。国別の上限は経済的要因および政治的要因を考慮し、地域の業務知識を反映して決定される。リスクが高いとみなされる国との取引は、案件ごとに検討される。

グループ内における信用リスクに関する活動は、信用リスク部門の責任者により統括され、最高執行責任者に報告が行われる。その責務は下記を含む。

- エイチエスビーシーの方針に沿った詳細な信用方針および手続を策定し、マニュアルに記録する。
- 特定の市場セクター、活動および銀行商品に対する信用リスク・エクスポージャーにさらされている子会社および支店に対して、信用方針に関するガイドラインを発行する。
- リスクに関して独立した審査および客観的な評価を実施する。信用リスク部門は、指定された制限を超えて、子会社および支店により設定または更新されたすべてのコマーシャル・ノンバンクの信用枠およびエクスポージャー（デリバティブに組み込まれたものを含む）を承認する。
- リテール・ポートフォリオの実績および管理を監視する。
- 契約相手別、セクター別または地理別のエクスポージャーの集中が、グループの資本基盤に対して過度になることなく、かつ内部および規制上の制限内に維持されるように、大口の信用エクスポージャーに関する方針を維持する。
- エクスポージャーを分類するために用いられる、エイチエスビーシーのリスク格付の枠組みおよびシステムの管理および運用を維持し、改善する。
- グループの信用リスクのポートフォリオの状況について経営幹部に報告する。これらの経営幹部、エグゼクティブ・リスク・マネジメント委員会、監査委員会および当行の取締役会は下記の内容について、様々な定期報告および臨時報告を受ける。

  －リスクの集中

  －リテール・ポートフォリオの実績

  －特定のハイリスクのポートフォリオ・セグメント（例）不動産、銀行および自動車セクター

  －個別の多額な減損勘定およびすべての顧客セグメントの減損引当金／費用

  －国別の制限、クロスボーダー・エクスポージャーおよび関連する減損引当金

  －バーゼル２の指標を用いているポートフォリオおよび分析モデルの実績データ

  －ストレステストの結果および提案
- 必要に応じて、不良債権の最大限の回収に向けて、集中的に管理・調整するための専門家チームを設置する。
- 信用リスク管理システムに関する計画を管理し、指揮する。
- 下記のような信用関連の事項について最善の対応を促すために、支店および子会社に助言および指導を行う。

  －規制の展開

  －リスク・モデル

  －集合的な減損引当金

  －新商品および信用リスクに関する報告

・ 信用関連の問題に関して、グループの代表として、イングランド銀行、FSA、格付機関、コーポレート・アナリスト、同業組合および取引相手を含む外部当事者との窓口になる。

信用リスクに対する最大エクスポージャー

下表は、バランス・シートおよびオフバランス・シートの金融商品の信用リスクに対する最大エクスポージャーを表している。関連する保有担保またはその他の信用補完については、注記２(m)に記載した相殺要件を満たしている場合を除き、考慮していない。

グループ

	最大エクスポージャー	最大エクスポージャー
	2007年12月31日現在	2006年12月31日現在
	百万ポンド	百万ポンド
他行から回収中の項目	2,434	2,937
トレーディング資産	130,787	75,158
－短期国債およびその他の類似手形	445	197
－負債証券	58,741	47,101
－貸付金	71,601	27,860
公正価値評価の指定を受けた金融資産	7,936	2,509
－短期国債およびその他の類似手形	25	28
－負債証券	7,822	2,361
－貸付金	89	120
デリバティブ	60,470	32,090
銀行に対する貸付金	60,764	44,428
顧客に対する貸付金	227,687	200,416
金融投資	66,476	40,485
－短期国債およびその他の類似手形	1,882	3,199
－負債証券	64,594	37,286
その他資産		
－裏書および支払承諾見返	375	353
－その他	3,293	2,762
オフバランス・シート		
－金融保証およびその他の信用関連の偶発債務	17,603	22,938
－貸付契約およびその他の信用関連の契約債務	146,019	131,352
	723,844	555,428

当行

	最大エクスポージャー	最大エクスポージャー
	2007年12月31日現在	2006年12月31日現在

	百万ポンド	百万ポンド
他行から回収中の項目	1,377	1,367
トレーディング資産	136,007	55,450
－短期国債およびその他の類似手形	437	165
－負債証券	37,902	25,260
－貸付金	97,668	30,025
公正価値評価の指定を受けた金融資産	3,439	－
－短期国債およびその他の類似手形	－	－
－負債証券	3,439	－
－貸付金	－	－
デリバティブ	46,325	24,361
銀行に対する貸付金	32,028	25,121
顧客に対する貸付金	150,649	143,964
金融投資	12,894	11,749
－短期国債およびその他の類似手形	1,397	2,826
－負債証券	11,497	8,923
その他資産		
－裏書および支払承諾見返	251	238
－その他	1,086	1,482
オフバランス・シート		
－金融保証およびその他の信用関連の偶発債務	9,706	16,129
－貸付契約およびその他の信用関連の契約債務	102,326	94,336
	496,088	374,197

担保およびその他の信用補完

貸付金

融資を行う際のグループの方針として、担保に過度に依存するのではなく、顧客の返済能力に見合った貸付を行うこととされている。顧客の信用状態および商品の種類によっては、ファシリティが無担保で提供されることもあるが、依然として、担保は信用リスクの重要な緩和措置である。

事業会社は、特定種類の担保または信用リスク緩和措置の妥当性についてガイドラインを設け、適切な評価パラメーターを決定することが義務付けられている。当該パラメーターは、保守的であることが要求され、定期的なレビューの実施および経験的証拠による裏付けが必要となる。担保の構造および契約に関しては、意図された目的が継続的に達成され、地域の市場慣行に合致していることを確認するために定期的なレビューの実施が要求される。主な担保の種類は以下のとおりである。

- 個人部門：住宅抵当権
- 商業および産業部門：建物、在庫および債権等の事業資産
- 商業不動産部門：融資対象となっている不動産
- 金融部門：トレーディング・ファシリティを裏付ける負債証券および株式等の金融商品
- クレジット・デリバティブもグループの貸付金ポートフォリオの信用リスクを管理するために利用されており、第三者投資家に対する売却を目的としたシンセティック証券化への譲渡を含む。

延滞しているが減損していない貸付金、または個別評価による減損貸付金に係る担保およびその他の信用補完の公正価値を開示することは実務的ではないため、グループはこれらの金額を開示していない。

その他の金融資産

貸付金を除く金融資産に対する担保は、金融商品の性質によって決定されている。負債証券、短期国債およびその他の適格手形は一般的に無担保であるが、アセット・バック証券および類似する商品については金融資産プールによって担保される。

ISDAマスター契約は、デリバティブ活動を文書化する上で、グループにとって望ましい契約である。当該契約は、すべての店頭商品の売買活動に関する契約上の枠組みを規定し、また各当事者が債務不履行に陥った場合、または別の事前に合意された解約事由が生じた場合に、契約対象のすべての未決済取引を相殺することを両当事者に義務付けている。一般的に、ISDAマスター契約と併せてクレジット・サポート・アネックス（「CSA」）が実行されるが、グループにとってもCSAの実行を推奨している。未決済のポジションに内在し、市場の影響を受けるカウンターパーティリスクを緩和するために、CSAに基づいて、当事者間で担保の移動が行われる。

決済リスクは、現金、有価証券または株式による支払が、対応する現金、有価証券または株式を受け取ることを期待して行われるすべての状況において生じうる。グループのインベストメント・バンキング・アンド・マーケット部門における１日の取引から生じるすべての決済リスク総額にあわせて、取引相手ごとの１日の決済リスク限度額が設定されている。特に有価証券および株式を含む多数の取引に係る決済リスクは、確実な支払システム経由またはDVP方式で決済することにより大幅に緩和されている。

エクスポージャーの集中

グループ

	2007年	2006年
	%	%
英国	42	47
フランス	18	12
ドイツ	5	8
その他の欧州大陸	20	21
欧州大陸	43	41
米国	6	5
その他の国	9	7
	100	100

当行

	2007年	2006年
	%	%
英国	56	66

フランス	5	4
ドイツ	3	4
その他の欧州大陸	21	18
欧州大陸	29	26
米国	5	3
その他の国	10	5
	100	100

グループは英国および海外において、幅広い金融サービスを提供している。この結果、信用リスクのある金融商品のポートフォリオは大きく分散され、以下を例外として、特定の産業または経済グループのエクスポージャーが単独で連結合計資産の10%超を占めることはなかった。

- 当行は主要な英国における決済銀行の１つであるため、グループの信用リスクに対するエクスポージャーは、英国に集中している。英国において、グループの信用リスクは様々な産業および経済グループに分散されている。
- グループは主要な国際銀行グループの一部であるため、銀行業を営む相手先にエクスポージャーが著しく集中している。2007年および2006年12月31日現在、銀行業界に対する信用リスクの大半は、英国を含む欧州に集中していた。

不動産部門に対するエクスポージャーを除いて、産業的集中に関連する特定の担保要件はない。不動産および建設業界、ならびに住宅抵当権市場に対するエクスポージャーの大部分は、基礎となる不動産によって担保されている。

信用の質

貸付金

グループ

	2007年12月31日現在		2006年12月31日現在	
	顧客に対する貸付金	銀行に対する貸付金	顧客に対する貸付金	銀行に対する貸付金
	百万ポンド		百万ポンド	
貸付金総額				
－延滞も減損もしていない貸付金	225,153	60,760	197,999	44,426
－延滞しているが、減損していない貸付金	1,375	－	1,412	－
－減損貸付金	2,953	6	2,767	6
	229,481	60,766	202,178	44,432

当行

	2007年12月31日現在	2006年12月31日現在

	顧客に対する貸付金	銀行に対する貸付金	顧客に対する貸付金	銀行に対する貸付金
	百万ポンド		百万ポンド	
貸付金総額				
－延滞も減損もしていない貸付金	**148,837**	**32,025**	142,156	25,118
－延滞しているが、減損していない貸付金	**1,150**	**－**	1,198	－
－減損貸付金	**1,496**	**6**	1,513	6
	151,483	**32,031**	144,867	25,124

延滞も減損もしていない貸付金の分類

2007年12月31日現在における、延滞も減損もしていない貸付金ポートフォリオの信用力は、グループの従来の信用リスク格付システムを参照して評価することが可能である。このシステムは、債務不履行の可能性とリスク緩和措置の「複合的」評価をもとに、減損していないエクスポージャーのリスク格付を行うものであり、以下の情報は、当該システムに基づいている。

グループ

	2007年12月31日現在		2006年12月31日現在	
	顧客に対する貸付金	銀行に対する貸付金	顧客に対する貸付金	銀行に対する貸付金
	百万ポンド		百万ポンド	
グレード１から３－正常貸付金	**220,098**	**60,459**	191,896	44,011
グレード４－要注意貸付金	**3,755**	**82**	4,088	415
グレード５－要管理であるが、減損していない貸付金	**1,300**	**219**	2,015	－
	225,153	**60,760**	197,999	44,426

当行

	2007年12月31日現在		2006年12月31日現在	
	顧客に対する貸付金	銀行に対する貸付金	顧客に対する貸付金	銀行に対する貸付金
	百万ポンド		百万ポンド	
グレード１から３－正常貸付金	**145,296**	**31,724**	137,569	25,089
グレード４－要注意貸付金	**2,762**	**82**	3,042	29
グレード５－要管理であるが、減損していない貸付金	**779**	**219**	1,545	－
	148,837	**32,025**	142,156	25,118

グレード１および２は、財政状態、リスク要因および返済能力が優良から最優良の企業向け貸付金、融資比率が低から中程度の住宅ローン、および一般的に適用できる商品パラメーターの範囲内で管理されているその他のリテール貸付金を表す。

グレード３は、正常リスクを表し、緊密なモニタリングを必要とする企業向け貸付金、融資比率が高い住

宅ローン、クレジットカード・エクスポージャーおよび一般的に適用できる商品パラメーターの範囲外で管理されている減損していないその他のリテール・エクスポージャーを含む。

グレード４および５は様々な程度の特別な注意を必要とする貸付金および延滞期間が30日から90日のリテール・エクスポージャーを含む。

グレード６または７は減損したエクスポージャーを表している。

個別に減損評価される貸付金は個別に特定されており、これらの貸付金が減損した場合はグレード６または７に分類される。集合的に減損評価される同種の貸付金のポートフォリオに含まれる減損貸付金を個別に特定することは実務的ではない。実務上は、そのような貸付金は、各減損貸付金が償却されるまで個別に特定されることはない。そのため、これらのポートフォリオ内の減損貸付金の帳簿価額を見積る必要がある。

集合的に減損評価される同種の貸付金のポートフォリオに含まれる減損貸付金の帳簿価額を評価する際にグループが導入したアプローチでは、これらの貸付金の延滞期間が90日以上となったときに減損貸付金に分類される。これらの貸付金はグレード６および７に分類される。集合的に評価される他のすべての貸付金（延滞期間が90日未満の貸付金を含む）は、減損していないとみなされ、グレード１から５として報告される。集合的減損引当金は、集合的な減損評価の対象でグレード１から５に分類されている貸付金に、貸借対照表日現在で発生している可能性のある損失に関して計上され、これらのグレードに分類されている貸付金に対する小さな割合を占める。

この従来の７段階のリスク格付システムは徐々に廃止され、バーゼル２の枠組みに従って計算された債務不履行の可能性および損失見積額を基準にした、より高度で精細な方法への移行が行われている。この方法は、現在、グループ全体で、個別の重要な顧客の信用評価に用いられている。リスクは、グループのリテール・ポートフォリオ内で様々なリスクおよび価格決定モデルを用いて評価・管理されており、リテール資産の質は上記のグループの従来のリスク格付基準を用いて報告されてきたが、将来的には同種のリテール・ポートフォリオに適用される債務不履行の可能性および予想損失パラメーターを基準にする予定である。前述のパラメーターをすべてのレベルの報告構造に統合することにより、2008年には、FSAによる先進的IRB認可に基づき要求されている新しい基準による取締役会向け報告および規制上の報告が可能になる。

次へ

延滞しているが、減損していない貸付金

2007年12月31日現在、延滞しているが減損していない貸付金は以下のとおりである。

グループ

	顧客に対する貸付金	
	2007年	2006年
	百万ポンド	百万ポンド
延滞期間30日未満	756	776
延滞期間30日から59日	308	310
延滞期間60日から89日	210	205
	1,274	1,291
延滞期間90日から179日	96	105
延滞期間180日超、１年未満	3	14
延滞期間１年以上	2	2
	1,375	1,412

当行

	顧客に対する貸付金	
	2007年	2006年
	百万ポンド	百万ポンド
延滞期間30日未満	594	635
延滞期間30日から59日	274	276
延滞期間60日から89日	188	183
	1,056	1,094
延滞期間90日から179日	93	102
延滞期間180日超、１年未満	1	1
延滞期間１年以上	―	1
	1,150	1,198

延滞債権の年齢分析は、延滞期間が90日未満で、延滞の初期段階にある貸付金からの損失を補填するための集合的減損引当金が設定されている貸付金を含む。

「延滞」に分類された特定の貸付金が減損していないとみなされる理由は様々である。減損していることを示すその他の情報が存在しない限り、延滞期間90日未満の貸付金はすべて減損していないとみなされる。また、短期貿易金融の貸付金が、文書の遅延等、相手先の信用力に関する懸念にはつながらない理由により90日以上延滞することもよくある。さらに、現金担保によって全額保証されている延滞貸付金は減損とみなされず、担保価値が負債を弁済し、最低１年間の利息を支払うのに充分である場合は、90日以上延滞している住宅ローンも減損とみなされない。

顧客および銀行に対する貸付金－正味信用リスク合計

金融負債と相殺する法的権利をグループが有している貸付金は以下のとおりである。

グループ

	2007年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
顧客に対する貸付金	227,687	(31,816)	195,871
銀行に対する貸付金	60,764	(135)	60,629
	288,451	(31,951)	256,500

	2006年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
顧客に対する貸付金	200,416	(33,254)	167,162
銀行に対する貸付金	44,428	(229)	44,199
	244,844	(33,483)	211,361

当行

	2007年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
顧客に対する貸付金	150,649	(29,974)	120,675
銀行に対する貸付金	32,028	－	32,028
	182,677	(29,974)	152,703

	2006年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
顧客に対する貸付金	143,964	(31,138)	112,826
銀行に対する貸付金	25,121	－	25,121
	169,085	(31,138)	137,947

(1) 同一の相手先の金融負債と相殺される。

(2) 保有する担保または保証の価値を除く。

その他有価証券

負債証券およびその他手形に関する格付会社の区分

下表は、スタンダード＆プアーズ（「S&P」）またはその他の同等の格付会社の区分に基づいて、負債証券およびその他の類似する証券（貸付金を除く）を分析した結果である。

グループ

	2007年12月31日現在			
	短期国債	その他の適格手形	負債証券	合計
	百万ポンド			
AAA	562	114	69,783	70,459
AA－からAA＋	1,043	59	25,308	26,410
A－からA＋	85	－	12,487	12,572
A－より下	465	－	3,658	4,123
無格付	－	－	17,046	17,046
連動型保険および投資契約関連	24	－	2,875	2,899
合計	2,179	173	131,157	133,509
発行元：				
－国債	2,042	－	36,511	38,553
－地方債	134	－	495	629
－アセット・バック証券	－	－	41,942	41,942
－社債およびその他	3	173	52,209	52,385
合計	2,179	173	131,157	133,509
分類：				
－公正価値評価の指定を受けた金融商品	25	－	7,822	7,847
－売却可能有価証券	1,709	173	64,556	66,438
－満期保有目的投資	－	－	38	38
－トレーディング目的	445	－	58,741	59,186
合計	2,179	173	131,157	133,509

	2006年12月31日現在			
	短期国債	その他の適格手形	負債証券	合計
	百万ポンド			
AAA	2,800	144	41,447	44,391
AA－からAA＋	54	111	16,930	17,095
A－からA＋	41	－	12,797	12,838
A－より下	246	－	3,254	3,500

無格付	―	―	10,727	10,727
連動型保険および投資契約関連	28	―	1,593	1,621
合計	3,169	255	86,748	90,172
発行元：				
－国債	2,935	―	28,793	31,728
－地方債	41	―	341	382
－アセット・バック証券	―	―	12,649	12,649
－社債およびその他	193	255	44,965	45,413
合計	3,169	255	86,748	90,172
分類：				
－公正価値評価の指定を受けた金融商品	28	―	2,361	2,389
－売却可能有価証券	2,944	255	37,210	40,409
－満期保有目的投資	―	―	76	76
－トレーディング目的	197	―	47,101	47,298
合計	3,169	255	86,748	90,172

短期格付の負債証券は、短期負債証券の発行体による長期格付と比較して報告される。主要な格付会社の間で同一の負債証券に対する格付が異なる場合、低い方の格付によって報告される。

当行

	2007年12月31日現在			
	短期国債	その他の適格手形	負債証券	合計
	百万ポンド			
AAA	350	―	17,809	18,159
AA－からAA＋	1,031	―	9,199	10,230
A－からA＋	17	―	8,617	8,634
A－より下	436	―	2,921	3,357
無格付	―	―	14,292	14,292
連動型保険および投資契約関連	―	―	―	―
合計	1,834	―	52,838	54,672
発行元：				
－国債	1,813	―	9,078	10,891
－地方債	21	―	147	168
－アセット・バック証券	―	―	12,572	12,572
－社債およびその他	―	―	31,041	31,041
合計	1,834	―	52,838	54,672
分類：				
－公正価値評価の指定を受けた金融商品	―	―	3,439	3,439
－売却可能有価証券	1,397	―	11,497	12,894
－満期保有目的投資	―	―	―	―
－トレーディング目的	437	―	37,902	38,339

合計	1,834	―	52,838	54,672

	2006年12月31日現在			
	短期国債	その他の適格手形	負債証券	合計
	百万ポンド			
AAA	2,756	―	13,738	16,494
AA－からAA＋	41	―	7,467	7,508
A－からA＋	―	―	9,128	9,128
A－より下	194	―	2,782	2,976
無格付	―	―	1,068	1,068
連動型保険および投資契約関連	―	―	―	―
合計	2,991	―	34,183	37,174
発行元：				
－国債	2,757	―	8,299	11,056
－地方債	41	―	65	106
－アセット・バック証券	―	―	―	―
－社債およびその他	193	―	25,819	26,012
合計	2,991	―	34,183	37,174
分類:				
－公正価値評価の指定を受けた金融商品	―	―	―	―
－売却可能有価証券	2,826	―	8,923	11,749
－満期保有目的投資	―	―	―	―
－トレーディング目的	165	―	25,260	25,425
合計	2,991	―	34,183	37,174

負債証券およびその他手形－正味信用リスク合計

金融負債と相殺する法的権利をグループが有している負債証券およびその他手形は以下のとおりである。

グループ

	2007年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
トレーディング資産：			
－短期国債およびその他類似手形	445	―	445
－負債証券	58,741	―	58,741
－銀行に対する貸付金	37,020	―	37,020

－顧客に対する貸付金	34,581	(3,307)	31,274
	130,787	(3,307)	127,480
公正価値評価の指定を受けた金融資産：			
－短期国債およびその他類似手形	25	－	25
－負債証券	7,822	－	7,822
－銀行に対する貸付金	89	－	89
－顧客に対する貸付金	－	－	－
	7,936	－	7,936
デリバティブ	60,470	(30,452)	30,018
金融投資：			
－短期国債およびその他類似手形	1,882	－	1,882
－負債証券	64,594	－	64,594
	66,476	－	66,476
その他資産			
支払承諾見返および裏書	375	(111)	264
	266,044	(33,870)	232,174

(1) 同一の相手先の金融負債と相殺される。
(2) 保有する担保または保証の価値を除く。

	2006年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
トレーディング資産：			
－短期国債およびその他類似手形	197	－	197
－負債証券	47,101	－	47,101
－銀行に対する貸付金	10,233	－	10,233
－顧客に対する貸付金	17,627	－	17,627
	75,158	－	75,158
公正価値評価の指定を受けた金融資産：			
－短期国債およびその他類似手形	28	－	28
－負債証券	2,361	－	2,361
－銀行に対する貸付金	120	－	120
－顧客に対する貸付金	－	－	－
	2,509	－	2,509
デリバティブ	32,090	(14,335)	17,755
金融投資：			
－短期国債およびその他類似手形	3,199	－	3,199
－負債証券	37,286	(1)	37,285
	40,485	(1)	40,484
その他資産			
支払承諾見返および裏書	353	(95)	258
	150,595	(14,431)	136,164

(1) 同一の相手先の金融負債と相殺される。
(2) 保有する担保または保証の価値を除く。

当行

	2007年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
トレーディング資産：			
－短期国債およびその他類似手形	437	－	437
－負債証券	37,902	－	37,902
－銀行に対する貸付金	59,451	－	59,451
－顧客に対する貸付金	38,217	(3,307)	34,910
	136,007	(3,307)	132,700
公正価値評価の指定を受けた金融資産			
－負債証券	3,439	－	3,439
デリバティブ	46,325	(17,813)	28,512
金融投資：			
－短期国債およびその他類似手形	1,397	－	1,397
－負債証券	11,497	－	11,497
	12,894	－	12,894
その他資産			
支払承諾見返および裏書	251	－	251
	198,916	(21,120)	177,796

(1) 同一の相手先の金融負債と相殺される。
(2) 保有する担保または保証の価値を除く。

	2006年12月31日現在		
	帳簿価額	グループが相殺する法的権利を有する金額(1)	信用リスク合計(2)
	百万ポンド	百万ポンド	百万ポンド
トレーディング資産：			
－短期国債およびその他類似手形	197	－	197
－負債証券	47,101	－	47,101
－銀行に対する貸付金	10,233	－	10,233
－顧客に対する貸付金	17,627	－	17,627
	75,158	－	75,158
公正価値評価の指定を受けた金融資産：			
－短期国債およびその他類似手形	28	－	28
－負債証券	2,361	－	2,361
－銀行に対する貸付金	120	－	120
－顧客に対する貸付金	－	－	－

	2,509	―	2,509
デリバティブ	32,090	(14,335)	17,755
金融投資：			
―短期国債およびその他類似手形	3,199	―	3,199
―負債証券	37,286	(1)	37,285
	40,485	(1)	40,484
その他資産			
支払承諾見返および裏書	353	(95)	258
	150,595	(14,431)	136,164

(1) 同一の相手先の金融負債と相殺される。
(2) 保有する担保または保証の価値を除く。

減損評価

経営陣は、貸付金ポートフォリオを詳細にレビューし、返済実績および延滞に関する統計データを過去の傾向と比較し、現在の経済状況の影響を評価することによって、減損引当金が適切に設定されているかどうかを定期的に評価している。

２種類の減損引当金（個別評価および集合的評価）が設定されており、その詳細については以下に記載している。

個別に評価される減損引当金

個別に評価される減損引当金は、個別に重要と見なされるすべての勘定および集合的評価アプローチの適用が認められないすべての勘定の損失に対するエクスポージャーを個別に評価することにより決定される。概要は以下のとおりである。

個別に評価される勘定の引当金は、下記の要因を考慮して決定される。

―顧客に対するエクスポージャー総額

―顧客のビジネス・モデルの実行可能性および債務を弁済するための充分なキャッシュ・フローを生成し、財政困難な状況下で取引を成功させる顧客の能力

―現地通貨を用いていない場合、貸付金の通貨で調達し支払を行う借り手の能力

―予測される受取および回収の金額および時期

―グループより優先順位が上位または同位のその他の債権者のコミットメントの範囲、およびその他の債権者が会社を継続的に支援する可能性

―債権者の請求総額および優先順位を決定する際の複雑性、ならびに法的事項および保険に関する不確実性が明確になっている範囲

―担保（またはその他の信用補完）の実現可能価額および担保権実行の成功の可能性

―清算または破産時の分配金の予測受取可能額

―回収費用による貸付金残高の予測減少額

―入手可能であれば、負債の流通市場価格

グループの方針は、重要性の基準値を超えている個別貸付金に対して少なくとも半年に１度、または個々の状況に応じて必要であればより頻繁に引当水準に関するレビューを実施することを要求している。このレビューには通常、保有する担保（法的強制力の再確認を含む）および受領した実額と受領予定額の評価が含まれる。重要な商業および企業の債務に対しては、支払不能や特定の市場分野に精通している専門の貸付金作業チームが重要な個別のエクスポージャーにおける損失の可能性を判断している。個別に評価された減損引当金は、グループが、損失見込額が減少したと判断する合理的かつ客観的な証拠を得た場合にのみ戻し入れられる。

集合的に評価される減損引当金

以下の２つの状況において、減損の集合的評価が行われる。

・個別評価の対象となる貸付金において、発生しているが未だ特定されていない損失を補償する場合

・個別には重要と見なされない同種の貸付金グループの場合

発生しているが未だ特定されていない減損

個別評価の結果、減損の証拠が明確に特定されなかった貸付金は、信用リスク特性に従ってグループ化される。集合的な貸し倒れに対する引当金は、貸借対照表日現在において発生しており、将来にのみ個別に特定される減損を反映するために計算される。

集合的な減損に対する引当金は、以下を考慮して決定される。

・同様の信用リスク特性（産業部門、リスク格付または商品セグメント等）を有するポートフォリオの過去の損失実績

・減損の発生からその損失が特定され個別の貸付金に対して適切な引当金が設定されるまでの見積期間

・現在の経済および信用状況に基づく実際の固有の損失が過去の実績によって示される損失を上回る、または下回る可能性についての経営陣の経験に基づく判断

損失の発生から特定までの期間は、特定されたポートフォリオごとに、現地の実績を基準にして見積もられる。一般的に、見積期間は４～12ヶ月である。

同種の貸付金グループ

以下のような多数の比較的少額の資産がポートフォリオ・アプローチを用いて管理されている場合、減損引当金を計算するために、通常、ロール・レート法と定型的アプローチ法の２つの方法が用いられる。

・資産価値の低い同種の小規模事業

・クレジット・カードおよびその他の無担保消費者貸付商品

適切かつ経験に基づく情報が入手可能な場合、グループはロール・レート法を用いている。この方法は、同種の貸付金ポートフォリオ内の貸付金の延滞に基づいて、債務不履行および結果的損失額の実績に関する統計分析を取り入れている。固有の損失を補償するために必要な減損引当金の適切な水準を計算する際には、その他の過去のデータおよび現在の経済状況の評価も行われる。特定の成熟した市場においては、破

産や債務の再編等の統計に示される財務活動および管理の状況を考慮したモデルが用いられる。

ポートフォリオの規模が小さい場合やロール・レート法を用いるための充分な情報が得られない、あるいは情報が信頼できない場合、顧客の貸付金の延滞期間が長くなるにつれて徐々に高い損失率を割り当てるという定型的アプローチが用いられる。損失率はポートフォリオの割引将来キャッシュ・フローを反映している。

通常、各ポートフォリオに固有の損失を評価するために最も客観的で適切な情報は、過去の実績である。経済状況や法規制の変更等により、過去の損失実績からは貸借対照表日現在の特定のポートフォリオに固有の損失について関連性のある情報が得られない場合、経営陣は、統計モデルに適切に反映されない可能性のあるポートフォリオ・リスク要因における最近の傾向を考慮し、グループ・ファイナンス部門およびグループ・クレジット・リスク部門の助言に従い、適宜、減損引当金を調整している。

ロール・レート、損失率および見積将来回収時期は適切性を確保するために、定期的に実際の結果と比較している。

集合的に評価される引当金は通常、毎月計算されており、新規の引当金に関する費用、または既存の引当金の戻入は個別に特定されたポートフォリオごとに決定される。

減損引当金

減損が生じた場合、グループは貸付金および満期保有目的金融投資の帳簿価額を引当金を取り崩すことによって減額している。売却可能金融資産に減損が生じた場合、当該資産の帳簿価額を直接減額している。

減損損失額が減損認識後の期間に減少し、その減少を、減損が認識された後に発生した事象に客観的に関連付けることができる場合、減損引当金を相当額減少させることによって超過分が戻し入れられる。戻入額は損益計算書に計上される。

貸付金と引換えに取得した資産

順当な回収の一部として貸付金と引換えに取得した非金融資産は、売却目的資産として「その他資産」に計上される。取得した資産は、交換日における公正価値（売却費用控除後）または貸付金の帳簿価額（減損引当金控除後）のいずれか低い方の金額で計上される。売却目的資産に関する減価償却は費用計上しない。その後の売却費用控除後の取得資産の公正価値への評価減は、損益計算書の「その他営業収益」に認識される。また、その後の売却費用控除後の公正価値の増加についても、評価減の累計額を上限として、処分に係る実現損益と共に「その他営業収益」に認識される。

償却

貸付金および関連する減損引当金は、担保価値でカバーされていない貸付金の場合には貸付金残高を回収できる見通しがほとんどない場合、また担保付貸付金の場合には担保の処分代金が回収できた後に、通常、その一部あるいは全額を償却する。無担保の個人向け貸付金は、通常150日から210日延滞した場合に償却される。

延滞期間が360日を超えてから償却されることはほとんどないが、特定の消費者金融勘定が、360日の延滞期間を超えても未だ回収可能とみなされる場合、または一部の国において、規制または法律が早期償却を制限している場合は例外である。

破産または類似の法的手続きが行われた場合は、早期償却が行われる。

減損貸付金

産業部門別および地域別に分類された個別に減損している貸付金

グループ

	2007年12月31日に終了した事業年度				
	英国	欧州大陸	その他の国	顧客に対する貸付金総額	貸付金総額に対する産業部門別貸付金総額の割合
	百万ポンド				%
個人向け貸付金	253	282	—	535	24
商業および法人向け貸付金	951	786	—	1,737	76
顧客に対する減損貸付金総額	1,204	1,068	—	2,272	100

	2006年12月31日に終了した事業年度				
	英国	欧州大陸	その他の国	顧客に対する貸付金総額	貸付金総額に対する産業部門別貸付金総額の割合
	百万ポンド				%
個人向け貸付金	295	200	—	495	24
商業および法人向け貸付金	822	734	1	1,557	76
顧客に対する減損貸付金総額	1,117	934	1	2,052	100

当行

	2007年12月31日に終了した事業年度				
	英国	欧州大陸	その他の国	顧客に対する貸付金総額	貸付金総額に対する産業部門別貸付金総額の割合
	百万ポンド				%
個人向け貸付金	236	—	—	236	20
商業および法人向け貸付金	923	30	—	953	80
顧客に対する減損貸付金総額	1,159	30	—	1,189	100

	2006年12月31日に終了した事業年度

	英国	欧州大陸	その他の国	顧客に対する貸付金総額	貸付金総額に対する産業部門別貸付金総額の割合
	百万ポンド				%
個人向け貸付金	272	―	―	272	25
商業および法人向け貸付金	790	31	1	822	75
顧客に対する減損貸付金総額	1,062	31	1	1,094	100

減損引当金

減損が生じた場合、グループは貸付金および満期保有目的金融投資の帳簿価額を引当金によって減額している。売却可能金融資産に減損が生じた場合には、当該資産の帳簿価額は直接減額される。

貸付金総額に対する引当金の変動

グループ

	2007年12月31日に終了した事業年度		
	個別評価	集合的評価	合計
	百万ポンド	百万ポンド	百万ポンド
1月1日現在	882	884	1,766
貸倒損失	(185)	(1,112)	(1,297)
不要な引当金の解除	(194)	(113)	(307)
損益計算書への計上額	390	1,228	1,618
振替額	―	―	―
為替およびその他の変動	30	(14)	16
12月31日現在	923	873	1,796

	2006年12月31日に終了した事業年度		
	個別評価	集合的評価	合計
	百万ポンド	百万ポンド	百万ポンド
1月1日現在	910	975	1,885
貸倒損失	(294)	(944)	(1,238)
不要な引当金の解除	(240)	(109)	(349)
損益計算書への計上額	388	1,123	1,511
振替額	149	(149)	―
為替およびその他の変動	(31)	(12)	(43)
12月31日現在	882	884	1,766

当行

	2007年12月31日に終了した事業年度		
	個別評価	集合的評価	合計

	百万ポンド	百万ポンド	百万ポンド
１月１日現在	334	572	906
貸倒損失	(96)	(1,018)	(1,114)
不要な引当金の解除	(78)	(46)	(124)
損益計算書への計上額	211	1,004	1,215
振替額	―	―	―
為替およびその他の変動	(12)	(34)	(46)
12月31日現在	359	478	837

	2006年12月31日に終了した事業年度		
	個別評価	集合的評価	合計
	百万ポンド	百万ポンド	百万ポンド
１月１日現在	408	518	926
貸倒損失	(169)	(839)	(1,008)
不要な引当金の解除	(100)	(47)	(147)
損益計算書への計上額	208	943	1,151
為替およびその他の変動	(13)	(3)	(16)
12月31日現在	334	572	906

顧客に対する貸付金に関する減損引当金

グループ

	2007年	2006年
	%	%
貸付総額に対する減損引当金総額(1)		
個別評価による減損引当金	0.43	0.45
集合的評価による減損引当金	0.41	0.45
合計	0.84	0.90

当行

	2007年	2006年
	%	%
貸付総額に対する減損引当金総額(1)		
個別評価による減損引当金	0.24	0.23
集合的評価による減損引当金	0.32	0.40
合計	0.56	0.63

(1) リバース・レポ取引および決済勘定を控除後

正味減損の地域別損益計算書計上額

グループ

	2007年12月31日に終了した事業年度			
	英国	欧州大陸	その他の国	合計
	百万ポンド			
個別評価による減損引当金				
新規引当金	233	157	―	390
不要な引当金の解除	(82)	(112)	―	(194)
償却債権の取立益	(17)	(4)	―	(21)
	134	41	―	175
集合的評価による減損引当金				
新規引当金	1,116	112	―	1,228
不要な引当金の解除	(47)	(66)	―	(113)
償却債権の取立益	(250)	3	―	(247)
	819	49	―	868
減損総額	953	90	―	1,043
銀行	―	―	―	―
顧客	953	90	―	1,043
その他の信用リスク引当金	―	―	―	―
貸付金の減損およびその他の信用リスク引当金	953	90	―	1,043
期末貸付金総額に対する顧客減損額の割合	0.59%	0.14%	―	0.45%
2007年12月31日残高				
不良貸付金	1,789	1,170	―	2,959
減損引当金	1,075	721	―	1,796
貸付金総額	192,489	90,804	6,954	290,247
不良貸付金に対する引当金の割合	60.09%	61.62%	―	60.70%

	2006年12月31日に終了した事業年度			
	英国	欧州大陸	その他の国	合計
	百万ポンド			
個別評価による減損引当金				
新規引当金	230	158	―	388
不要な引当金の解除	(111)	(129)	―	(240)
償却債権の取立益	(8)	(11)	―	(19)
	111	18	―	129
集合的評価による減損引当金				
新規引当金	1,042	81	―	1,123
不要な引当金の解除	(46)	(63)	―	(109)
償却債権の取立益	(208)	―	―	(208)
	788	18	―	806
減損総額	899	36	―	935
銀行	―	―	―	―
顧客	899	36	―	935
その他の信用リスク引当金	5	(2)	―	3

貸付金の減損およびその他の信用リスク引当金	904	34	―	938
期末貸付金総額に対する顧客減損額の割合	0.58%	0.08%	―	0.46%
2006年12月31日残高				
不良貸付金	1,779	992	2	2,773
減損引当金	1,120	645	1	1,766
貸付金総額	175,120	66,181	5,309	246,610
不良貸付金に対する引当金の割合	62.96%	65.02%	50.00%	63.69%

当行

	2007年12月31日に終了した事業年度			
	英国	欧州大陸	その他の国	合計
	百万ポンド			
個別評価による減損引当金				
新規引当金	210	1	―	211
不要な引当金の解除	(78)	―	―	(78)
償却債権の取立益	(22)	―	―	(22)
	110	1	―	111
集合的評価による減損引当金				
新規引当金	1,001	3	―	1,004
不要な引当金の解除	(46)	―	―	(46)
償却債権の取立益	(244)	―	―	(244)
	711	3	―	714
減損総額	821	4	―	825
銀行	―	―	―	―
顧客	821	4	―	825
その他の信用リスク引当金	―	―	―	―
貸付金の減損およびその他の信用リスク引当金	821	4	―	825
期末貸付金総額に対する顧客減損額の割合	0.56%	0.07%	―	0.54%
2007年12月31日残高				
不良貸付金	1,470	32	―	1,502
減損引当金	822	15	―	837
貸付金総額	177,067	5,898	549	183,514
不良貸付金に対する引当金の割合	55.92%	43.75%	―	55.73%

	2006年12月31日に終了した事業年度			
	英国	欧州大陸	その他の国	合計
	百万ポンド			
個別評価による減損引当金				
新規引当金	204	4	―	208

不要な引当金の解除	(99)	(1)	—	(100)
償却債権の取立益	(7)	—	—	(7)
	98	3	—	101
集合的評価による減損引当金				
新規引当金	941	2	—	943
不要な引当金の解除	(46)	(1)	—	(47)
償却債権の取立益	(198)	—	—	(198)
	697	1	—	698
減損総額	795	4	—	799
銀行	—	—	—	—
顧客	795	4	—	799
その他の信用リスク引当金	5	1	—	6
貸付金の減損およびその他の信用リスク引当金	800	5	—	805
期末貸付金総額に対する顧客減損額の割合	0.57%	0.09%	—	0.55%
2006年12月31日残高				
不良貸付金	1,486	32	1	1,519
減損引当金	893	12	1	906
貸付金総額	163,771	5,269	951	169,991
不良貸付金に対する引当金の割合	60.09%	37.50%	100.00%	59.64%

担保およびその他の信用補完

2007年において、グループは入手した担保の管理、またはその他の信用補完を通じて、以下の資産を入手している。

	2007年の帳簿価額		2006年の帳簿価額	
	グループ	当行	グループ	当行
	百万ポンド		百万ポンド	
資産の種類				
住宅	67	65	20	19
商業用および事業用不動産	—	—	1	—
その他資産	—	—	3	3
	67	65	24	22

現金に容易に変換できない資産を処分する方法は、事業会社ごとに関連する資産の性質に基づいて決定されている。

条件緩和貸付金

再編活動は、顧客関係の管理、債権回収の促進、および担保権実行の回避を目的として行われている。再編後、個人の延滞債権は通常、延滞から現在の状態に調整される。再編の方針および慣行は、現地の経営陣が支払の継続を証明できると判断した指標または基準に基づいて決定される。これらの方針は見直しが行われ、市場の性質、商品ならびに経験データの有無により異なって適用される。経験的証拠から、条件緩和貸付金

が債務不履行に陥る可能性が高いと判断できる場合には、減損引当金の計算にロール・レート法を用いることで債務不履行の可能性の上昇が減損引当金に反映される。

条件が緩和され、延滞または減損でなくなった貸付金

グループ

	2007年	2006年
	百万ポンド	百万ポンド
顧客に対する貸付金	**813**	813
銀行に対する貸付金	**—**	—
	813	813

当行

	2007年	2006年
	百万ポンド	百万ポンド
顧客に対する貸付金	**642**	705
銀行に対する貸付金	**—**	—
	642	705

流動性および資金調達管理

流動性リスクは、グループが期日の到来した債務を履行するための十分な資金を保有していない、または債務を履行するために過剰な費用負担が生じるリスクである。当該リスクは、キャッシュ・フローのタイミングの不一致から生じる。資金調達リスク（一種の流動性リスク）は、流動性の低い資産ポジションの資金調達を行うために必要な流動性を、望ましい条件で必要な時に得ることができない場合に生じる。

グループの流動性および資金調達管理の目的は、預金の引き出しを含む、すべての予測可能な資金調達コミットメントの期日が到来した時に確実に対応し、ホールセール市場へのアクセスを確実に調整および統制できるようにすることである。この目的のために、グループは、主要な個人および法人顧客の預金や金融機関の残高から構成される多岐にわたる安定した資金調達基盤を維持しており、また、予測不可能な流動性の要求にも迅速かつ滞りなく対応できるように、ホールセール市場における資金調達ならびに多様な通貨および満期をもつ流動性の高い資産のポートフォリオによって補完されている。

グループは、キャッシュ・フローの適切な残高を維持し、期日の到来した資金調達債務を履行するために、傘下の事業会社に対して良好な流動性ポジションを維持し、その資産、負債および契約債務の流動性プロファイルを管理することを求めている。

方針および手続き

流動性および資金調達管理は主に、実務慣行およびグループのリスク管理会議で定められた与信枠に従い、グループの各事業会社で実施されている。これらの与信枠は、各事業会社が営業する市場の厚みと流動

性を考慮しているため、地域の財務部門ごとに異なる。各銀行が資金調達において自己完結的であるというのがグループの一般的な方針である。特定の短期資金取引の資金調達および現地の預金市場にアクセスしていない新規事業または支店に対する効率的な資金調達を可能にするために例外が認められており、これらのすべては、厳格な内部および規制上のガイドラインならびにグループの最大の銀行業務による与信枠のもとで実行されている。このような内部および規制上の与信枠ならびにガイドラインは、グループ会社間の資金の移転に正式な制限を課す役割を果たしており、グループが営業する地域の多様な通貨、市場、および時間帯を反映することが要求されている。

グループの流動性および資金調達管理の方針は、以下を要求している。

- 様々なストレス・シナリオのもとで主要通貨ごとにキャッシュ・フローを予測し、それに関連して必要な流動資産の水準を検討すること。
- 内部および規制上の要件に照らして貸借対照表の流動性比率を監視すること。
- 適切なバックアップ・ファシリティを有する多様な資金調達源を維持すること。
- 債務の満期の集中およびプロファイルを管理すること。
- 偶発的流動性コミットメントに対するエクスポージャーをあらかじめ設定された上限内で管理すること。
- 負債資金調達計画を維持すること。
- 大口預金者に過度に依存することを避け、要件を満たした総合的な資金調達の構成を確保するために、預金者の集中を監視すること。
- 流動性および資金調達に関する危機管理計画を維持すること。これらの計画は、困難な状況の初期の兆候を特定し、事業に及ぼす不利な長期的影響を最小限に抑えつつ組織的危機またはその他の危機から生じる困難な事態へ対処する方法について記述するものでなくてはならない。

主要な資金調達源

要求払いまたは短期通知払いの当座預金および貯蓄預金は、グループの重要な資金調達源である。グループは、これらの預金の安定性を維持することに重点を置いている。

グループは、預金を受け入れていない銀行以外の子会社の資金調達、現地の短期金融市場における存在の維持およびコア預金による資金調達とは必然的には満期の一致しない資産に対する資金調達の最適化のために専門機関取引市場にアクセスしている。

2007年12月31日現在の負債合計5,970億ポンドのうち、顧客からの資金調達は2,680億ポンドであり、うち2,650億ポンドは１年以内に契約上の返済期日が到来する。しかし、多くの顧客の契約上の返済条件は要求払いまたは短期通知払いであるものの、短期預金残高は収支がほぼ一致しているため実際は安定している。

貸借対照表日における残存契約期間ごとの金融負債に基づくグループおよび当行の未払キャッシュ・フローの分析は、注記32に記載されている。

これらの負債を満たすため、および未実行の貸付契約（6,220億ポンド）をカバーするために利用可能な資産は、現金、中央銀行預け金、回収中の項目ならびに短期国債およびその他の手形（120億ポンド）、銀行に対する貸付金（１年以内に返済期日が到来する550億ポンドを含む610億ポンド）、顧客に対する貸付金（１年以内に返済期日が到来する1,190億ポンドを含む2,280億ポンド）を含んでいる。通常の事業過程に

おいて、契約上１年以内に返済期日が到来する顧客に対する貸付金の一部は延長される。さらに、グループは1,310億ポンドの市場価値のある負債証券を保有している。これらの資産のうち、負債証券ならびに短期国債およびその他の手形1,020億ポンドは、負債に対する担保として差し入れられている。

上述したように、グループは、顧客に対する貸付の資金調達源として当座預金および貯蓄預金に重点を置き、専門機関からの短期資金調達への依存を抑制している。この目標を達成するために、銀行業に従事するグループ会社に対して、コアの当座預金および貯蓄預金が増加しなければ、顧客に対する貸付金を増加させることができないようにする上限を設定している。当該指標は「預金に対する貸付金」の割合と称され、顧客に対する貸付金の、コアの当座預金および貯蓄預金、ならびに１年超の残存期間をもつ特定のその他の安定した資金源（銀行からの貸付金、ノンバンク専門機関からの資金調達および発行済証券を含む）に対する割合を比較したものである。「専門機関」と見なされる顧客からの預金は除外されている。専門機関とみなされる顧客の定義は、階層分類を適用して、顧客の預金総額の規模を考慮している。一般に、１百万ポンド超の預金残高を有する顧客は専門機関であると見なされる。コア預金者と専門機関である預金者を区別しているため、グループの預金に対する貸付金の指標は、公表された財務諸表から推測されるものよりも限定的なものとなっている。

預金に対する貸付金の割合

	グループ		当行	
	2007年	2006年	2007年	2006年
	%	%	%	%
事業年度末	89.2	92.0	97.5	100.7
最高	92.2	102.8	101.7	104.3
最低	86.0	92.0	92.6	98.1
平均	89.1	98.4	97.1	102.0

預金に対する貸付金の割合の上限はリスク管理会議により設定されている。

グループは、不測の現金流出が生じた場合、有価証券の売却や、銀行間市場またはアセット・バック証券市場などのその他の資金調達源の利用により対応する予定である。上述の預金に対する貸付金の割合に加え、グループは、流動性リスク管理のためにさまざまな指標を用いている。これらの指標には、顧客負債に対する正味流動資産の割合および予想キャッシュ・フロー・シナリオ分析が含まれる。

正味流動資産は、流動資産からすべてのホールセール市場資金および専門機関とみなされる顧客からの30日以内に期日を迎える資金を差し引いたものである。グループは、流動性比率を計算するにあたり、流動資産を現金残高、短期銀行間預金および即時に売却可能で厚みのある流動的な市場が存在する高格付けの負債証券と定義している。上述したように、専門機関顧客の定義は、顧客の預金の規模を考慮している。

顧客負債に対する正味流動資産の割合の上限は、銀行事業体ごとに定められている。

グループは、グループ特有および市場全体の流動性危機の両方をモデル化した標準的な予想キャッシュ・フロー・シナリオを多く用いている。当該シナリオは、預金の引き出しおよび融資枠の実行に関する割合および時期、銀行間資金調達および期限付債務市場へのアクセス制限ならびに資産ポートフォリオからの資金調達能力を変更させている。シナリオは、すべてのグループの銀行業務によりモデル化されている。各シナリオに用いられる仮定の妥当性については、定期的に見直しが行われている。グループの標準的な予想キャッシュ・フロー・シナリオに加え、各事業体は各地特有の市況、商品および資金調達基盤を反映した独自のシナリオを策定することが求められている。

ストレス・シナリオのもとでの累積正味キャッシュ・フローの上限は、銀行事業体ごとに設定されている。

割合およびキャッシュ・フローの上限はいずれも、現地の市況、利用可能な資金源の多様性および大口預金者の集中リスクを反映している。事業体レベルで設定されている上限への準拠状況は監視され、リスク管理会議および現地の資産負債管理委員会に定期的に報告されている。

顧客負債に対する正味流動資産の割合

	グループ		当行	
	2007年	2006年	2007年	2006年
	%	%	%	%
事業年度末	14.3	20.4	12.1	16.3
最高	22.1	21.8	21.5	19.1
最低	14.3	17.5	12.1	12.8
平均	19.0	19.3	15.6	15.1

偶発的流動性リスク

通常の事業において、グループは、顧客に融資枠を提供している。これらの融資枠は、グループがスポンサーとなっている導管ビークルに対するバック・ストップ・ラインを含む。上述したように、グループ企業が提供するこれらの融資枠の実行による流動性リスクの影響は、予想キャッシュ・フロー・シナリオ分析に反映されており、各ストレス・シナリオのもとで異なる実行水準が用いられている。グループは、取消不能の偶発的な資金調達コミットメントに関する想定元本総額の上限をグループ会社ごとに設定している。当該上限は、融資枠が全額実行された場合の事業体の資金調達能力を慎重に検討した上で、グループのリスク管理会議により設定されている。この上限は、債務者、原資産の流動性および与信枠の規模に応じて分割されている。

偶発的流動性リスク上限構造のもとでの2007年12月31日現在のグループのエクスポージャーは、下表に示されている。

	グループ		当行	
	2007年	2006年	2007年	2006年
	十億ポンド	十億ポンド	十億ポンド	十億ポンド
導管会社－顧客実行資産(1)				
与信枠合計	4.5	3.0	3.2	2.0
個別与信枠の最大額	0.8	0.8	0.5	0.5
グループの管理資産(2)	12.9	13.2	12.9	13.2
単独の発行体の流動性枠				
上位５社(3)	5.0	5.5	2.3	3.0
最大市場部門(4)	5.8	4.9	4.2	3.4

(1) これらのビークルは、分散された顧客実行資産プールを担保とする債券を発行することにより、グループ顧客に対して資金を提供している。
(2) これらのビークルは、グループが管理する高格付けのアセット・バック証券によって担保された債券を発行している。
(3) これらの数値は、導管会社に対する流動性枠以外の顧客に提供された流動性枠の上位５つを表す。
(4) これらの数値は、最大の市場部門に提供されたすべての流動性枠の合計を表す。

上記の表のエクスポージャーは、契約金額ベースである。グループは、市場が厳しい状況に陥っている時には、グループ以外がスポンサーとなっている特定のビークルまたはグループ推奨商品に対して契約外の流動性サポートを提供する場合がある。このような潜在的サポートについては、サポートが法的拘束力を持つまでグループの流動性リスク測定には含まれず、潜在的な資金調達の必要額および事業体の全体的な流動性レベルに対する影響を十分に検討した後にのみ実行される。

このケースに該当するのが、2007年11月に発表された、グループがスポンサーとなっている２つの仕組投資ビークル（「SIV」）、カリナン・ファイナンス・リミテッドおよびアッシャー・ファイナンス・リミテッドの再編計画である。これらのSIVに関する追加情報は以下に記載している。

市場リスク管理

グループの市場リスク管理の目的は、金融商品およびサービスの主要な提供者としてのグループの地位にふさわしい市場プロファイルを維持しつつ、リスクに対する収益を最適化するために、市場リスクへのエクスポージャーを管理することである。

市場リスクは、為替レート、金利、信用スプレッド、ならびに株価およびコモディティ価格などの市場リスク要因の変動がグループの収益またはポートフォリオの価値を減少させるリスクである。

グループは、市場リスクに対するエクスポージャーをトレーディングまたは非トレーディング・ポートフォリオに分類している。トレーディング・ポートフォリオは、値付け、自己勘定取引およびトレーディング目的に指定されたその他の時価評価される取引から生じるポジションを含む。

非トレーディング・ポートフォリオは、グループの個人向けおよび法人向けの銀行資産および負債の金利管理から生じるポジション、売却可能および満期保有目的の金融資産、ならびにグループの保険業務から生じるエクスポージャーを含む。

市場リスク管理は、リスク管理会議が承認したリスク限度額を用いて主にグローバル・マーケット部門で行われる。主に市場の流動性に基づき限度額の水準が決定され、ポートフォリオ、商品およびリスク・タイプ別の限度額が設定される。エイチエスビーシー・グループのマネジメント・オフィス内の独立部門であるトレーデッド・クレジット・アンド・リスク部門は、エイチエスビーシー・グループの市場リスク管理方針および測定手法を策定する。主要な各事業会社には、独立した市場金利部門があり、そこがトレーデッド・クレジット・アンド・マーケット・リスク部門の規定する方針に従って、市場リスク・エクスポージャーを測定し、これらのエクスポージャーを規定された制限に照らして日次で監視する責任を負っている。

各事業会社は、その事業活動において各商品に生じる市場リスクを評価し、これらのリスクの管理を現地のグローバル・マーケット部門に委ねるか、あるいは資産負債管理委員会(「ALCO」)の指揮下で管理される別個の帳簿にリスクを移転することが要求される。その目的は、すべての市場リスクが、リスクを専門的に管理するために必要なスキル、ツール、管理および統制を有するオペレーションのもとで一元管理されることを保証することである。

グループは、市場リスク・エクスポージャーを監視し限定する幅広いツールを使用している。これらのツールは、バリュー・アット・リスクの感応度分析およびストレス・テストを含む。下表は、当セクション内のリスク報告の概要を示している。

	ポートフォリオ	
	トレーディング	非トレーディング
リスク・タイプ		
為替	VAR	VAR
金利	VAR	VAR
株式	VAR	感応度
信用スプレッド	VAR	VAR

バリュー・アット・リスク（「VAR」）

VARは、特定の対象期間および一定の信頼水準のもとで、市場金利および価格が変動した結果、リスク・ポジションに発生しうる潜在的な損失を見積る手法である。

グループが使用しているVARモデルは、大部分がヒストリカル・シュミレーションに基づいている。ヒストリカル・シュミレーション・モデルは、例えば金利と為替レートなど、異なる市場および相場の相互関係を考慮して、過去の市場相場および価格の時系列データから信憑性のある将来のシナリオを導くものである。当該モデルは、原エクスポージャーにオプション特性の影響を組み込んでいる。

グループが使用するヒストリカル・シュミレーション・モデルには以下の特性がある。

- 市場価格の潜在的な変動は、過去２年間のデータを参照することによって算定される。
- 過去の市場相場および価格は、為替レート、商品価格、金利、株価および関連するボラティリティを参照することによって算定される。
- VARは99パーセントの信頼水準で算定される。
- VARは保有期間を１日として算定される。

グループは、手数料などのモデル化されていない項目を除外する調整後の実際の日次損益を、それに対応するVARの数値と比較することにより、そのVARモデルの正確性を定期的に認証している。統計的には、グループが１年間という期間においてVARを超える損失をこうむる確立は１パーセントにすぎないと予想される。したがって、この期間に実際に発生した超過回数により、モデルの有効性を評価することができる。

VARモデルは、2006年12月１日より特定金利リスク（「信用VAR」）を含むものへと拡大された。2006年は、VARモデルのこの要素を導入後の期間が短かったため、2006年について開示されている平均、最高、最低VARの数値には、信用VARは含まれていない。

VARはリスクの算定に有用ではあるが、以下に例示する限界があることを常に考慮しておかなければならない。

- 将来の事象を見積もるためにヒストリカル・データを使用しているため、特に極端な事象など、すべての潜在的事象を含まない可能性がある。
- 保有期間を１日とする場合、すべてのポジションが１日で清算可能またはヘッジ可能であると仮定している。すべてのポジションを１日で完全に清算またはヘッジできないような、流動性に困難が生じている状況における市場リスクは完全に反映されていない。
- 99パーセントの信頼水準を使用する場合、定義上、この信頼水準を超えて発生する可能性のある損失は考慮されていない。
- VARは営業終了時のエクスポージャーに基づいて算定されるため、必ずしも日中のエクスポージャーを

反映していない。

グループは、その他のポジションや感応度の限界の構造と組み合わせることによって、VARの限界を認識している。さらに、グループは、個々のポートフォリオおよびグループの連結ポジションの両方について、広範なストレス・テストを行っている。グループのトレーディングおよび非トレーディングVARは、以下のとおりである。

	百万ポンド
合計	
2007年12月31日現在(1)	**32.0**
2006年12月31日現在(2)	17.9

	平均	最低	最高
	百万ポンド	百万ポンド	百万ポンド
2007年(2)	**20.7**	**14.3**	**34.8**
2006年(3)	17.8	9.2	37.7

(1) トレーディングおよび非トレーディングの信用VARを含む。
(2) 非トレーディングの信用VARを除外している。
(3) トレーディングおよび非トレーディングの信用VARを除外している。

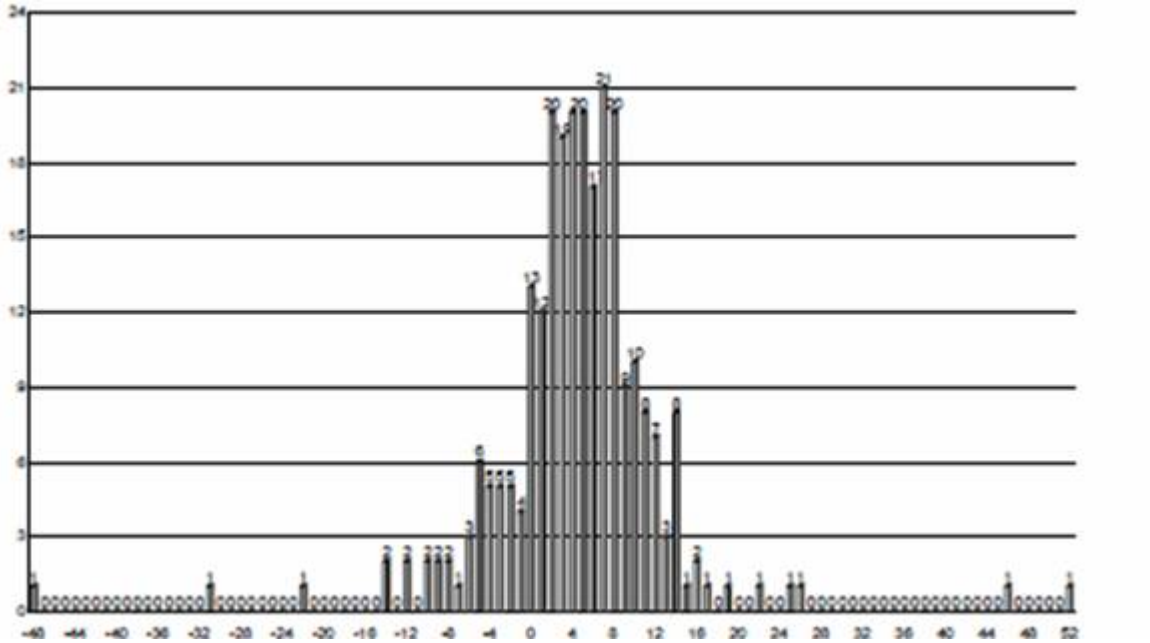
グループのトレーディングおよび非トレーディングVARの主な要因はグローバル・マーケットであった。

以下の柱状グラフは、グローバル・マーケットのトレーディング、バランス・シート管理およびその他のトレーディング活動から生じる日次収益の発生頻度を示している。そこから稼得した平均日次収益は、2006年の5.3百万ポンドに比較して2007年は５百万ポンドであった。これらの日次収益の標準偏差は、2006年の4.1百万ポンドに比較して2007年は8.4百万ポンドであった。標準偏差は、日次収益の変動をそれらの収益の中間値について測定したものである。

日次収益の発生頻度の分布は、マイナス収益の日が2006年は16日間であったのに対して、2007年には42日間あったことを示している。

2007年におけるグローバル・マーケットのトレーディング、バランス・シート管理、およびその他のトレーディング収益の１日当たり分布図

日数

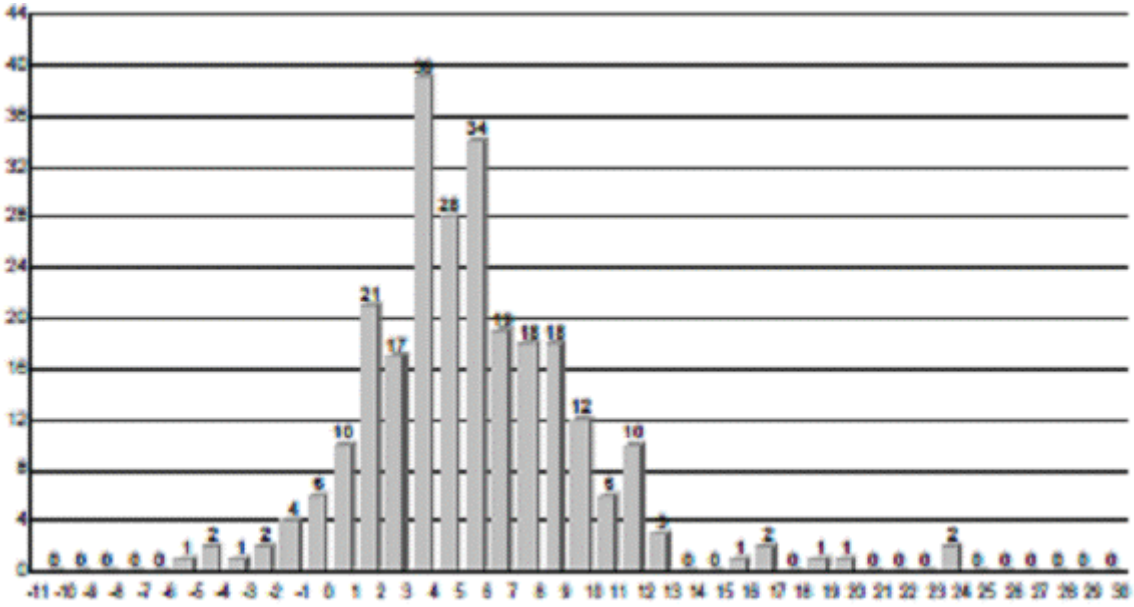


収益（百万ポンド）

特定の日次の市場変動に帰属しない月末調整の影響は、当該月内の日数にわたり均等に按分されている。

2006年におけるグローバル・マーケットのトレーディング、バランス・シート管理、およびその他のトレーディング収益の１日当たり分布図

日数



収益（百万ポンド）

特定の日次の市場変動に帰属しない月末調整の影響は、当該月内の日数にわたり均等に按分されている。

公正価値および価格照合管理

特定の金融商品がグループの貸借対照表に公正価値で計上される場合、評価および関連する価格照合プロセスはグループ全体で独立したテストを受けることがグループの方針で定められている。公正価値に基づいて会計処理される金融商品には、トレーディング・ポートフォリオに保有される資産、公正価値評価の指定を受けている金融商品、空売りの有価証券に関連する債務、すべてのデリバティブ金融商品、および売却可能有価証券が含まれる。

そのため、公正価値の決定は、グループのグローバル・マーケット活動の報告において重要な要素である。

エイチエスビーシー・グループの財務取締役に職務上報告する独立した財務部門が、評価および検証を規定する会計方針および手続きを決定する最終責任を負う。すべての重要な評価方針およびその変更は、エイチエスビーシーの上級財務担当管理者の承認を受けなければならない。財務報告に関するグループの統制により、グループの各財務管理部門は、リスクの発生する事業部門から独立していることが要求されており、財務部門は、財務諸表に記載される公正価値の決定、およびグループの採用している方針がすべての関連する会計基準に準拠していることについて最終的な責任を負っている。

トレーディング・ポートフォリオ

グループの市場リスクの管理は、各現場でトレーデッド・クレジット・アンド・マーケット・リスクの承認を受けた金融商品リストの範囲内にそれぞれのトレーディング業務を限定し、新商品に対する厳格な承認手続きを実施し、より複雑なデリバティブ商品のトレーディングをその金融商品に関する適切な水準の専門知識と厳格な管理システムを有するオフィスに限定する方針に基づき行われている。

さらに、トレーディング・ポートフォリオにおける市場リスクは、複数の手法を組み合わせて用いることにより、ポートフォリオおよびポジションの両レベルで監視され、管理されている。これらには、VARおよび金利リスクに対しては金利におけるベーシス・ポイント変動の現在価値、ならびにストレス・テストおよび感応度テスト、集中度の制限が含まれる。これらの手法は、特定の市場における変動が資本に及ぼす影響を定量化している。

値付けおよび自己勘定における売買取引は、グローバル・マーケットが行っている。2007年12月31日現在の当該トレーディング活動のVARは、24.4百万ポンド（2006年：14百万ポンド）であった。これは、リスク・タイプ別に以下のように分析されている。

リスク・タイプ別の合計トレーディングVAR

	為替	金利	株式	信用(1)	合計
			百万ポンド		
2007年12月31日現在	**4.6**	**18.7**	**8.2**	**14.4**	**24.4**
2006年12月31日現在	2.7	10.3	3.2	5.6	14.0
平均					
2007年	**4.9**	**12.5**	**5.0**	**7.3**	**16.5**
2006年	3.1	9.6	2.9	—	10.2

最低					
2007年	**1.9**	**7.6**	**2.9**	**3.1**	**11.3**
2006年	1.5	5.3	1.3	―	6.5
最高					
2007年	**12.2**	**19.6**	**8.9**	**17.5**	**26.6**
2006年	6.3	16.4	4.3	―	15.8

(1) 信用VARモデルは、2006年12月１日以降グループによって使用されているため、2006年について開示されている平均、最低および最高VARの数値から除外されている。2007年のVARの数値はトレーディングの信用VARを含む。

非トレーディング・ポートフォリオ

非トレーディング・ポートフォリオの市場リスク管理の主な目的は、正味受取利息を最大化することである。

非トレーディング・ポートフォリオの市場リスクは主に、金利変動による資産の将来利回りと資金調達コストのミスマッチから生じている。このリスクの分析は、特定の商品分野の選択性（例えば、抵当貸付の期限前返済）について仮定を用いなければならないこと、また契約上要求に応じて返済が可能な負債（例えば当座預金）の残存年数について行動仮定を使用することによって複雑になっている。このような非トレーディング・ポートフォリオから生じる将来正味受取利息の予想変動は、これらのポジションが満期前に売却または清算される場合の、現在の実現可能価額に反映される。このリスクに対する最適な管理を目的として、非トレーディング・ポートフォリオの市場リスクは、グローバル・マーケットまたは現地のALCOの指揮下で管理される別個の帳簿に移転される。

グローバル・マーケットまたはALCOによって管理されるトレーディング・ブックへの市場リスクの移転は、通常、事業単位およびそのトレーディング・ブック間の一連の内部取引によって行われる。商品の行動特性が契約上の特性と異なる場合、本質的な金利リスクを決定するために行動特性が評価される。現地のALCOは定期的に、すべてのこのような行動仮定および金利リスク・ポジションを監視し、これらがエイチエスビーシー・グループ経営管理委員会の定める金利リスク制限に準拠していることを確認している。

上述のように、一部の事例において、商品の非線型特性は、リスク移転プロセスによって適切に把握されない可能性がある。例えば、顧客預金口座から代替投資商品へのフロー、および抵当貸付の正確な期前返済率は金利水準によって異なることになる。このような状況において、シミュレーション・モデルは、多様なシナリオが評価および正味受取利息に与える影響を識別するために用いられる。

市場リスクがグローバル・マーケットまたはALCOの管理する帳簿で一元管理されれば、正味エクスポージャーは通常、合意された限度内で金利スワップを用いることによって管理される。これらのポートフォリオのVARはグループのVARに含まれている。

固定利付証券

グローバル・マーケットについて報告されたVARに含まれない主な非トレーディング・リスクは、2006年に発行された固定利付劣後債から生じている。これらの証券に関連するVARは、2007年12月31日現在15.6百万ポンド（2006年：8.5百万ポンド）であった。一方、当事業年度における平均、最低、および最高値は、それぞれ10.3百万ポンド、6.7百万ポンド、および18.1百万ポンド（2006年：8.4百万ポンド、7.6百万ポンドおよび10.3百万ポンド）であった。

売却可能持分証券

市場リスクは、売却可能持分証券において生じる。2007年12月31日現在のこれらの有価証券の公正価値は、2,691百万ポンド（2006年：1,605百万ポンド）であり、プライベート・エクイティの保有額1,170百万ポンド（2006年：254百万ポンド）を含んでいる。プライベート・エクイティへの投資は主に、運用ファンドを通じて行われている。新たな潜在コミットメントは、ポートフォリオ全体の産業別および地域別集中を容認レベルに維持するためのリスク評価の対象となる。ポートフォリオ内の投資評価を実証するために定期的なレビューが行われ、財務部門は投資の帳簿価額をレビューする責任を負う。マネー・マーケット・ファンドは923百万ポンド（2006年：648百万ポンド）であり、一般に短期資金管理のために保有されているファンドに関連している。政府系機関および現地の証券取引所への投資など、継続的な業務を可能にするために保有している投資は、194百万ポンド（2006年：247百万ポンド）であった。売却可能持分証券の構成要素の公正価値は、大幅に変動する可能性がある。2007年12月31日現在の売却可能持分証券の価値が10パーセント下落した場合、資本が269百万ポンド（2006年：161百万ポンド）減少することになる。

確定給付年金制度

市場リスクは、また、グループの確定給付年金制度の負債が確定可能なキャッシュ・フローを有する資産と完全に一致しない場合にも発生する。このリスクは主に、将来の年金債務に備えて年金制度に保有されている株式に由来するものである。市場リスクとは、市場における株価変動の結果、資産が予測される負債をやがてカバーできなくなる可能性のことである。経営陣は、年金制度の受益者の代理として業務を行う受託会社と共に、社外の独立した保険数理士の作成する報告書を用いて市場リスクの水準を評価している。

グループの確定給付年金制度の負債の現在価値は、2006年12月31日現在の130億ポンドに比較して、2007年12月31日現在120億ポンドであった。2007年12月31日現在における確定給付制度の資産構成は次のとおりである。株式投資21パーセント（2006年12月31日現在：25パーセント）、負債証券66パーセント（2006年12月31日現在：59パーセント）、その他（不動産を含む）13パーセント（2006年12月31日現在：16パーセント）。

正味受取利息の感応度

非トレーディング・ポートフォリオにおけるグループの市場リスク管理の主要な役割は、さまざまな変動金利シナリオに基づく予想正味受取利息の感応度を監視することである（シミュレーション・モデリング）。グループの目的は、非トレーディング・ポートフォリオにおける市場リスク管理を通じて、そのような活動に要する費用と現在の収入とのバランスをとりつつ、将来の正味受取利息を減らす可能性のある将来の金利変動の影響を軽減することである。

各事業では、シミュレーション・モデリングに、現地の業務および市場に関連するシナリオとグループ全体で要求されている標準的なシナリオを組み合わせて使用している。標準的なシナリオは、グループの連結ポートフォリオ評価および正味受取利息に対する合算見積影響を示すために統合されている。

構造的為替リスクのエクスポージャー

構造的為替リスクのエクスポージャーは、機能通貨がポンド以外の通貨である子会社、支店、または関連会社への正味投資を表わす。

構造的エクスポージャーにおける為替換算差額は、連結認識収益費用計算書に計上されている。グループ子会社の主要な事業（機能）通貨は、ポンド、ユーロ、米ドル、スイス・フラン、トルコ・リラ、およびマルタ・リラである。

グループの方針は、限られた状況でのみ構造的為替リスクのエクスポージャーをヘッジすることである。グループの構造的為替リスクのエクスポージャーは、実務的であれば、グループの連結資本比率および各銀行子会社の資本比率を為替レート変動の影響から保護するという主目的によって管理される必要がある。この目的は通常、各銀行子会社のある通貨建てのリスク加重資産に対する当該通貨の構造的エクスポージャーの比率が、当該子会社の資本比率と広義において等しくなることを確保することによって達成される。

2007年下半期において、米国のサブプライム・ローン市場から発生した信用リスク懸念により、サブプライム・ローンを裏付けとする資産の公正価値が下落した。しかし、サブプライム関連ほどの重要性はなかったものの、サブプライム関連資産以外の重大な影響により、全般的に米国の抵当貸付関連の金融商品の公正価値が下落し、特に米国政府がスポンサーとなっている機関発行の金融商品と比べて、米国政府がスポンサーとなっていない金融商品がより重大な影響を受けた。

下表は、米国のモーゲージ・バック証券（「MBS」）に対するグループの市場リスク・エクスポージャーを示している。MBSには、債務担保証券で示されるものが含まれる。

	元本[1]	帳簿価額	未認識損益[2]	認識損益[2]	発生済減損[3]	認識された公正価値の変動[4]
	百万ポンド					
2007年12月31日に終了した事業年度						
米国サブプライム・ローン関連資産[5]						
MBSおよびMBS CDO[6]	2,285	2,116	(75)	(1)	—	(92)
—高格付（AAAまたはAA）	2,240	2,082	(63)	—	—	(92)
—AからC	32	23	(8)	—	—	—
—無格付	13	11	(4)	—	—	—
合計	2,285	2,116	(75)	(1)	—	(92)
その他の米国抵当貸付関連資産						
MBSおよびMBS CDO[6]	10,965	10,369	(81)	23	—	(514)
—高格付（AAAまたはAA）	10,917	10,338	(63)	—	—	(514)
—AからC	48	31	(18)	—	—	—
—無格付	—	—	—	—	—	—
合計	10,965	10,369	(81)	23	—	(514)
米国抵当貸付関連資産合計	13,250	12,485	(156)	22	—	(606)
2006年12月31日に終了した事業年度						
米国サブプライム・ローン関連資産						
MBSおよびMBS CDO[6]	1,171	1,173	—	—	—	1

－高格付（AAAまたはAA）	1,101	1,103	－	－	－	1
－AからC	50	50	－	－	－	－
－無格付	20	20	－	－	－	－
合計	1,171	1,173	－	－	－	1
その他の米国抵当貸付関連資産						
MBSおよびMBS CDO(6)	4,096	4,101	－	1	－	(5)
－高格付（AAAまたはAA）	4,034	4,039	－	－	－	(5)
－AからC	60	60	－	－	－	－
－無格付	2	2	－	－	－	－
合計	4,096	4,101	－	1	－	(5)
米国抵当貸付関連資産合計	5,267	5,274	－	1	－	(4)

(1) 元本は満期時の償還額または分割償還型商品の場合は有価証券の残存期間を通じての将来の償還額の合計である。
(2) 損益計算書に当期中に認識された。
(3) 当期中に発生した減損は実現および未実現損失の両方を含む。
(4) 当期中に資本に認識された時価評価による損益。
(5) グループは、資産がサブプライムに分類されるどうかを決定する基準として、主に貸付金の取引相手のクレジット・スコアを用いている。
(6) モーゲージ・バック証券（「MBS」）および債務担保証券（「CDO」）。

上述したエクスポージャーに加え、エイチエスビーシーは、帳簿価額336百万ポンド（2006年：32百万ポンド）のMBSおよび帳簿価額19百万ポンド（2006年：126百万ポンド）のMBS CDOに関するロング・ポジションを保有しており、これらのエクスポージャーに対応する特定の信用デリバティブが、モノラインおよびその他の金融機関との間で締結されている。

保険リスク

保険リスクは、金融リスク以外のリスクであり、保険契約者から発行会社に移転される。サービスの提案として、グループは、個人顧客に幅広い保険商品を提供しており、その多くはその他の銀行商品を補完するものである。グループの事業は、生命保険に焦点を当てており、したがって、保険債務合計の86パーセントは生命保険契約に関連している。契約の性質は保険債務に影響を与える。損害保険債務は、保険会社に対する通知済保険金および既発生未報告保険金に基づき設定され、通常１年間の保証期間を反映している。生命保険契約債務は、契約期間（複数年に及ぶ可能性がある）にわたり予想される保険金を反映して、契約開始時に設定される。

グループの保険事業は、市場リスク、信用リスクおよび流動性リスクを含む幅広い金融リスクにさらされている。これらのリスクの性質と管理方法は以下に記載している。グループが直面している主な保険リスクとは、保険金支払費用ならびに契約獲得費用および事務管理費用が受取り保険料と投資収入の合計額を上回る可能性があるということである。例えば、金融資産からの収益が、非連動型保険および投資契約から生じる債務の履行に必要な金額に満たない場合、保険引受子会社は金融リスクにさらされている。

生命保険事業

生命保険契約は、定期保険および重病保障保険、収入および支払保険、年金保険、投資債券、年金、および養老保険などの配当付き保険を含む。グループが締結する主な契約は以下のとおりである。生命保険事業の保険リスクは、事業の種類によって大きく異なる。主なリスクは、死亡、疾病、契約の失効および解約、投資利回りおよび費用水準に関連している。現地の引受業務、保険金支払処理、および費用管理の機能に加えて、グループの生命保険事業の商品が多様化していることで、保険リスクに対するエクスポージャーは効果的に軽減されている。

一般的に、死亡および疾病リスクは、医療保険の引受業務と、多くの場合は経験料率の変動を考慮した保険料改定によって軽減されている。市場リスクは通常、債務と保険契約者が共有するリスクを一致させる投資方針の組合せによって軽減される。ユニット連動型事業の場合、市場リスクは保険契約者によって負担される。任意加入型の生命保険事業の場合、当該リスクは、特別配当金の管理によって保険契約者と共有される。

生命保険の主な区分は、連動型と非連動型で分けられる。非連動型の生命保険には多数の主要なサブ・カテゴリーがある。任意加入型の保険契約は、利益型事業を含む。表面上、この事業は重要な市場リスクを伴うようであるが、これは投資方針および特別配当率の調整によって他のリスクと共に管理されている。すなわち、これは、実際には市場リスクの大部分を保険契約者が負担することを意味する。この商品に伴う主なリスクは、割り当てられた資産の価値が給付金支払を支えるために必要な価値に満たないことである。グループは、特別配当率の維持可能性について保険数理上の調査を定期的に行うことでこのリスクを管理している。

信用生命保険事業は、銀行および金融商品に関連して実行され、死亡または失業時に保障を提供する。この保険リスクは、貸付期間の死亡および疾病リスクに関連している。保険金支払実績は継続して監視されており、それに伴って保険料率が調整されている。当該事業の多くは、信用リスクのエクスポージャーの平均期間が２年から３年間であり、保険リスクのエクスポージャーは制限されている。

年金保険は、一定期間または年金受給者の生存期間のいずれかの間に、一連の定期的な払込で支払われた資本投資の収入を提供する契約である。支払が契約開始時に開始される即時年金とは反対に、据置年金は、年金受給者への支払が将来の指定日に開始される契約である。年金事業に関連する主なリスクは、保険契約者の余命に関連するものであり、さらには投資を保険契約の予想キャッシュ・フロー・プロファイルに一致させる必要があることから生じる市場リスクにも関連している。これらのリスクは、実質的に、グループから再保険に出されている。

「定期保険およびその他の長期契約」カテゴリーの主な構成要素は、英国で実行された定期収益債券、収入保障、および重病保障である。その主なリスクは、死亡および疾病に関連しており、引受業務、実績変動を考慮した保険料調整、および再保険の組合せによって管理されている。

連動型生命保険事業は、通常、契約を裏付ける投資の価値を参照して決定される給付金を、保険契約者に支払う。連動型保険事業の市場リスクは、通常、保険契約者によって負担されている。グループが負担する主なリスクはこれらの商品の管理費用に関連するものであるが、死亡、障害、および疾病リスクもこれらの商品に関連しており、非連動型保険に関する上述の手法を用いて管理されている。

損害保険事業

損害保険契約は、自動車保険、火災およびその他損害保険を含む。自動車保険事業は、車両損害および人身傷害の賠償を保証する。当事業は提供を終了した過年度の多くの契約を含んでいる。再保険による対応は、

特に人身事故による保険金の支払等、多額の損失に対する過剰なエクスポージャーを回避する必要がある場合に契約される。

火災およびその他損害保険事業では、主な保険対象は住宅および家財である。大災害による損失リスクのすべてのポートフォリオは、リスク・モデル作成の専門機関から入手した情報に基づいて、再保険によって対応されている。

損害保険事業に関連する主なリスクは、引受リスクおよび保険金支払実績リスクである。引受リスクは、グループが保険対象範囲に見合った保険料を請求しないリスクであり、保険金支払実績リスクは、ポートフォリオの支払実績が見込みを上回るリスクである。グループは、価格設定（例えば、保険契約条件によって制限および控除額の設定をする）、商品設計、リスク選定、保険金支払処理、投資戦略および再保険契約などによってこれらのリスクを管理している。すべての損害保険契約は１年ごとに更新可能であるが、保険会社は更新を拒否する権利、または更新時に契約の諸条件を変更する権利を有している。

保険リスク

グループは、正規の引受、再保険、および保険金支払手続きを通じて保険リスクを管理している。これらの手続きは、法令順守を保証することも意図されている。保険リスクに対するグループ全体のアプローチは、リスク・タイプ別に多様性のある保険事業を維持し、管理が容易なリスクや、基礎となる銀行活動に直接的に関連することの多いリスクに焦点を当てることを目指している。

保険事業、特に生命保険事業の主な特徴は、資産、負債、およびリスクを個別ではなく体系的に管理することである。これは、生命保険事業におけるこれらの３つの要素が、通常、損害保険事業の場合よりも相互依存関係にあることを反映している。多くの事業部門において特に重要となるのは、キャッシュ・フローの予想パターンを一致させることであり、年金保険のように長期にわたって実行される場合もある。

生命保険事業および損害保険事業は共に、現地および集中管理における手続きおよび方針を組み合わせて管理されている。これらは、特定事業の実行を承認する際に集中管理によるアプローチを使用することを含んでいる。リスク・エクスポージャーを監視するためにリスク管理委員会を設置する方法もとられている。市場リスクの制限は、保持している保険リスクへの追加的な管理として集中的に用いられている。

特定クラスに関連する特定のコメントに示されているとおり、エクスポージャーを更に軽減する手段として、再保険も行われている。

下表は、事業の種類ごとの保険リスクのエクスポージャーの分析結果を表示している。これらは、リスクが分散していることを示すものでもある。生命保険事業および損害保険事業について個別の表が作成されており、それぞれに特有のリスクの特徴が反映されている。生命保険事業は、損害保険事業よりも契約期間が長く、契約に貯蓄および投資の要素を組み込んでいることが多い。そのため、生命保険リスクの表には、保険エクスポージャーを総合的に評価するための最善の方法として、保険債務の分析が含まれている。これと対照的に、損害保険事業は、リスク・エクスポージャーを評価する最善の方法として、計上保険料を用いている。

生命保険リスクの分析－再保険前の保険契約者負債

	2007年	2006年
	百万ポンド	百万ポンド
生命保険（非連動型）		
DPF保険契約(1)	**469**	100
信用生命	**117**	25
年金	**205**	138
定期保険およびその他の長期契約	**337**	573
生命保険（非連動型）合計	**1,128**	836
生命保険（連動型）	**858**	647
生命保険契約者債務	**1,986**	1,483

(1) 任意加入型（「DPF」）の保険契約は、保険契約者に対して、保証された給付金を補完するものとして、契約給付金合計の重要な一部となる可能性が高く、金額または支払時期は契約上グループの裁量で決定される追加給付金を受け取る権利を与えている。追加給付金は、契約上、特定の契約または資産プールの運用成績、または契約発行会社の利益に基づいている。

損害保険リスクの分析－正味計上保険料(1)

	2007年	2006年
	百万ポンド	百万ポンド
火災保険およびその他損害保険	**64**	28
信用保険（生命保険以外）	**18**	34
傷害保険および医療保険	**11**	－
自動車保険	**183**	－
その他（生命保険以外）	**23**	5
正味計上保険料合計	**299**	67

(1) 正味計上保険料は、計上保険料総額から再保険会社に出再された計上保険料総額を差し引いた額である。

金融リスク

グループの保険事業は、市場リスク、信用リスクおよび流動性リスクを含む幅広い金融リスクにさらされている。これらのリスクの性質と管理方法は以下に記載している。

下表は、2007年12月31日現在、グループの保険引受子会社が保有する資産を負債の種類別に分析した結果であり、金融リスクに対するエクスポージャーの概要を示している。

保険契約業務が保有する金融資産

	2007年12月31日現在				
	連動型生命保険契約	非連動型生命保険契約	損害保険	その他資産	合計
			百万ポンド		
公正価値評価の指定を受けた金融資産					
短期国債	**25**	**－**	**－**	**－**	**25**
負債証券	**2,873**	**502**	**－**	**943**	**4,318**

持分証券	3,482	3,211	―	340	7,033
	6,380	3,713	―	1,283	11,376
売却可能					
短期国債	―	―	57	59	116
その他の適格手形	―	―	88	86	174
負債証券	―	6,133	152	145	6,430
持分証券	―	―	7	―	7
	―	6,133	304	290	6,727
デリバティブ	150	39	―	15	204
その他の金融資産	439	298	375	350	1,462
	6,969	10,183	679	1,938	19,769

	2006年12月31日現在				
	連動型生命保険契約	非連動型生命保険契約	損害保険	その他資産	合計
	百万ポンド				
公正価値評価の指定を受けた金融資産					
短期国債	28	―	―	―	28
負債証券	1,593	359	―	358	2,310
持分証券	3,429	27	―	18	3,474
	5,050	386	―	376	5,812
売却可能					
その他の適格手形	―	―	181	73	254
負債証券	―	―	99	8	107
	―	―	280	81	361
デリバティブ	367	―	―	―	367
その他の金融資産	97	1	77	33	208
	5,514	387	357	490	6,748

連動型生命保険では、費用控除後の収入保険料は、ユニット連動型ファンドに投資される。グループは、分離されたファンドまたはポートフォリオに適切な資産を保有し、それに負債を連動させることで当該商品の金融リスクを管理している。これにより、金融リスクは実質的に保険契約者に移転される。連動型生命保険債務を裏付けるために保有されている資産は、2007年末現在、グループの保険引受子会社の金融資産合計の35パーセント（2006年：82パーセント）であった。

市場リスク

市場リスクは、金利リスクおよび株価リスクに細分類される。各カテゴリーについては以下に詳述している。

金利リスク

グループの保険引受子会社は、資産と負債のデュレーションまたは利回りに関してミスマッチが生じた場合に金利リスクにさらされている。

グループは、一元的に限度額を設定することにより保険引受子会社から生じる金利リスクを管理している。これらは、価値の算定に用いられるディスカウント・カーブが１ベーシス・ポイント上方に平行移動した場合の、子会社の資産および負債からの予想キャッシュ・フローの正味現在価値の感応度を管理している。これらの限度額への準拠状況は、現地のALCOが監視している。また、金利リスクは、金利イールド・カーブの一定の変動が、保険引受子会社の税引後利益および正味資産に及ぼす影響を測定することによっても評価されている。グループの保険子会社が営業するすべての地域において、2007年12月31日現在の金利イールド・カーブが即座にかつ永続的に変動した場合の、当期利益および2007年12月31日現在の純資産への影響は以下のとおりである。

	2007年		2006年	
	当期利益に対する影響	**純資産に対する影響**	当期利益に対する影響	純資産に対する影響
	百万ポンド		百万ポンド	
イールド・カーブにおける100ベーシス・ポイントの増加	**(2)**	**(14)**	(27)	(31)
イールド・カーブにおける100ベーシス・ポイントの減少	**4**	**17**	32	37

上述の金利感応度は、説明目的のみであり、簡略化したシナリオを用いている。影響が直線的ではなく、したがって、結果を推定することができない場合がある。当該感応度は、金利変動の影響を軽減するために経営陣が講じる可能性のある措置を考慮しておらず、また、そのような状況に対する保険契約者の行動の変化についても考慮していない。

株価リスク

株価リスクは、持分商品の公正価値が変動するリスクである。グループは、各保険引受子会社が保有することのできる株式の最大市場価値に対する上限を一元的に設定することにより、持分証券の保有から生じる株価リスクを管理している。また株価リスクは、既定された株価の変動が、保険引受子会社の利益および純資産合計に及ぼす影響を見積もることによっても監視されている。下表は、株価が合理的に可能性のある10パーセント変動した場合の当期利益合計および純資産に対する影響を表している。

	2007年		2006年	
	当期利益に対する影響	**純資産に対する影響**	当期利益に対する影響	純資産に対する影響
	百万ポンド		百万ポンド	
株価における10パーセントの増加	**8**	**8**	8	8
株価における10パーセントの減少	**(7)**	**(7)**	(4)	(4)

これらの株価感応度は、説明目的のみであり、簡略化したシナリオを用いている。影響が直線的ではなく、したがって、結果を推定することができない場合がある。それらは、株価の下落を軽減するために経営陣が講じる可能性のある措置を考慮しておらず、また、そのような下落に伴い生じる可能性のある保険契約者の行動の変化も考慮していない。

信用リスク

信用リスクは、金融商品の一方の当事者が債務を履行できないことによりもう一方の取引相手に損失を生じさせるリスクである。グループの保険引受事業において、信用リスクに対するエクスポージャーは主に、保有投資資産および再保険契約から生じる。グループの保険引受子会社は、投資ポートフォリオおよび再保険取引に関して、信用リスクにさらされている。

グループの保険引受子会社は、投資ポートフォリオの質および運用成績の責任を負っている。投資ガイドラインはグループレベルで設定されている。現地の子会社のALCOは、グループのガイドラインの枠組みの中で、現地の環境にふさわしい投資パラメーターを設定し、投資運用成績およびガイドラインの準拠状況のレビューを行う。発行体および取引相手の信用度評価は主に、国際的に認められた信用格付けおよびその他の公表されている情報に基づいている。さらに、個々の事業会社または産業部門の不履行の影響を低減するために、発行体および産業部門の集中に関して一元的に決定された限度額に準拠している。投資信用エクスポージャーは、エイチエスビーシー・グループのクレジット・アンド・リスク部門にまとめて報告されている。

下表は、スタンダード＆プアーズまたは同等の格付会社の区分に基づいてグループの保険事業が保有する短期国債、その他適格手形および負債証券を分析した結果である。

	短期国債	その他の適格手形	負債証券	合計
	百万ポンド			
2007年12月31日現在				
非連動型保険契約に基づく負債関連				
AAA	57	33	3,943	4,033
AA－からAA＋	－	56	2,105	2,161
A－からA＋	－	－	1,152	1,152
A－より下	－	－	226	226
無格付	－	－	122	122
	57	89	7,548	7,694
株主資本関連(1)				
AAA	59	82	143	284
AA－からAA＋	－	3	132	135
A－からA＋	－	－	37	37
A－より下	－	－	1	1
無格付	－	－	13	13
	59	85	326	470
合計				
AAA	116	115	4,086	4,317
AA－からAA＋	－	59	2,237	2,296
A－からA＋	－	－	1,189	1,189
A－より下	－	－	227	227
無格付	－	－	135	135
	116	174	7,874	8,164
発行元：				
－事業会社およびその他	116	174	7,875	8,165
	116	174	7,875	8,165

分類：				
－公正価値評価の指定を受けた金融商品	**－**	**－**	**1,444**	**1,444**
－売却可能証券	**116**	**174**	**6,431**	**6,721**
	116	**174**	**7,875**	**8,165**

	短期国債	その他の適格手形	負債証券	合計
	百万ポンド			
2006年12月31日現在				
非連動型保険契約に基づく負債関連				
AAA	－	74	278	352
AA－からAA＋	－	107	41	148
A－からA＋	－	－	136	136
無格付	－	－	3	3
	－	181	458	639
株主資本関連(1)				
AAA	－	69	206	275
AA－からAA＋	－	4	109	113
A－からA＋	－	－	47	47
A－より下	－	－	1	1
無格付	－	－	2	2
	－	73	365	438
合計(2)				
AAA	－	143	483	626
AA－からAA＋	－	111	150	261
A－からA＋	－	－	185	185
A－より下	－	－	1	1
無格付	－	－	5	5
	－	254	824	1,078
発行元：				
－事業会社およびその他	－	254	824	1,078
	－	254	824	1,078
分類：				
－公正価値評価の指定を受けた金融商品	－	－	717	717
－売却可能証券	－	254	107	361
	－	254	824	1,078

(1) 株主資本は弁済可能資産および負債に対応しない資産から構成されている。
(2) 保険関連会社、エイチエスビーシー・アシュアランスが保有する短期国債、その他の適格手形および負債証券を除く。

信用リスクは、グループに発生した保険リスクの一部を再保険会社が引き受ける場合にも発生する。再保険会社の信用リスク・エクスポージャーは、一元的に監視されている。スタンダード＆プアーズの再保険信用格付データまたは同等のデータに基づく、再保険会社に出再された負債の内訳および再保険債権残高は、

以下のとおりである。

	保険契約に基づく負債の再保険会社の持分			
	連動型保険契約	非連動型保険契約	合計	再保険債権
	百万ポンド			
2007年12月31日現在				
AAA	**3**	**9**	**12**	**—**
AA－からAA＋	**14**	**105**	**119**	**7**
A－からA＋	**—**	**284**	**284**	**2**
A－より下	**11**	**3**	**14**	**—**
無格付	**—**	**97**	**97**	**—**
合計(1)	**28**	**498**	**526**	**9**
2006年12月31日現在				
AAA	5	31	36	—
AA－からAA＋	17	328	345	14
A－からA＋	—	181	181	1
A－より下	8	10	18	—
無格付	—	54	54	—
合計(2)	30	604	634	15

流動性リスク

保険金支払の金額および時期に不確実性が存在するのは、ほぼすべての保険契約に内在する特徴であり、これが流動性リスクにつながる。流動性リスク・エクスポージャーの管理の一環として、保険事業の多くの部門について、貸借対照表日において保険資金から生じると予想されるキャッシュ・フローが見積もられている。この見積りは、常に、将来の更改保険料および新規事業のキャッシュ・フローを含んでいる。

生命保険事業の予想存続期間には大きな幅があり、その中で大きな割合を占めるのは、流動性リスクが保険契約者と共に負担されるケースである（ユニット連動型事業の場合は全リスクを負担）。多額の保険金請求が発生した結果として生じる可能性のある短期資金要求を満たすために利用できる十分な資金源を確保するために、保険業務は、流動性を慎重に管理するという目的を有している。下表は、2007年12月31日現在における保険契約負債の予想満期を示している。

保険契約負債の予想満期

	予想キャッシュ・フロー（割引前）				
	１年未満	１～５年	５～15年	15年超	合計
			百万ポンド		
2007年12月31日現在					
損害保険	**402**	**381**	**36**	**—**	**819**
生命保険（非連動型）	**329**	**294**	**424**	**217**	**1,264**
生命保険（連動型）	**75**	**301**	**411**	**191**	**978**
	806	**976**	**871**	**408**	**3,061**
2006年12月31日現在					

損害保険	360	362	14	―	736
生命保険（非連動型）	38	69	153	928	1,188
生命保険（連動型）	75	257	281	36	649
	473	688	448	964	2,573

投資契約負債の残存契約期間

	保険引受子会社による投資契約に基づく負債			
	連動型投資契約	非連動型投資契約	DPF付投資契約	合計
	百万ポンド			
2007年12月31日現在				
残存契約期間:				
－１年未満	**137**	**―**	**―**	**137**
－１年～５年	**615**	**―**	**―**	**615**
－５年～10年	**475**	**―**	**―**	**475**
－10年超	**1,679**	**―**	**―**	**1,679**
－期限なし	**2,899**	**36**	**9,447**	**12,382**
	5,805	**36**	**9,447**	**15,288**
2006年12月31日現在				
残存契約期間:				
－１年未満	124	―	―	124
－１年～５年	628	―	―	628
－５年～10年	425	―	―	425
－10年超	1,644	―	―	1,644
－期限なし	1,733	―	―	1,733
	4,554	―	―	4,554

有効な長期保険業務の現在価値（「PVIF」）

グループの生命保険事業は、とりわけ、保険および関連リスクの評価について包括的な枠組みを提供する組込価格アプローチを用いて会計処理されている。2007年12月31日現在におけるPVIF資産の価値は444百万ポンド（2006年：407百万ポンド）であった。2007年12月31日現在有効な保険契約の全体から見込まれる収益における株主持分の現在価値は、生命保険事業がマイナスの展開に対応できるかどうかの能力を査定するためにストレス・テストを受けることがある。

下表は、グループの主要な保険引受子会社において、主な経済仮定および事業仮定に合理的に可能性のある変動が生じた場合の2007年12月31日現在のPVIFに及ぼす影響を示している。

	2007年	2006年
	百万ポンド	百万ポンド
無リスク金利における100ベーシス・ポイントの増加	**9**	―
無リスク金利における100ベーシス・ポイントの減少	**(20)**	―
リスク割引率における100ベーシス・ポイントの増加	**(21)**	(14)
リスク割引率における100ベーシス・ポイントの減少	**23**	14

費用インフレ率における100ベーシス・ポイントの増加	6	(3)
費用インフレ率における100ベーシス・ポイントの減少	(5)	3
失効率における100ベーシス・ポイントの増加	(6)	(3)
失効率における100ベーシス・ポイントの減少	6	3

上記のPVIFへの影響は説明目的のみであり、簡略化したシナリオを用いている。それらは、影響を軽減するために経営陣が講じる可能性のある措置を組み入れておらず、また、結果として生じる保険契約者の行動の変化も考慮していない。

下表は、すべての保険引受子会社において、2007年12月31日現在の条件に合理的に可能性のある変動が生じた場合の当事業年度の利益および純資産の感応度を示している。

	2007年 税引後利益に対する影響	2007年 12月31日現在の純資産に対する影響	2006年の 税引後利益に対する影響	2006年 12月31日現在の純資産に対する影響
	百万ポンド		百万ポンド	
保険金支払費用における20パーセントの増加	(32)	(32)	(1)	(1)
保険金支払費用における20パーセントの減少	32	32	1	1
死亡および/または疾病率の10パーセントの増加	6	6	8	8
死亡および/または疾病率の10パーセントの減少	(9)	(9)	—	—
失効率の50パーセントの増加	(28)	(28)	(24)	(24)
失効率の50パーセントの減少	45	45	35	35
費用割合の10パーセントの増加	(5)	(5)	(5)	(5)
費用割合の10パーセントの減少	5	5	5	5

特別目的会社（オン・バランスシートおよびオフ・バランスシート契約を含む）

グループは、通常業務の一環として特別目的会社（「SPE」）の設立を含む特定の取引契約を顧客と締結しており、その一部はグループの連結貸借対照表に含まれている。

取引がSPEを利用して行われる場合、適切な目的の達成と統制の確保のために、これらの取引契約は締結時に中枢部門の承認を受ける。グループが管理するSPEの事業活動は、上級経営陣によって厳重に監視されている。SPEの利用はグループの事業活動の重要部分ではなく、グループは事業運営または収益性のいかなる重要部分についてもSPEの利用に依存していない。グループが関与するSPE取引の詳細は、以下のとおりである。

グループによって資金提供を受ける事業体

金融資産の証券化またはリース契約の実行といった特定の明確な目的を達成するために、グループは事業体の設立に資金を提供している。取引関係の実体が、グループがSPEを支配していることを示す場合、グループはこれらのSPEを連結する。支配を評価する際には関連するすべての要素を考慮する必要がある。こ

のような要素は、以下に例示するように定性的要素および定量的要素がある。

定性的要素－実質的に以下の場合

- SPEの活動がグループの特定の事業のニーズに合わせてグループのため行われており、当該SPEの事業活動によってグループが利益を得ている。これは、例えば、グループがSPEに対して重要な水準の支援を提供しているという事例によって証明され得る。
- グループがSPEの活動による利益の大部分を得るための意思決定権を有している。

定量的要素（以下、「所有によるリスクおよび便益の大部分」と称する）－実質的に以下の場合

- グループがSPEの利益の大部分を得る権利を有しており、その結果、SPEの活動に伴うリスクに晒される可能性がある。
- グループがSPEもしくはその資産に関連する残存リスクまたは所有リスクの大部分を、SPEの活動から利益を得るために保有している。

多くの事例において、グループがSPEの所有によるリスクおよび便益の大部分を有していない場合、これらのSPEは、IFRSに基づいてオフ・バランスシートで会計処理されている。しかし、特定の状況において、事実を入念に検討した結果、グループが所有によるリスクおよび便益の大部分を有していないものの、グループの関与に関する定性的な特徴が、SPEの事業活動が実質的にグループのために行われているということを示している場合、グループはSPEを連結する。

グループは、グループの関与に変更があった場合、または準拠法、契約上の取り決め、もしくはSPEの資本構造に変更があった場合など、グループとSPEの関係に実質的な変更が生じたときは常に、規定の連結会計テストを再評価している。SPEの最も重要なカテゴリーを以下に詳述する。

仕組投資ビークル（「SIV」）

SIVは、通常、金融機関または金融会社によって発行されたアセット・バック証券およびその他証券で構成される分散された利付き資産ポートフォリオに投資するために設立されたSPEである。SIVは、一般的に、コマーシャル・ペーパー(「CP」)、中期債またはその他の上位債（「上位債務」と総称する）、買戻契約、および劣後債またはメザニン債（一般的に「キャピタル・ノート」という）の発行を通して資金調達されている。SIVの出資者は頻繁に、CPおよび中期債の発行市場における一時的な市場の混乱に対処することが意図された流動性枠契約を通して、上位債務の投資家に対する限定的な流動性支援を行っている。

SIVは、リスク選好に応じてさまざまな資産に投資する機会を投資家に提供するための仕組みである。SIVによって発行された上位債務は通常、高い格付けをされており、SIVは厳格な運営基準の範囲内で管理されている。SIVの流動性は主に、満期時における負債の借り換えによって管理されるか、またはそれができない場合は、上位債の保有者を保護するために資産を売却することによって管理される。SIVは一般的に、上位社債に関する外部の信用格付けの根拠となる市場価値および純資産価値基準の影響を受ける。SIVの流動性リスクは、一定期間における最大累積支出をコントロールすることによって管理されている。

グループは、カリナン・ファイナンス・リミテッド(「カリナン」)およびアッシャー・ファイナンス・リミテッド(「アッシャー」)という２つのSIVを、それぞれ2005年８月および2007年５月に設立し、投資家からの資金調達に成功している。投資家は、上位債務とキャピタル・ノートを引受けている。グループが所有によるリスクおよび便益の大部分を得ておらず、これらのSIVに対する重要な資金提供を行うことを予測していなかったため、これらのSIVは事業開始時に連結されなかった。グループは、これら２つのSIVのファンド・マネージャーであり、一般取引条件に基づく契約上の流動性供与枠を通して限定的な資金の提供の

みを行っていた。

SIV合計資産の公正価値によって測定された2007年度の各SIVの最大規模、およびグループが契約上の流動性枠のもとで有している最大エクスポージャーは、以下のとおりであった。

	最大規模	当行契約流動性ファシリティ
	十億ポンド	十億ポンド
カリナン	21.0	0.25
アッシャー	4.3	0.12
	25.3	0.37

2007年８月中旬より、主に米国のサブプライム・ローンに関連した有価証券の評価に対する懸念などからホールセール市場における通常の資金調達が厳しくなり、その結果、SIVを含む多くのSPEにとって資金調達が困難となっている。サブプライム問題が発生した当初、当行が出資しているSIVはそれほど影響を受けず、カリナンおよびアッシャーは引き続きCP市場で資金調達を行っていた。

2007年第３四半期末までに、SIVがCPを発行することによって資金調達する債券市場の混乱が一過性のものではないことが明確になった。そのためグループは、買戻契約、CPの買取りおよびカリナンから公正価値20億ポンドの資産を取得する形で、カリナンおよびアッシャーに83億ポンドの資金提供を行った。

同時期に、市場の流動性ポジションが悪化し信用スプレッドが拡大したため、カリナンおよびアッシャーが保有していた一部資産の市場価値が下落した。

2007年10月より、カリナンのすべてのキャピタル・ノート保有者は、保有しているキャピタル・ノートとSIVの資産持分を交換するオプションを供与された。このオファーの一部として、エイチエスビーシーは、カリナンのキャピタル・ノートの全保有分をカリナンの資産と交換した。購入した資産の額面価額および市場価格は、それぞれ353百万ポンドおよび341百万ポンドとなった。支払対価の内訳は、額面総額25百万ポンド（公正価値12百万ポンド）のキャピタル・ノートおよび328百万ポンドの現金であった。さらに、2008年1月、エイチエスビーシーは既存の保有者から額面価額85百万ポンド（公正価値19百万ポンド）でカリナンのキャピタル・ノートを購入し、その後、このカリナンのキャピタル・ノートと現金1,147百万ポンドを額面価額1,233百万ポンド（市場価格1,167百万ポンド）のカリナンの資産と交換した。

2007年11月、グループは、カリナンとアッシャーの投資家に対して、オプションを提案する意向があると発表した。このオプションにより、投資家は、グループの定期資金提供および流動性によって設立される新しいSPEへ投資できる。

すべての事実および状況の綿密な評価に基づき、グループは、この発表がグループとSIVとの関係を実質的に変更するものであると結論付けた。よってグループは、2007年11月末よりカリナンとアッシャーを連結した。

2007年11月の発表後、アセット・バック・コマーシャル・ペーパー（「ABCP」）導管会社と定期資金調達ビークルの２つの新しいSPEが、カリナンに関連して設立された。各SPEは、その継続事業が、基礎を成す資産の市場価値の変動に対してカリナンほど敏感に影響を受けないように設立されたものである。これらのSPEは、当行の流動性ファシリティで保証されたCP、またはグループの提供する定期資金によって資金調達される。この再編は、資産を売却せざるを得なくなる可能性のあるSIV事業にとっての２つの主な課題に対処するものである。それらの課題とは、CP市場において資金調達ができなくなる、および基礎を成す資産の

市場価値が変動することによってSIVの継続事業が敏感に影響を受けるという問題である。

新しいSPEは、カリナンの上位債務の満期と一致すると予想される期間において、カリナンの資産を購入することに合意している。購入価格は、2008年１月21日現在のカリナンの資産の公正価値に基づく。

2008年１月、カリナンによって発行されたキャピタル・ノートの投資家は、既存のキャピタル・ノートを新しいSPEのキャピタル・ノートと交換するオプションを与えられた。

カリナンのすべてのキャピタル・ノートの保有者は、キャピタル・ノートを新しいSPEのキャピタル・ノートと交換することを選択した。このようなキャピタル・ノート保有者は、保有するキャピタル・ノートの額面を上限として、新しいSPEにおいて発生する損失リスクを負うことになる。

アッシャーのキャピタル・ノートの保有者は、SIVの保有資産の第一損失のリスクを引き続き負っている。カリナンの交換完了後にアッシャーの再編を行うことが提案されている。

カリナンおよびアッシャーを連結したことにより、2007年11月末時点で、グループの貸借対照表に206億ポンドの資産および負債が計上された。これは、キャピタル・ノート18百万ポンドおよびCP23億ポンド、ならびにグループの貸借対照表上に過去に計上されていた買戻契約42億ポンドを含んでいた。

カリナンおよびアッシャーによって保有されている資産の分析は、以下のとおりである。

カリナン－資産クラス別格付け

	2007年	2006年
	百万ポンド	百万ポンド
S&P格付け		
AAA	**11,057**	11,753
AA	**1,451**	1,149
A	**1,536**	1,807
BBB	**85**	44
投資合計	**14,129**	14,753
現金および現金同等物	**2,479**	777
資産合計	**16,608**	15,530

カリナン－資産ポートフォリオの構成

	2007年	2006年
	百万ポンド	百万ポンド
資産クラス		
ストラクチャード・ファイナンス		
住宅ローン担保証券	**4,962**	6,058
商業用不動産担保証券	**1,866**	1,972
債務担保証券	**1,894**	1,569
学生ローン	**1,109**	1,180
ホーム・エクイティ・ローン	**640**	1,040
自動車ローン	**157**	186
信用貸付	**27**	93

その他ABS	**2,238**	388
ストラクチャード・ファイナンス資産合計	**12,893**	12,486
ファイナンス		
商業銀行債務	**3,124**	2,593
投資銀行債務	**344**	280
金融会社債務	**247**	171
金融資産合計	**3,715**	3,044
	16,608	15,530

これらの資産は、米国のサブプライム・ローンに対するエクスポージャー991百万ポンド（2006年：1,372百万ポンド）を含んでいる。

カリナン－貸借対照表分類別資産合計

	2007年
	百万ポンド
デリバティブ資産	**95**
銀行に対する貸付金	**1,212**
金融投資	**15,197**
その他資産	**104**
	16,608

カリナン－資産の加重平均満期

	金融投資	**現金および現金同等物**
	百万ポンド	**百万ポンド**
2007年		
０－６ヶ月	**590**	**2,478**
６－12ヶ月	**801**	**－**
12ヶ月超	**12,739**	**－**
	14,130	**2,478**
2006年		
０－６ヶ月	48	777
６－12ヶ月	449	－
12ヶ月超	14,256	－
	14,753	777

2007年12月31日現在のポートフォリオの加重平均期間は４年（2006年：3.63年）であった。

カリナン－資金調達の構成

	2007年

	合計	グループによる提供分
	百万ポンド	百万ポンド
2007年		
キャピタル・ノート	**478**	**—**
コマーシャル・ペーパーおよび中期債	**12,495**	**2,998**
ターム・レポの行使	**3,541**	**3,627**
	16,514	**6,625**
2006年		
キャピタル・ノート	946	—
コマーシャル・ペーパーおよび中期債	14,399	—
	15,345	—

CPによる資金調達の加重平均期間は0.56年（2006年：0.13年）であり、中期債による資金調達の加重平均期間は1.13年（2006年：0.64年）であった。

アッシャー－資産の格付け分析

	2007年
	百万ポンド
S&P格付け	
AAA	**3,059**
AA	**194**
A	**153**
投資合計	**3,406**
現金および現金同等物	**282**
資産合計	**3,688**

アッシャー－資産ポートフォリオの構成

	2007年
	百万ポンド
資産クラス	
ストラクチャード・ファイナンス	
住宅ローン担保証券	**1,492**
商業用不動産担保証券	**626**
債務担保証券	**544**
学生ローン	**190**
ホーム・エクイティ・ローン	**158**
自動車ローン	**0**
信用貸付	**34**
その他ABS	**72**
ストラクチャード・ファイナンス資産合計	**3,116**
ファイナンス	
商業銀行債務	**483**

投資銀行債務	58
金融会社債務	31
金融資産合計	572
	3,688

これらの資産は、米国のサブプライム・ローンに対するエクスポージャー21百万ポンドを含んでいる。

アッシャー－貸借対照表分類別資産合計

	2007年
	百万ポンド
デリバティブ資産	37
銀行に対する貸付金	371
金融投資	3,265
その他資産	15
	3,688

アッシャー－資産の加重平均満期

	金融投資	現金および現金同等物
	百万ポンド	百万ポンド
2007年		
０－６ヶ月	98	282
６－12ヶ月	289	－
12ヶ月超	3,019	－
	3,406	282

2007年12月31日現在のポートフォリオの加重平均期間は3.7年であった。

アッシャー－資金調達の構成

	2007年	
	合計	グループによる提供分
	百万ポンド	百万ポンド
メザニン債	155	10
コマーシャル・ペーパーおよび中期債	2,760	746
ターム・レポの行使	799	570
	3,714	1,326

CPによる資金調達債務の加重平均期間は0.44年であり、中期債による資金調達債務の加重平均契約期間は1.03年であった。

マネー・マーケット・ファンド

グループは、顧客に対して、ニーズに合った投資機会を提供する多数のマネー・マーケット・ファンドを設立し、それを管理している。これらのSPEは限定的で明確な目的を有しており、通常、グループは、所有によるリスクおよび便益の大部分を示すのに十分な規模のSPE持分を保有していない。

グループは、2007年12月31日現在、合計210億ポンド（2006年：170億ポンド）の資産を有するマネー・マーケット・ファンドを設立した。

当該マネー・マーケット・ファンドは以下の３つの主なカテゴリーから構成されている。

- 50億ポンド（2006年：10億ポンド）の資産を有するコンスタント・ネット・アセット・バリュー（「CNAV」）ファンド。これは、投資家に流動性の高い安全な投資を提供することを目的として、短期の高格付けのマネー・マーケット証券に投資するファンドである。
- 40億ポンド（2006年：40億ポンド）の資産を有するエンハンスド・バリアブル・ネット・アセット・バリュー（「エンハンスドVNAV」）ファンドという名称のフランスを拠点とするダイナミック・ファンド。これは、従来のマネー・マーケット・ファンドより高い収益を投資家にもたらすことを目的として、長期のマネー・マーケット証券に投資するファンドである。
- 120億ポンド（2006年：120億ポンド）の資産を有するバリアブル・ネット・アセット・バリュー（「VNAV」）ファンド。これは、フランス、ドイツおよびトルコを拠点とする様々なその他のマネー・マーケット・ファンドである。

これらのマネー・マーケット・ファンドは、SIVによって発行された証券への限定的な投資を含め、高格付けの負債証券の多様なポートフォリオに投資している。2007年12月31日現在、SIVに対するこれらのファンドのエクスポージャーは、401百万ポンド（2006年：55百万ポンド）であった。

CNAVファンド

CNAVファンドは、その資産を償却原価で設定しているが、ポートフォリオの償却後帳簿価額が市場価格の50ベーシス・ポイントの範囲内になることが条件である。これによってCNAVファンドは、一定価格でファンドの投資証券を組成および流動化することができる。ポートフォリオの償却後の価値がその市場価格の50ベーシス・ポイントを超えて変動した場合、CNAVファンドは市場価値で資産を評価するよう要求されるため、一定価格で投資証券を組成および流動化できなくなる。これは一般に「ブレーク・ザ・バック（価格割れ）」として知られている。CNAVファンドが価格割れになった場合、グループは財政支援を行う法的債務を負うことはない。

グループのCNAVファンドは、多数のSIVによって発行された上位債を保有しているが、市場の流動性の現状およびこれを受けた格付機関の格下げにより、SIV証券の市場価値は下落した。こういった状況によって、CNAVファンドは、SIV投資に関する未実現損失を計上した。これらのSIVの大半は銀行の資金提供を受けており、減損しているとの判断はなされていないが、困難な局面に直面している３つの独立したSIVの持分を有している。そのうちの２つに対してグループのCNAVファンドは20百万ポンドの投資を行っていたが、2008年初頭に強制手続きが執られ、その手続きによって独立したSIVの縮小と有担保債権者への償還が開始された。

SIV証券の持分の市場価値の下落によって、一部のCNAVファンドが潜在的償還額を満たすために流動資産の実現を余儀なくされる可能性が高まった。この潜在的影響に対応するため、2007年12月24日、エイチエスビーシーは、2007年12月31日現在合計30億ポンドの管理資産（「AUM」）を有するCNAVファンドのSIV資産における一部持分に関連して、４百万ポンドを上限とする一定限度額補償状を発行した。

グループは、引き続き、一定価格ですべてのCNAVファンドの投資証券を組成および流動化している。

エンハンスドVNAVファンド

エンハンスドVNAVファンドは、公正価値に基づいて資産価格を設定しており、その結果、価格は日々変動する。これらのファンドは、投資家が高い利回りを期待して、より高い信用および期間リスクを戦略の一環として引き受けるエンハンスド投資戦略を実施している。

当座勘定の利息支払にこれまで制限がかけられてきたために、フランスではマネー・マーケットでの取引活動が非常に発達している。高い利回りを求めた結果出現したのが、基本的には現金に代替するものとして利用される高度な技術を用いたマネー・マーケット・ファンドである。しかしながら、2007年７月以降、フランスのダイナミック・マネー・マーケット・ファンドは、主に米国のサブプライム資産のエクスポージャーを内包するファンドに対する市場の信用が失われたことによって、前例のない償還要請に直面している。2007年８月、フランスの金融機関２社が一部のアセット・バック証券ファンドからの引き出しを一時停止する決定を行い、これがダイナミック・マネー・マーケット・ファンドの償還を加速させる要因となった。

2007年第３四半期において、グループは、資産償還の資金を供給するため、ダイナミック・マネー・マーケット・ファンドの２つのファンドにおける基礎を成す資産および株式それぞれ12億ユーロ（880百万ポンド）および590百万ユーロ（396百万ポンド）を取得した。第４四半期において、追加の株式取得は行われなかった。2007年12月31日現在、グループの当ファンドにおける持分は合計896百万ユーロ（657百万ポンド）であった。2007年12月31日現在におけるこれらの２つのファンドのAUM合計は、21億ユーロ（15億ポンド）であった。グループはファンドの株式の追加取得を行ったが、所有によるリスクおよび便益の大部分を保有するに至らなかったために、2007年12月31日現在、これらのファンドはグループに連結されなかった。しかし、ユニット所有者による償還が続いたことで、グループのファンドにおける持分割合が所有によるリスクおよび便益の大部分を保有する水準にまで上昇し、その結果、１つのファンドが年度末以降、グループによって連結された。

グループのマネー・マーケット・ファンドの資産合計

	2007年	2006年
	百万ポンド	百万ポンド
持分の規模		
CNAVファンド	**5,213**	955
エンハンスドVNAVファンド	**3,900**	3,717
VNAVファンド	**11,627**	12,074
	20,740	16,746

グループのマネー・マーケット・ファンドの大部分はオフ・バランスシートである。2007年12月31日現在のこれらオフ・バランスシートのファンドに対するグループの金融投資は７億ポンド（2006年：83百万ポンド）であった。これらの金融投資は、グループの貸借対照表上に公正価値で計上されている。2007年12月31日現在のオン・バランスシートのグループのマネー・マーケット・ファンドにおける総資産は、25億ポンド（2006年：11億ポンド）であった。これらの資産は公正価値で測定されている。

マネー・マーケット以外の投資ファンド

グループは、顧客が株式や負債証券などの幅広い資産に投資できるよう、多数のマネー・マーケット以外の投資ファンドも立ち上げている。ファンド設立時に、ファンド・マネージャーであるグループが通常、ファンドの資産購入を可能にするための「シード・キャピタル」として知られる一定限度額の資本を提供する。これらの持分は通常、一定期間にわたって償還される。グループの経済的持分が限られていることを考慮すると、グループは所有によるリスクおよび便益の大部分を有していないと判断されるため、これらのファンドの大半はオフ・バランスシートである。

グループのマネー・マーケット以外の投資ファンドにおける総資産

	2007年	2006年
	百万ポンド	百万ポンド
管理資産		
スペシャリスト・ファンド	**30,556**	31,144
ローカル・インベストメント・マネジメント・ファンド	**31,864**	28,299
マルチ・マネージャー	**2,167**	724
	64,587	60,167

グループのマネー・マーケット以外のファンドにおける総資産－オン・バランスシート

	2007年	2006年
	百万ポンド	百万ポンド
スペシャリスト・ファンド	**71**	53
ローカル・インベストメント・マネジメント・ファンド	**19**	18
	90	71

上記のオン・バランスシートの資産はすべて、金融投資として分類されている。

グループのマネー・マーケット以外のファンドにおける持分－オフ・バランスシート

	2007年	2006年
	百万ポンド	百万ポンド
スペシャリスト・ファンド	**30,485**	31,091
ローカル・インベストメント・マネジメント・ファンド	**31,845**	28,281
マルチ・マネージャー	**2,167**	724
	64,497	60,096

2007年12月31日現在のオフ・バランスシートのマネー・マーケット・ファンドに対するグループの金融投資は、263百万ポンド（2006年：257百万ポンド）であった。これらの金融投資は、グループの貸借対照表に公正価値で計上されている。

導管会社

グループは、マルチセラー導管会社を利用してグループの顧客に代替的な資金調達源を提供するため（自動車ローン債権などが例に挙げられる）、または証券投資導管会社によってニーズに合った投資機会を投資家に提供するために設立されたSPEに出資し、それを管理している。

マルチセラー導管会社は、通常CPの発行による第三者投資家の資金を用いた貸付金など、第三者が組成した多様な資産プールにおける持分を購入する。資産プールにおいて導管会社が受領したキャッシュ・フローは、投資家によって提供された資金を返済するために使われる。グループは、第三者オリジネータ向け資金調達源の分散化を促進し、多様なリスク選好の幅広い投資家を引き付けるために、導管会社の債券発行を様々なリスク等級に分散できるように管理している。またグループは、マルチセラー導管会社に対して、信用状などプログラム全体にわたる信用補完や流動性枠を提供している。グループのマルチセラー導管会社には、リージェンシー・アセッツ・リミテッド（「リージェンシー」）およびブライアント・パーク・ファンディング・エルエルシー（「ブライアント・パーク」）がある。グループは、リージェンシーおよびブライアント・パークに100パーセントの流動性枠を提供した。

ソリティア・ファンディング・リミテッド（「ソリティア」）などの証券投資導管会社は、マルチセラー導管会社と同じような方法で運営されているが、貸付金のかわりにAAA格付けのアセット・バック証券を第三者市場参加者から購入している。この点においては、証券投資導管会社はマルチセラー導管会社よりもSIVに類似している。カリナンやアッシャーと異なり、グループはソリティアに信用状と100パーセントの流動性枠を提供した。

ソリティアー資産クラス別格付け

	2007年	2006年
	百万ポンド	百万ポンド
S&P格付け		
AAA	**10,772**	10,368
投資合計	**10,496**	10,289
その他資産	**276**	79
資産合計	**10,772**	10,368

ソリティアー貸借対照表分類別資産合計

	2007年	2006年
	百万ポンド	百万ポンド
公正価値評価の指定を受けた金融商品	**50**	50
デリバティブ資産	**30**	10
銀行に対する貸付金	**125**	―
金融投資	**10,291**	10,229
その他資産	**276**	79
	10,772	10,368

ソリティアの金融投資は、グループの貸借対照表に公正価値で計上されている。

ソリティアー資金調達の構成

	合計	当行の資金提供

	百万ポンド	百万ポンド
2007年		
コマーシャル・ペーパー	**11,452**	**3,869**
2006年		
コマーシャル・ペーパー	10,309	**－**

グループは、リスクおよび便益の大部分を得ているため、これらの導管会社を設立時より連結している。

証券化

グループは、資金調達源を分散化することを目的として、さらにこの資金調達源の費用効率および資本効率が良い場合に、顧客に対する貸付金を証券化するためにグループが組成したSPEを利用している。グループが所有によるリスクと便益の大部分を有していないためSPEが連結されない１件の小口の証券化を除いて、その他のSPEは連結されている。信用補完は、SPEによって発行された上位債務について投資適格格付けを得るために用いられる。

グループはさらに、ドイツにおいて定期証券化プログラムを設立し、第三者貸付金を証券化している。グループは、SPEの所有によるリスクと便益を得ていないため、当該証券化ビークルの大部分を連結していない。

その他

グループは、例えば顧客との仕組取引を促進するため、また公共部門および民間部門のインフラ計画、資産およびストラクチャード・ファイナンス取引に資金を提供するために、通常の業務の一環としてSPEを設立している。グループはこれらSPEの所有によるリスクおよび便益の大部分を有していないため、これらのオフ・バランスシートのビークルを連結していない。

グループは、これらのビークルについて保証もしくは損失補償を与えておらず、支援も提供していない。

「その他」のSPEのカテゴリーには、以下の種類のSPEが含まれている。

ストラクチャード・クレジット取引

グループは、ときにレバレッジに基づいて負債証券の参照ポートフォリオに対するエクスポージャーを入手したいと考えている第三者の機関投資家に対して、ストラクチャード・クレジット取引を提供している。投資家は、SPEによって発行された債券を購入することによって関連する参照ポートフォリオのリスクおよび便益を得ている。SPEは、参照ポートフォリオのリスクおよび便益をSPEに引き渡すために、通常はデリバティブの形で、グループと契約を締結する。SPEとのデリバティブ契約に関連するグループのリスクは、グループのトレーディング市場リスク枠組の範囲内で管理される。153ページの「市場リスク管理」を参照のこと。

投資家に発行された債券の格付けを可能にするため、SPEを通した取引が促進されている。グループが特定のSPEにおける債券を所有している場合を除き、投資家が債券を通じて所有によるリスクと便益のほぼ全てを負担しているため、当該SPEはグループに連結されていない。

公共部門および民間部門のインフラ計画

グループは、政府当局によって着手されているインフラ計画に資金援助を行うため、「公共－民間パートナーシップ」に参加している。資金調達は、通常、SPEを利用して行われる。グループは、ビークルのリスクおよび便益の大部分を有しているため、当該SPEを連結している。

資産ファイナンス取引

グループの資産およびストラクチャード・ファイナンス（「ASF」）事業は、SPEを利用して制限を課すことが慣習となっている航空機およびその他の物的資産のリースおよび資金調達契約、ならびにSPEが費用効率を導入しているストラクチャード・ローンおよび預金に特化している。関係の実体が、グループがSPEを支配していることを示す場合、グループはこれらのSPEを連結している。

第三者出資SPE

第三者から資金提供を受けているSIV、導管会社および証券化に対するグループのエクスポージャーは、標準的な市場条件に基づく通常の銀行業務契約から生じている。グループは、第三者SIV、導管会社、および証券化に対して信用補完を提供していない。

その他のオフ・バランスシート契約

金融保証、信用状および類似する引受業務

注記39は、様々な種類の保証について説明しており、このような契約に基づく潜在的な将来最高支払額を開示している。すべての形式の保証に関連する信用リスクは、オン・バランスシートの信用供与と同じ方法で評価され、必要に応じて、評価された減損についての引当金が「その他引当金」として計上される。

貸付契約

未実行の与信枠は、178ページ（訳注：原文のページ数である）の注記39に開示されている。未実行の与信枠の大部分は、個人向けクレジット・カードの「購買余力」与信枠、事前承認貸付金を提供する潜在的顧客に発行された小切手、通知貸越枠、および顧客承諾待ちの抵当貸付申込から生じている。

グループは通常、個人顧客への貸越、クレジット・カードまたはその他の与信枠の諸条件について、顧客への通知を行うことで変更または終了させる権利を有している。法人向け貸付契約については、重要な悪影響を及ぼす変更がある場合には、資金へのアクセスを制限することによって、多くの契約においてグループのポジションが保護される。

レバレッジド・ファイナンス取引

レバレッジド・ファイナンス取引に関連する貸付契約は、組成後にその貸付金を売却することがグループの意思である場合、デリバティブとして会計処理されている。2007年12月31日現在、レバレッジド・ファイナンス取引に関連するグループの契約債務は29億ポンドであり、そのうち20億ポンドは既に資金調達されており、９億ポンドが未調達である。2007年度中に、市場の混乱が発生する以前に価格設定されていた取引に関連して、55百万ポンドの損失がトレーディング収益に計上された。残りの取引については、信用スプ

レッドが拡大した後に価格設定されており、額面で評価されている。

39 偶発債務、契約債務および保証

偶発債務および契約債務

	グループ		当行	
	2007年	2006年	**2007年**	2006年
	百万ポンド		百万ポンド	
契約金額				
偶発債務				
保証および担保に供される取消不能信用状	**18,972**	23,698	**10,816**	16,723
その他偶発債務	**75**	59	**—**	—
	19,047	23,757	**10,816**	16,723
契約債務				
信用状および短期貿易関連取引	**1,621**	1,414	**447**	532
先渡資産購入および先々預金	**38**	54	**—**	—
未実行のノート発行枠およびリボルビング引受枠	**19**	32	**—**	—
未実行の公式スタンドバイ契約、クレジットラインおよびその他の貸付契約債務(1)：				
－1年以下	**108,149**	100,248	**78,934**	74,111
－1年超	**36,192**	29,604	**22,945**	19,693
	146,019	131,352	**102,326**	94,336

(1) 契約上の当初満期に基づく。

上表は偶発債務、契約債務および保証の額面元本を開示している。それらは主に信用関連商品であり、金融および非金融保証ならびに信用供与に関する契約債務を含む。額面元本は、契約がすべて実行され、顧客が債務不履行となった場合のリスク金額を表している。保証および契約債務の大部分が未実行のまま失効すると予想されるため、契約金額合計は将来必要となる流動性の金額を表すものではない。

保証

グループは第三者顧客およびグループ会社のために保証および同様の取引を提供している。これらの保証は一般的にグループの通常の銀行業務において提供されている。提供された主な保証の種類、および2007年12月31日においてグループが将来要求され得る潜在的支払金額の最大額は以下のとおりである。

グループ

	2007年12月31日現在		2006年12月31日現在	
	第三者を受益者とする保証	**他のエイチエスビーシーグループ会社を受益者とするグループによる保証**	第三者を受益者とする保証	他のエイチエスビーシーグループ会社を受益者とするグループによる保証
	百万ポンド		百万ポンド	

保証の種類				
金融保証(1)	**8,957**	**1,266**	8,925	729
金融保証であるスタンドバイ信用状(2)	**752**	**68**	32	—
その他直接信用補完(3)	**191**	**6**	846	19
契約履行保証債(4)	**1,751**	**29**	505	19
入札保証債(4)	**129**	**4**	82	4
特定の取引に関連するスタンドバイ信用状(4)	**412**	**—**	320	—
その他取引関連保証(4)	**5,215**	**71**	12,156	48
その他項目	**196**	**—**	72	—
合計	**17,603**	**1,444**	22,938	819

当行

	2007年12月31日現在		2006年12月31日現在	
	第三者を受益者とする保証	**他のエイチエスビーシーグループ会社を受益者とするグループによる保証**	第三者を受益者とする保証	他のエイチエスビーシーグループ会社を受益者とするグループによる保証
	百万ポンド		百万ポンド	
保証の種類				
金融保証契約(1)	**6,382**	**1,069**	6,786	557
金融保証であるスタンドバイ信用状(2)	**—**	**—**	—	—
その他直接信用補完(3)	**1**	**—**	6	—
契約履行保証債(4)	**648**	**22**	495	19
入札保証債 (4)	**19**	**3**	30	3
特定の取引に関連するスタンドバイ信用状(4)	**74**	**—**	90	—
その他取引関連保証(4)	**2,461**	**16**	8,713	15
その他項目	**121**	**—**	9	—
合計	**9,706**	**1,110**	16,129	594

(1) 金融保証は、債券の当初または変更後の支払期限が到来した際に、特定の債務者が約定返済を行わなかったことにより発生する保有者の損失を弁済するために、発行者に所定の金額の支払を要求する契約である。上表の金額は額面元本である。

(2) 金融保証契約であるスタンドバイ信用状は、顧客が契約の履行を怠った場合にエイチエスビーシー・バンク・ピーエルシーに第三者への支払義務が生じる取消不能債務である。

(3) その他直接信用補完には、発行者が対象船積への所有権を留保することに関する条件なしに発行される再保険信用状および貿易関連信用状を含む。

(4) 契約履行保証債、入札保証債、スタンドバイ信用状およびその他取引関連保証は、グループに対する支払義務が将来事象の結果に基づき発生する取引である。

上表に開示された金額は、多数の個別保証約定に基づくグループの支払債務の最大額を反映している。保証から生じるリスクおよびエクスポージャーは、グループの総合的な信用リスク管理方針および手続に従って把握され管理されている。

契約期間が１年を超える保証は毎年グループによる信用レビューを受けている。

グループが顧客のために保証を提供する場合、グループは保証に基づいて支払った金額を顧客から回収する権利を留保している。

既存の保証契約に基づくグループの債務に関する引当金

	2007年	2006年
	百万ポンド	百万ポンド
保証および担保として供された項目	5	14
その他項目	5	4

2007年12月31日現在、グループは多数のサプライヤーから土地および建物ならびにその他固定資産を282百万ポンド（2006年：330百万ポンド）で１年以内に購入する契約を有している。

グループには合弁事業および関連会社に関連して共同または単独で負っている偶発債務および契約債務はなかった。

40 リース契約

ファイナンス・リース契約

	2007年			2006年		
	将来の最低支払額合計	金利費用	現在価値	将来の最低支払額合計	金利費用	現在価値
	百万ポンド			百万ポンド		
１年以内	13	(12)	1	15	(14)	1
１年超５年以内	51	(51)	―	66	(63)	3
５年超	415	(87)	328	356	(32)	324
	479	(150)	329	437	(109)	328

2007年12月31日現在、取消不能サブリースに基づいて受領される予定の将来の最低サブリース料は232百万ポンド（2006年：83百万ポンド）であった。

オペレーティング・リース契約

2007年12月31日現在、グループは有形固定資産に関する多数の解約不能オペレーティング・リース契約を有しており、その将来の最低リース支払額が複数年にわたり発生することになっている。

	土地および建物	
	2007年	2006年
	百万ポンド	百万ポンド
以下の期間に期日が到来する解約不能オペレーティング・リースに基づく将来の最低リース支払額		

－１年以内	**110**	94
－１年超５年以内	**367**	307
－５年超	**540**	361
	1,017	762

2007年12月31日現在、解約不能サブリースに基づき受領される予定の将来の最低サブリース支払額は、ゼロ（2006年：ゼロ）であった。

2007年に、リースおよびサブリース契約に関して「一般管理費」に計上された金額は117百万ポンド（2006年：100百万ポンド）であり、全額が最低リース支払額に関連するものだった。

ファイナンス・リース債権

	2007年			2006年		
	将来の最低支払額合計	前受金融収益	現在価値	将来の最低支払額合計	前受金融収益	現在価値
	百万ポンド			百万ポンド		
リース債権						
－１年以内	**729**	**(141)**	**588**	486	(87)	399
－１年超５年以内	**2,222**	**(493)**	**1,729**	2,049	(380)	1,669
－５年超	**3,502**	**(1,146)**	**2,356**	3,535	(1,169)	2,366
	6,453	**(1,780)**	**4,673**	6,070	(1,636)	4,434

2007年12月31日現在、85百万ポンド（2006年：77百万ポンド）の無保証残存価額が計上されており、回収不能の最低リース料債権に対する累積引当金はゼロ（2006年：９百万ポンド）であった。

2007年に、偶発賃借料としてゼロ（2006年：25百万ポンド）が受領され、「その他営業収益」に計上された。

オペレーティング・リース債権

	設備	
	2007年	2006年
	百万ポンド	百万ポンド
以下の期間に期日が到来する解約不能オペレーティング・リースに基づく将来の最低リース支払額		
－１年以内	**237**	228
－１年超５年以内	**670**	737
－５年超	**199**	292
	1,106	1,257

グループはオペレーティングおよびファイナンス・リース契約に基づいて第三者に様々な資産（車両、不動産、航空機および一般的な機械設備を含む）をリースしている。

41 訴訟

2007年７月27日に、英国公正取引庁（「OFT」）は、当行を含む数多くの英国の金融機関に対し、高等法院の法的手続きを提起した。この法的手続きは、これらの金融機関の個人顧客に対する未承認の当座貸越に関する特定の請求額（「請求」）の法律上の扱いおよび法的強制力を決定するためのものである。2008年１月17日に高等法院の商事法廷で公判が開かれ、これらの法的手続きの予備審問が行われた。当該公判は、2008年２月８日に結審し、予備審問の判決が待たれている。

当該法的手続きは非常に初期の段階にあり、予備審問（またはその後の重要な案件）が上訴された場合、判決が言い渡されるまでに何年もかかる可能性がある。高等法院が、公正性に関して請求の一部または全部を審理すべきか、または全く審理すべきではないか、および/またはコモン・ロー上の刑罰として審理すべきかを判断することによって、また、高等法院が請求の一部または全部を審理すべきであると判断した場合は、調査対象期間の各請求に関する高等法院の評価によって、様々な結果が生じる可能性がある。2001年７月以降、当時の契約に基づいて当行が行った請求は、多岐にわたっており、請求期間も異なっている。当行は、これらの請求は現時点で、または過年度分についても有効かつ法的強制力があると考えており、強硬に抗弁を行う予定である。

当行の現在の評価に反して、高等法院が最終的（上訴後）に当行に負債をもたらすような不利な判決を下した場合、多数の異なる結果が生じる可能性があり、その結果の１つ１つが異なる財務的影響を及ぼすであろう。現在入手可能な事実および数多くの仮定に基づき、当行は、財務的影響は約300百万ポンドになる可能性があると見積もっている。特に案件の複雑性、様々な結果が起こり得る可能性および当該法的手続きが初期段階にあるという理由から、現段階で潜在的な財務的影響を正確に見積ることは極めて困難である。さらに、当行の仮定が正しくないことが判明する可能性もある。

グループは、多数のグループ子会社を通じて、通常の業務から生じた様々な司法管轄における訴訟の当事者であり、抗弁を行っている。これらの法的手続きにより、グループの財政状態に重大な悪影響が及ぶとは想定されていない。

42 関連当事者間取引

グループの最終的な親会社は英国で設立されたエイチエスビーシー・ホールディングス・ピーエルシーである。

グループの関連当事者には、親会社、兄弟会社、関連会社、合弁事業、エイチエスビーシーの従業員のための退職後給付制度、主な経営陣、主な経営陣の近親者および主な経営陣またはその近親者によって支配、共同支配または重要な影響を受けている会社が含まれる。

取締役およびその他が関与する取引および契約

下表はIAS第24号「関連当事者についての開示」に基づき開示すべき、グループと当行および親会社エイチエスビーシー・ホールディングス・ピーエルシーの主な経営陣、ならびにその関係者またはその支配企業との間の取引を示している。

主な経営陣は、エイチエスビーシー・バンク・ピーエルシーおよびエイチエスビーシー・グループの活動を計画、指示および管理する権限および責任を持つ者と定義され、エイチエスビーシー・バンク・ピーエルシーおよびエイチエスビーシー・ホールディングス・ピーエルシーの取締役ならびにエイチエスビーシー・ホールディングス・ピーエルシーの常務取締役が含まれる。

	2007年			2006年		
	人数	当期中最高残高(1)	12月31日現在残高(1)	人数	当期中最高残高(1)	12月31日現在残高(1)
		千ポンド	千ポンド		千ポンド	千ポンド
主な経営陣ならびにその関係者およびその支配会社						
貸付金	**110**	**379,869**	**271,991**	54	158,512	103,069
クレジットカード	**47**	**635**	**267**	47	681	443
保証	**17**	**14,811**	**13,224**	3	5,911	5,202

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

IAS第24号に基づく主な経営陣との関連当事者間取引の開示に加えて、グループは、1985年会社法第232条により、エイチエスビーシー・バンク・ピーエルシーおよびその子会社による取締役、関係者およびその支配企業ならびにエイチエスビーシー・バンク・ピーエルシーの役員との間で締結された取引および契約の詳細を開示するよう求められている。会社法では、当行の親会社エイチエスビーシー・ホールディングス・ピーエルシーの主な経営陣との取引に関する開示は求められていない。

	2007年		2006年	
	人数	12月31日現在残高	人数	12月31日現在残高
		千ポンド		千ポンド
取締役、関係者およびその支配企業				
貸付金	**12**	**11,038**	17	8,369
クレジットカード	**20**	**68**	18	92
保証	**1**	**12**	1	12
役員				
貸付金	**19**	**7,018**	32	7,003
クレジットカード	**21**	**108**	20	113
保証	**—**	**—**	—	—

すべての取引は、通常の業務において、同様の状況にある個人またはその他の従業員との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で行われた。当該取引は、返済に関する一般水準を上回るリスクや、その他の不利な要素を伴うものではなかった。

IAS第24号に基づくグループの主な経営陣に対する報酬

	2007年	2006年
	千ポンド	千ポンド
短期従業員給付	**6,665**	5,534
退職後給付	**395**	400
株式に基づく報酬	**4,432**	3,081
	11,492	9,015

取締役およびその他の主な経営陣の株式保有およびオプション

	2007年12月31日現在残高	2006年12月31日現在残高
取締役およびその他の主な経営陣（およびその関係者）が保有する資本参加制度に基づく株式オプション数	**904,327**	1,571,328
取締役およびその他の主な経営陣（およびその関係者）が保有する株式数	**7,297,558**	3,900,008

その他の関連当事者との取引

関連会社および合弁事業

グループ

	2007年		2006年	
	当期中最高残高(1)	2007年12月31日現在残高(1)	当期中最高残高(1)	2006年12月31日現在残高(1)
	百万ポンド		百万ポンド	
合弁事業に対する債権				
－劣後	**－**	**－**	－	－
－非劣後	**216**	**202**	342	24
関連会社に対する債権				
－劣後	**19**	**－**	19	19
－非劣後	**33**	**－**	54	33
合弁事業に対する債務	**20**	**20**	804	12
関連会社に対する債務	**166**	**1**	166	166

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

当行

	2007年		2006年	
	当期中最高残高(1)	12月31日現在残高(1)	当期中最高残高(1)	12月31日現在残高(1)
	百万ポンド		百万ポンド	
合弁事業に対する債権				
－劣後	**－**	**－**	－	－
－非劣後	**161**	**161**	342	－
関連会社に対する債権				
－劣後	**－**	**－**	－	－
－非劣後	**1**	**－**	18	1
合弁事業に対する債務	**4**	**4**	763	－
関連会社に対する債務	**29**	**1**	47	29

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

グループとエイチエスビーシー・ホールディングス・ピーエルシーおよびエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社との取引

以下の取引には、エイチエスビーシー・ホールディングス・ピーエルシーに対する債権債務が含まれる。

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**37**	**7**	159	9
公正価値評価の指定を受けた金融資産	**15**	**15**	—	—
デリバティブ	**—**	**—**	—	—
銀行に対する貸付金	**—**	**—**	—	—
顧客に対する貸付金	**60**	**33**	35	35
金融投資	**1**	**1**	1	1
その他資産	**—**	**—**	—	—

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
負債				
トレーディング負債	**13**	**12**	2,561	13
銀行からの預金	**—**	**—**	—	—
顧客からの預金	**3,308**	**2,931**	2,287	2,287
デリバティブ	**—**	**—**	—	—
保証	**—**	**—**	—	—

	2007年12月31日に終了した年度	2006年12月31日に終了した年度
	百万ポンド	百万ポンド
損益計算書		
受取利息	**—**	—
支払利息	**111**	123
配当金	**14**	10
受取手数料	**—**	—
支払手数料	**—**	—
トレーディング収益	**—**	—
その他営業収益	**—**	—
一般管理費	**48**	50

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

以下の取引にはエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社に対する債権債務が含まれる。

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**9,895**	**7,453**	2,859	2,314
デリバティブ	**24,494**	**7,445**	12,981	4,061
銀行に対する貸付金	**5,968**	**5,968**	5,441	3,685
顧客に対する貸付金	**1,646**	**1,102**	2,626	625
金融投資	**5,829**	**5,829**	6,341	5,493
その他資産	**1,983**	**716**	2,996	370

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
負債				
トレーディング負債	**19,563**	**17,345**	2,780	2,780
銀行からの預金	**6,962**	**6,095**	7,837	4,345
顧客からの預金	**2,131**	**1,429**	2,758	1,537
デリバティブ	**26,536**	**8,966**	14,564	5,722
保証	**151**	**116**	137	137

	2007年12月31日に終了した事業年度	2006年12月31日に終了した事業年度
	百万ポンド	百万ポンド
損益計算書		
受取利息	**556**	491
支払利息	**379**	322
配当金	**—**	—
受取手数料	**99**	102
支払手数料	**135**	111
トレーディング収益	**316**	120
その他営業収益	**27**	30
一般管理費	**120**	33

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

エイチエスビーシー・バンク・ピーエルシーとその子会社、エイチエスビーシー・ホールディングス・ピーエルシーおよびエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社との間の取引

以下の取引には、エイチエスビーシー・バンク・ピーエルシーとその子会社に対する債権債務が含まれる。

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**40,138**	**40,138**	6,706	4,961
デリバティブ	**8,341**	**8,341**	4,612	4,612
銀行に対する貸付金	**5,026**	**3,798**	9,667	3,521
顧客に対する貸付金	**7,930**	**7,594**	8,930	6,546
金融投資	**—**	**—**	—	—
その他資産	**—**	**—**	—	—
負債				
トレーディング負債	**16,153**	**13,567**	5,523	2,991
銀行からの預金	**12,695**	**10,827**	12,557	8,345
顧客からの預金	**11,470**	**11,470**	10,144	10,144
デリバティブ	**8,056**	**8,056**	4,487	4,020
保証	**998**	**998**	496	460

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

以下の取引には、エイチエスビーシー・バンク・ピーエルシーとエイチエスビーシー・ホールディングス・ピーエルシーに対する債権債務が含まれる。

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**37**	**7**	86	9
デリバティブ	**—**	**—**	—	—
銀行に対する貸付金	**—**	**—**	—	—
顧客に対する貸付金	**60**	**33**	35	35
金融投資	**—**	**—**	—	—
その他資産	**—**	**—**	—	—
負債				
トレーディング負債	**13**	**12**	2,554	13
銀行からの預金	**—**	**—**	—	—
顧客からの預金	**3,289**	**2,919**	2,273	2,273
デリバティブ	**—**	**—**	—	—
保証	**—**	**—**	—	—

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

以下の取引には、エイチエスビーシー・バンク・ピーエルシーとエイチエスビーシー・ホールディングス・ピーエルシー兄弟会社に対する債権債務が含まれる。

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
資産				
トレーディング資産	**8,803**	**6,634**	2,863	2,195
デリバティブ	**5,335**	**5,255**	2,602	2,366
銀行に対する貸付金	**4,890**	**4,329**	5,122	3,075
顧客に対する貸付金	**982**	**982**	2,425	509
金融投資	**—**	**—**	—	—
その他資産	**204**	**36**	232	98

	2007年		2006年	
	当期中最高残高(1)	当期末現在残高(1)	当期中最高残高(1)	当期末現在残高(1)
	百万ポンド		百万ポンド	
負債				
トレーディング負債	**19,497**	**16,272**	2,720	2,720
銀行からの預金	**4,323**	**4,200**	4,317	2,105
顧客からの預金	**1,850**	**1,147**	2,318	1,289
デリバティブ	**5,826**	**5,826**	3,667	3,667
保証	**113**	**70**	97	97

(1) 当期末残高および当期中最高残高の開示は、当期中の取引を表す最も有用な情報と考えられている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

年金基金

2007年12月31日現在、グループの運用年金基金に係る管理サービスに対する手数料として、1.6百万ポンド（2006年：1.6百万ポンド）がグループ会社によって稼得された。グループの年金基金により、215百万ポンド（2006年：143百万ポンド）が銀行子会社に預金されている。

上記の残高は、通常の業務において、第三者との比較可能な取引に適用されるものと実質的に同一の条件（金利や担保を含む）で実行された取引から生じたものである。

エイチエスビーシー・バンク（UK）年金制度（「制度」）は、負債のインフレおよび金利感応度を管理するために、当行とスワップ取引を締結している。2007年12月31日現在、スワップの名目元本合計は、14,994百万ポンド（2006年：7,390百万ポンド）で、スワップは当行に対して124百万ポンドの負の公正価値（2006年：当行に対して139百万ポンドの正の公正価値）を有しており、当行は、当該スワップに関して制度に378百万ポンド（2006年：133百万ポンド）の担保を差し入れていた。すべてのスワップは、市場レートで標準の市場のビッド／オファー・スプレッドの範囲内で実行された。

分散要件を満たすため、受託会社は当行および制度との間のスワップ取引に対し特別担保条項を求めている。当該担保契約は、制度から当行へ担保を差し入れることはないと規定している。当行は、当行が契約を履行できなかった場合のスワップ取引再構築費用として十分であると受託会社が確信する金額を担保として制度に差し入れる。契約条件に基づき、担保の増額が必要な場合、当行は日次で追加差入れを行い、担保の減額については月次で当行に返済される。

上述の特別担保契約を除き、当行と制度との間のスワップ取引はすべて、第三者との比較可能な取引に適用されるものと実質的に同一の条件で行われている。

43 後発事象

貸借対照表日の後、2007年12月31日現在の財務諸表に開示または調整が必要となる重要な事象は発生していない。

2008年２月29日に、当行の完全所有子会社であるエイチエスビーシー・フランスは、傘下のフランスの地方銀行７行の買収に関して、21億ユーロ（15億ポンド）の確定オファーをバンク・フェデラーレ・デ・バンク・ポピュレールから受取った。当該オファーに基づき、エイチエスビーシー・フランスはバンク・フェデラーレ・デ・バンク・ポピュレールとの間で独占交渉を行っている。エイチエスビーシー・フランスは、最終決定を下す前に関連する従業員代表組織の代表者と協議を開始する予定である。すべての取引に対して、フランス規制当局の承認が必要となる。

2007年12月31日現在、フランスの地方銀行子会社７行に帰属する資産総額は84億ユーロ（62億ポンド）で、2007年12月31日に終了した事業年度の税引後利益は100百万ユーロ（71百万ポンド）であった。

2008年３月３日、取締役会は当財務諸表の公表を承認した。

次へ

(2) 中間財務書類

① 連結損益計算書

	注記	6月30日に終了した6ヶ月（未監査）				2008年12月31日に終了した事業年度	
		2009年		2008年			
		百万ポンド	百万円	百万ポンド	百万円	百万ポンド	百万円
受取利息		6,983	1,032,716	9,165	1,355,412	18,998	2,809,614
支払利息		(2,834)	(419,120)	(6,793)	(1,004,617)	(13,301)	(1,967,085)
正味受取利息		4,149	613,596	2,372	350,795	5,697	842,529
受取手数料		2,817	416,606	2,850	421,487	5,453	806,444
支払手数料		(777)	(114,911)	(741)	(109,586)	(1,496)	(221,243)
正味受取手数料		2,040	301,696	2,109	311,900	3,957	585,201
トレーディング収益（正味受取利息を除く）		622	91,988	826	122,157	1,165	172,292
トレーディング活動による正味受取利息		954	141,087	976	144,341	1,802	266,498
トレーディング純収益		1,576	233,075	1,802	266,498	2,967	438,790
公正価値評価の指定を受けた金融商品からの純収益／（費用）		236	34,902	(541)	(80,008)	(1,097)	(162,235)
金融投資による純収益		(162)	(23,958)	284	42,001	82	12,127
配当金		17	2,514	21	3,106	85	12,571
正味保険料収入		1,437	212,518	1,157	171,109	2,891	427,550
その他営業収益		485	71,727	551	81,487	1,593	235,589
営業収益合計		9,778	1,446,068	7,755	1,146,887	16,175	2,392,121
正味発生保険金および保険契約準備金の変動		(1,580)	(233,666)	(704)	(104,115)	(1,835)	(271,378)
正味営業収益（貸倒損失およびその他の信用リスク引当金控除前）		8,198	1,212,402	7,051	1,042,772	14,340	2,120,743
貸倒損失およびその他の信用リスク引当金	4	(1,795)	(265,463)	(572)	(84,593)	(1,861)	(275,223)
正味営業収益		6,403	946,940	6,479	958,179	12,479	1,845,519
従業員報酬および給付	5	(2,252)	(333,048)	(2,219)	(328,168)	(4,498)	(665,209)

一般管理費	(1,515)	(224,053)	(1,398)	(206,750)	(3,049)	(450,917)
有形固定資産の減価償却および減損	(223)	(32,979)	(217)	(32,092)	(466)	(68,917)
無形資産の償却および減損	(69)	(10,204)	(47)	(6,951)	(109)	(16,120)
営業費用合計	(4,059)	(600,286)	(3,881)	(573,961)	(8,122)	(1,201,163)
営業利益	2,344	346,654	2,598	384,218	4,357	644,357
関連会社および合弁事業における利益持分	14	2,070	-	-	9	1,331
税引前当期純利益	2,358	348,725	2,598	384,218	4,366	645,688
法人所得税費用	(516)	(76,311)	(568)	(84,002)	(843)	(124,671)
当期純利益	1,842	272,413	2,030	300,217	3,523	521,016
親会社株主に帰属する利益	1,806	267,089	1,984	293,414	3,441	508,889
少数株主に帰属する利益	36	5,324	46	6,803	82	12,127

② 連結包括利益計算書

	6月30日に終了した6ヶ月（未監査）			
	2009年		2008年	
	百万ポンド	百万円	百万ポンド	百万円
当期純利益	1,842	272,413	2,030	300,217
その他包括利益				
売却可能投資：				
－資本に計上された公正価値に係る利益／（損失）	1,396	206,454	(3,080)	(455,501)
－損益計算書へ振替えられた公正価値に係る損失／（利益）	90	13,310	(275)	(40,670)
－減損に関する損益計算書への振替額	375	55,459	29	4,289
－法人税	(138)	(20,409)	158	23,367
キャッシュ・フロー・ヘッジ：				
－資本に計上された公正価値に係る利益/（損失）	71	10,500	(195)	(28,839)
－損益計算書へ振替えられた公正価値に係る損失/（利益）	2	296	(16)	(2,366)
－法人税	(20)	(2,958)	60	8,873
確定給付制度に係る数理上の損失				
－法人税引前	(2,396)	(354,344)	(335)	(49,543)
－法人税	666	98,495	91	13,458
換算差額	(1,567)	(231,744)	1,032	152,622

当期その他包括利益（税引後）	**(1,521)**	**(224,941)**	(2,531)	(374,310)
当期包括利益合計	**321**	**47,473**	(501)	(74,093)
以下に帰属する当期包括利益合計：				
－親会社株主	**342**	**50,578**	(563)	(83,262)
－少数株主	**(21)**	**(3,106)**	62	9,169
	321	**47,473**	(501)	(74,093)

③ 連結財政状態計算書

		2009年６月30日現在（未監査）		2008年６月30日現在（未監査）		2008年12月31日現在	
	注記	**百万ポンド**	**百万円**	百万ポンド	百万円	百万ポンド	百万円
資産							
現金および中央銀行預け金		**13,683**	2,023,579	2,960	437,754	9,470	1,400,518
他行から回収中の項目		**2,229**	329,647	2,554	377,711	1,917	283,505
トレーディング資産	6	**158,637**	23,460,826	171,319	25,336,367	172,026	25,440,925
公正価値評価の指定を受けた金融資産	6	**14,669**	2,169,398	14,164	2,094,714	13,895	2,054,932
デリバティブ	6	**138,165**	20,433,222	86,492	12,791,302	243,084	35,949,693
銀行に対する貸付金	4,6	**49,694**	7,349,246	54,741	8,095,646	50,719	7,500,833
顧客に対する貸付金	4,6	**279,509**	41,336,586	258,114	38,172,479	298,304	44,116,179
金融投資	6	**91,753**	13,569,351	68,992	10,203,227	103,511	15,308,242
その他資産		**6,257**	925,348	7,392	1,093,203	8,802	1,301,728
当期税金資産		**66**	9,761	**-**	-	215	31,796
売却目的資産		**-**	-	6,427	950,489	**-**	-
前払金および未収収益		**4,387**	648,793	4,946	731,464	5,625	831,881
関連会社および合弁事業における持分		**77**	11,388	65	9,613	73	10,796
のれんおよび無形資産		**10,808**	1,598,395	9,900	1,464,111	11,780	1,742,144
有形固定資産		**4,541**	671,568	4,110	607,828	4,697	694,639
繰延税金資産		**336**	49,691	39	5,768	113	16,712
資産合計		**774,811**	114,586,799	692,215	102,371,676	924,231	136,684,523
負債および資本							

負債							
銀行からの預金	6	**56,634**	8,375,602	61,064	9,030,755	61,431	9,085,031
顧客からの預金	6	**351,387**	51,966,623	293,509	43,407,046	369,880	54,701,553
他行へ送金中の項目		**1,680**	248,455	1,695	250,674	1,802	266,498
トレーディング負債	6	**119,053**	17,606,748	120,814	17,867,182	124,450	18,404,911
公正価値評価の指定を受けた金融負債	6	**14,991**	2,217,019	15,886	2,349,381	15,184	2,245,562
デリバティブ	6	**134,977**	19,961,749	85,793	12,687,927	241,031	35,646,075
発行済負債証券	6	**37,391**	5,529,755	49,363	7,300,294	52,308	7,735,830
売却目的処分グループ負債		**-**	-	5,391	797,275	**-**	-
その他負債		**5,307**	784,852	7,202	1,065,104	6,897	1,019,997
当期未払税金		**443**	65,515	339	50,135	197	29,134
保険契約に基づく負債		**15,338**	2,268,337	13,517	1,999,029	16,132	2,385,761
未払費用および繰延収益		**4,086**	604,279	5,049	746,697	5,464	808,071
引当金		**387**	57,233	356	52,649	428	63,297
繰延税金負債		**131**	19,374	234	34,606	443	65,515
退職給付債務		**2,701**	399,451	892	131,918	664	98,199
劣後債務	6	**6,654**	984,060	5,767	852,882	7,259	1,073,534
負債合計		**751,160**	111,089,052	666,871	98,623,552	903,570	133,628,967

		2009年６月30日現在（未監査）		2008年６月30日現在（未監査）		2008年12月31日現在	
	注記	**百万ポンド**	**百万円**	百万ポンド	百万円	百万ポンド	百万円
資本							
払込済株式資本		**797**	**117,868**	797	117,868	797	117,868
資本剰余金勘定		**20,026**	**2,961,645**	16,499	2,440,037	17,249	2,550,955
その他持分商品		**1,750**	**258,808**	1,750	258,808	1,750	258,808
その他準備金		**(7,576)**	**(1,120,415)**	(2,327)	(344,140)	(7,842)	(1,159,753)
利益剰余金		**8,062**	**1,192,289**	8,019	1,185,930	7,969	1,178,535
株主資本合計		**23,059**	**3,410,196**	24,738	3,658,503	19,923	2,946,412
少数株主持分		**592**	**87,551**	606	89,621	738	109,143
資本合計		**23,651**	**3,497,746**	25,344	3,748,124	20,661	3,055,555
資本および負債合計		**774,811**	**114,586,799**	692,215	102,371,676	924,231	136,684,523

MF ゲーガン（取締役会副会長）

2009年８月３日

④ 連結株主資本変動計算書

	2009年６月30日									
					その他準備金					
	払込済株式資本	資本剰余金	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株主資本合計	少数株主持分	資本合計
	百万ポンド									
１月１日現在	797	17,249	1,750	7,969	(11,627)	327	3,458	19,923	738	20,661
株式資本発行（費用控除後）[1]	-	2,777	-	-	-	-	-	2,777	-	2,777
株主への配当金	-	-	-	(77)	-	-	-	(77)	-	(77)
持分決済型の株式報酬の正味影響額	-	-	-	94	-	-	-	94	-	94
少数株主持分の取得[2]	-	-	-	-	-	-	-	-	(125)	(125)
当期包括利益合計	-	-	-	76	1,723	53	(1,510)	342	(21)	321
６月30日現在	797	20,026	1,750	8,062	(9,904)	380	1,948	23,059	592	23,651

[1] 2009年６月30日に終了した６ヶ月における引受済新規資本はすべてエイチエスビーシー・ホールディングス・ピーエルシーに対して発行された。詳細は注記11を参照のこと。

[2] エイチエスビーシー・プライベート・バンク（スイス）エスエーの少数株主持分の取得に関連している。注記10「関連当事者間取引」を参照のこと。

	2009年６月30日									
					その他準備金					
	払込済株式資本	資本剰余金	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株主資本合計	少数株主持分	資本合計
	百万円									
１月１日現在	117,868	2,550,955	258,808	1,178,535	(1,719,517)	48,360	511,404	2,946,412	109,143	3,055,555
株式資本発行（費用控除後）[1]	-	410,691	-	-	-	-	-	410,691	-	410,691
株主への配当金	-	-	-	(11,388)	-	-	-	(11,388)	-	(11,388)
持分決済型の株式報酬の正味影響額	-	-	-	13,902	-	-	-	13,902	-	13,902
少数株主持分の取得[2]	-	-	-	-	-	-	-	-	(18,486)	(18,486)
当期包括利益合計	-	-	-	11,240	254,814	7,838	(223,314)	50,578	(3,106)	47,473

６月30日現在	**117,868**	**2,961,645**	**258,808**	**1,192,289**	**(1,464,703)**	**56,198**	**288,090**	**3,410,196**	**87,551**	**3,497,746**

1 2009年６月30日に終了した６ヶ月における引受済新規資本はすべてエイチエスビーシー・ホールディングス・ピーエルシーに対して発行された。詳細は注記11を参照のこと。

2 エイチエスビーシー・プライベート・バンク（スイス）エスエーの少数株主持分の取得に関連している。注記10「関連当事者間取引」を参照のこと。

2008年６月30日

					その他準備金					
	払込済株式資本	資本剰余金	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株主資本合計	少数株主持分	資本合計
	百万ポンド									
１月１日現在－報告額	797	15,499	1,000	7,587	(757)	(60)	357	24,423	576	24,999
株式資本発行（費用控除後）	-	1,000	-	-	-	-	-	1,000	-	1,000
資本証券発行	-	-	750	-	-	-	-	750	-	750
株主への配当金	-	-	-	(1,036)	-	-	-	(1,036)	-	(1,036)
持分決済型の株式報酬の正味影響額	-	-	-	177	-	-	-	177	-	177
その他の変動額	-	-	-	(13)	-	-	-	(13)	(32)	(45)
当期包括利益合計	-	-	-	1,741	(3,165)	(151)	1,012	(563)	62	(501)
６月30日現在	797	16,499	1,750	8,456	(3,922)	(211)	1,369	24,738	606	25,344

2008年６月30日

					その他準備金					
	払込済株式資本	資本剰余金	その他持分商品	利益剰余金	売却可能公正価値準備金	キャッシュ・フロー・ヘッジ準備金	為替準備金	株主資本合計	少数株主持分	資本合計
	百万円									
１月１日現在－報告額	117,868	2,292,147	147,890	1,122,041	(111,953)	(8,873)	52,797	3,611,917	85,185	3,697,102
株式資本発行（費用控除後）	-	147,890	-	-	-	-	-	147,890	-	147,890
資本証券発行	-	-	110,918	-	-	-	-	110,918	-	110,918
株主への配当金	-	-	-	(153,214)	-	-	-	(153,214)	-	(153,214)

持分決済型の株式報酬の正味影響額	-	-	-	26,177	-	-	-	26,177	-	26,177
その他の変動額	-	-	-	(1,923)	-	-	-	(1,923)	(4,732)	(6,655)
当期包括利益合計	-	-	-	257,476	(468,072)	(22,331)	149,665	(83,262)	9,169	(74,093)
6月30日現在	117,868	2,440,037	258,808	1,250,558	(580,025)	(31,205)	202,461	3,658,503	89,621	3,748,124

⑤ 連結キャッシュ・フロー計算書

	6月30日に終了した6ヶ月（未監査）				2008年12月31日に終了した事業年度	
	2009年		2008年			
	百万ポンド	百万円	百万ポンド	百万円	百万ポンド	百万円
営業活動によるキャッシュ・フロー						
税引前利益	**2,358**	**348,725**	2,598	384,218	4,366	645,688
調整：						
－税引前利益に含まれる非現金項目	**2,179**	**322,252**	888	131,326	2,733	404,183
－営業資産の変動	**22,913**	**3,388,604**	(43,440)	(6,424,342)	(72,242)	(10,683,869)
－営業負債の変動	**(41,963)**	**(6,205,908)**	35,783	5,291,948	118,194	17,479,711
－換算差額の消去[1]	**14,032**	**2,075,192**	(4,722)	(698,337)	(24,765)	(3,662,496)
－投資活動による純利益	**(176)**	**(26,029)**	(523)	(77,346)	(1,284)	(189,891)
－関連会社および合弁事業における利益持分	**(14)**	**(2,070)**	-	-	(9)	(1,331)
－関連会社からの分配金	**(8)**	**(1,183)**	-	-	2	296
－確定給付年金制度に対する拠出額	**(141)**	**(20,852)**	135	19,965	(273)	(40,374)
－法人所得税支払額	**(120)**	**(17,747)**	(476)	(70,396)	(795)	(117,573)
営業活動（に使用した）から生じた純資金	**(940)**	**(139,017)**	(9,757)	(1,442,963)	25,927	3,834,344
投資活動に使用したキャッシュ・フロー						
金融投資の購入	**(47,337)**	**(7,000,669)**	(24,654)	(3,646,080)	(102,333)	(15,134,027)
金融投資の売却による収入	**50,292**	**7,437,684**	24,070	3,559,712	71,626	10,592,769
有形固定資産の購入	**(273)**	**(40,374)**	(228)	(33,719)	(782)	(115,650)
有形固定資産の売却による収入	**77**	**11,388**	55	8,134	281	41,557

のれんおよび無形資産の購入	**(74)**	**(10,944)**	(78)	(11,535)	(182)	(26,916)
のれんおよび無形資産の売却による収入	**-**	**-**	-	-	**18**	**2,662**
子会社の買収および持分の増加による純資金支出	**(247)**	**(36,529)**	-	-	(28)	(4,141)
関連会社の買収および持分の増加による純資金支出	**(14)**	**(2,070)**	(1)	(148)	(1)	(148)
子会社の処分による収入	**-**	**-**	-	-	**1,554**	**229,821**
関連会社の処分による収入	**187**	**27,655**	62	9,169	62	9,169
株式報酬取引に備えるためのエイチエスビーシー・ホールディングス・ピーエルシーの株式の購入	**(21)**	**(3,106)**	(187)	(27,655)	(197)	(29,134)
投資活動から生じた（に使用した）純資金	**2,590**	**383,035**	(961)	(142,122)	(29,982)	(4,434,038)
財務活動によるキャッシュ・フロー						
株式資本の発行	**2,777**	**410,691**	1,000	147,890	**1,750**	258,808
資本証券の発行	**-**	**-**	750	110,918	750	110,918
劣後ローン実行額	**-**	**-**	350	51,762	**1,014**	149,960
劣後ローン返済額	**(99)**	**(14,641)**	-	-	(51)	(7,542)
株主への配当金支払額	**(77)**	**(11,388)**	(1,036)	(153,214)	(2,974)	(439,825)
少数株主への配当金支払額	**-**	**-**	(13)	(1,923)	(25)	(3,697)
財務活動から生じた純資金	**2,601**	**384,662**	1,051	155,432	464	68,621
現金および現金同等物の正味増加／（減少）	**4,251**	**628,680**	(9,667)	(1,429,653)	(3,591)	(531,073)
現金および現金同等物―期首現在	**60,855**	**8,999,846**	51,235	7,577,144	51,235	7,577,144
現金および現金同等物に係る換算差額	**(5,665)**	**(837,797)**	2,766	409,064	13,211	1,953,775
現金および現金同等物―期末現在	**59,441**	**8,790,729**	44,334	6,556,555	60,855	8,999,846

[1] 期首残高と期末残高との変動を平均レートにするための調整。非合理的費用なしでは詳細を特定できないため、調整は項目ごとに行われるものではない。

次へ

要約財務諸表注記（未監査）

1 表示の基礎

(a) 国際財務報告基準の準拠

グループの中間連結財務諸表は、国際会計基準審議会（「IASB」）が公表し、EUが承認しているIAS第34号「中間財務報告」に準拠して作成されている。

2008年12月31日現在のグループの連結財務諸表は、IASBが公表し、EUが承認している国際財務報告基準（「IFRS」）に準拠して作成された。EU承認のIFRSはある時点で新規または改訂版のIFRSをEUが承認しない場合、IASBが公表しているIFRSとは異なる可能性がある。2008年12月31日現在、2008年12月31日に終了した事業年度に有効となる、2008年12月31日現在の連結財務諸表に影響を及ぼす未承認の基準はなく、グループへの適用に関してEU承認のIFRSとIASB公表のIFRSとの間に差異はない。よって、2008年12月31日に終了した事業年度のグループの財務諸表は、IASBが公表しているIFRSに準拠して作成された。

2009年６月30日現在、2009年６月30日に終了した期間に有効となる連結財務諸表に影響を及ぼす未承認の基準はなく、グループへの適用に関してEU承認のIFRSとIASB公表のIFRSとの間に差異はない。

IFRSは、IASBおよびその前身団体が公表している会計基準と国際財務報告基準解釈指針委員会（「IFRIC」）およびその前身団体が公表している解釈指針を含んでいる。

2009年６月30日に終了した期間に、グループは以下の重要な基準および基準の改訂を適用した。

- **2009年１月１日、グループは、IAS第14号「セグメント報告」と差し換えられたIFRS第８号「事業セグメント」（IFRS第８号）を適用した。IFRS第８号はセグメントに関する情報を開示することを事業体に求めており、これにより財務諸表利用者は、当該事業体の事業活動および当該事業体が活動する経済環境の性格ならびに財務的影響について評価を行うことが可能となる。グループは、英国リテール、欧州大陸リテール、グローバル・バンキング・アンド・マーケッツ、プライベート・バンキングおよびその他という５つのセグメントで構成されている。グループの性質により、グループの最高意思決定者は、地域別、顧客グループ別ならびにリテール事業およびグローバル事業別など様々な基準のもとで、事業活動を定期的に見直している。最高意思決定者は、資源の配分および業績評価の判断を行う際にセグメント情報を利用する。**

  IFRS第８号は、セグメント情報を、当該セグメントへの資源配分およびその業績評価の判断を行うために最高意思決定者に報告する手段と同一の手段を用いて報告することを求めている。事業セグメントの資源配分および業績評価の判断を行うためにグループの最高意思決定者に提供された情報は、IFRSに準拠して測定される。

- **2009年１月１日、グループは、IAS第１号（改訂版）「財務諸表の表示」（IAS第１号）を適用した。この基準の改訂は、財務諸表利用者の財務諸表に表示された情報を分析し比較する能力を向上させることを目的としている。IAS第１号（改訂版）の適用は、グループの連結財務諸表に報告される業績に影響を及ぼしていないが、以下を含むグループの財務諸表の表示は、これに伴って一部変更されている。**
  - **２つの財務諸表（「損益計算書」および「包括利益計算書」）における収益および費用の全項目の表示**
  - **財務諸表の注記「資本」に代わる財務諸表として「株主資本変動計算書」の表示**

2009年６月30日に終了した期間に、グループは連結財務諸表に重要でない影響を及ぼす様々な基準および解釈指針の改訂を適用した。これらについては、2008年年次報告書の34および35ページ（訳注：原文のページ数である。）に記載されている。

(b) 比較情報

IAS第34号および英国の情報開示と透明性に関する規則で求められるとおり、当該中間連結財務諸表には比較情報が含まれている。

(c) 仮定および見積りの使用

財務情報の作成には、将来の状況に関する見積りおよび仮定の使用が求められている。見積りの作成にあたり、入手可能な情報の使用および判断が必要不可欠である。将来の実際の結果は、報告された結果とは異なる可能性がある。経営陣は、判断が必要となるグループの重要な会計方針は、貸付金の減損、のれんの減損、金融商品の評価、売却可能金融資産の減損および繰延税金資産に関連した会計方針であると考えている。これらの重要な会計方針は、2008年年次報告書の52ページから55ページ（訳注：原文のページ数である。）に記載されている。

(d) 連結

グループの中間連結財務諸表は、エイチエスビーシー・バンク・ピーエルシーおよび子会社の要約財務諸表を含んでいる。グループが子会社を連結する際の方法は、2008年年次報告書の33ページおよび34ページ（訳注：原文のページ数である。）に記載されている。

2 会計方針

グループが当該中間連結財務諸表に適用した会計方針および計算方法は、2008年年次報告書の36ページから52ページ（訳注：原文のページ数である。）に記載されている会計方針および計算方法と一致している。ただし、注記１「表示の基礎」で説明されている会計方針を除く。

3 配当金

親会社の株主への配当金は以下のとおりである。

	2009年６月30日に終了した６ヶ月		2008年12月31日に終了した事業年度	
	一株当たりポンド	合計百万ポンド	一株当たりポンド	合計百万ポンド
普通株式に係る配当金				
過年度に関する第２回中間配当金	-	-	1.25	1,000
当期に関する第１回中間配当金	-	-	1.04	825
当期に関する第２回中間配当金	-	-	1.30	1,037
	-	-	3.59	2,862

資本に分類される優先株式に係る配当金

2009年上半期にエイチエスビーシー・バンク・ピーエルシーの非累積型第三ドル建て優先株式に関して、配当金は支払われなかった。（2008年：上半期に配当金は支払われず、下半期に一株当たり1.17ポンド、合計41百万ポンドが支払われた）

資本に分類される資本証券に係る利息

2009年上半期に永久劣後債に関して取締役会の単独の完全な決議によって支払われた利息は、77百万ポンドであった。（2008年：上半期に36百万ポンドが支払われ、下半期に35百万ポンドが支払われた）

4 減損引当金および費用

貸倒損失およびその他の信用リスク引当金の内訳は以下のとおりである。

	6月30日に終了した6ヶ月	
	2009年	2008年
	百万ポンド	百万ポンド
貸付金合計		
－新たな引当金（引当金戻入控除後）	**1,612**	644
－過年度償却額の回収	**(86)**	(86)
	1,526	558
負債証券の減損費用およびその他の信用リスク引当金	**269**	14
	1,795	572

貸付金総額に対する減損引当金の変動

	個別評価	**集合的評価**	**合計**
	百万ポンド	**百万ポンド**	**百万ポンド**
2009年1月1日現在	**1,423**	**1,122**	**2,545**
償却額	**(169)**	**(570)**	**(739)**
過年度償却額の回収	**15**	**71**	**86**
損益計算書計上額	**864**	**662**	**1,526**
為替およびその他の変動	**(108)**	**(38)**	**(146)**
2009年6月30日現在	**2,025**	**1,247**	**3,272**
2008年1月1日現在	923	873	1,796
償却額	(114)	(400)	(514)
過年度償却額の回収	8	78	86
損益計算書計上額	104	454	558
為替およびその他の変動[1]	(133)	(84)	(217)
2008年6月30日現在	788	921	1,709

[1] 2008年6月30日に終了した6ヶ月間に、フランスの地方銀行子会社に関連する個別評価による150百万ポンドの引当金および集合的評価による15百万ポンドの引当金は、売却目的資産に再分類された。

5 退職後給付

「従業員報酬および給付」には、グループの確定給付年金制度およびその他の退職後給付に関する正味期間給付費用の構成要素が含まれており、その内訳は以下のとおりである。

	6月30日に終了した6ヶ月	
	2009年	2008年
	百万ポンド	百万ポンド
当期勤務費用	**121**	116
利息費用	**350**	353
制度資産の期待収益	**(320)**	(383)
清算による利益	**-**	(37)
その他の利益	**(322)**	-
正味確定給付費用	**(171)**	49

グループは制度の現地保険数理士と相談の上、毎年12月31日に退職後確定給付制度を再評価している。算定基準となる仮定は、次年度の損益計算書への予想計上額を決定する際に用いられる。

グループは、毎年6月30日に現行市場価格を参照してすべての制度資産を再評価している。またグループは、確定給付債務（制度の負債）を算定する際に用いられる仮定も見直し、仮定の変動の結果として大幅な変動があった場合には、当該債務の帳簿価額を更新する。

2009年上半期における一部地域での高格付（AAまたは同様）負債証券の平均利回りの低下と、予想インフレ率の上昇により、確定給付債務の評価は大幅に変動した。したがって、グループは、大幅な影響のあった特定の制度債務の再評価を行った。

数理上の仮定の変動により、エイチエスビーシー・バンク(UK)年金制度の確定給付債務は15億ポンドの増加となった。また、エイチエスビーシー・バンク(UK)年金制度の制度資産の実際運用収益は、期待収益を約9億ポンド下回った。予想された変動による差異はすべて、数理上の損失として直接資本に計上された。

エイチエスビーシー・バンクの従業員（またはその相続人）は、在職中に死亡した場合には給与の倍数に相当する金額を、あるいは特定の重病と診断された場合には数年にわたり給与の一定割合を受け取る権利を有する。2009年6月まで、UK年金制度の負債には、過去の勤務に基づく範囲でこれらの給付を行うために将来の支払金額に関する保険数理評価が含まれていた。従業員に対する柔軟な給付を導入する一環として、当行は、今後UK年金制度を通じてこれらの給付が行われないように支給基準を変更した。確定給付制度加入者向けの重病補償は、引き続きUK年金制度の債務である。

2009年6月にこれらの新しい取り決めが確定したことにより、当該年金制度の負債の算定には、これらの費用の支払いに関する数理上の予測はもはや含まれず、これに対応する会計上の便益322百万ポンドが損益計算書に認識された。

6 金融商品の公正価値

公正価値は2008年年次報告書の33ページから52ページ（訳注：原文のページ数である。）の会計方針および108ページから113ページ（訳注：原文のページ数である。）の注記31に示されている手法に従って決定される。

公正価値で測定・計上されている金融資産および金融負債の評価の基礎

	評価手法

	市場価格 レベル１	観察可能な入力データの使用 レベル２	重要な観察不能な入力データの使用 レベル３	合計
	百万ポンド			
2009年６月30日現在				
資産				
トレーディング資産	**112,389**	**44,512**	**1,736**	**158,637**
公正価値評価の指定を受けた金融資産	**8,931**	**5,738**	**－**	**14,669**
デリバティブ	**3,840**	**132,157**	**2,168**	**138,165**
金融投資：売却可能	**38,770**	**43,823**	**3,192**	**85,785**
負債				
トレーディング負債	**67,245**	**49,507**	**2,301**	**119,053**
公正価値評価の指定を受けた金融負債	**4,192**	**10,799**	**－**	**14,991**
デリバティブ	**4,933**	**128,452**	**1,592**	**134,977**
2008年12月31日現在				
資産				
トレーディング資産	100,829	69,001	2,196	172,026
公正価値評価の指定を受けた金融資産	7,530	6,365	－	13,895
デリバティブ	4,866	236,090	2,128	243,084
金融投資：売却可能	38,201	60,942	4,368	103,511
負債				
トレーディング負債	58,226	63,815	2,409	124,450
公正価値評価の指定を受けた金融負債	4,174	11,010	－	15,184
デリバティブ	6,093	233,961	977	241,031

重要な観察不能な入力データによる評価手法を用いて評価されたトレーディング資産には、様々なアセット・バック証券、グループが引き受けたレバレッジド・ローン、ならびに証券化目的の企業向けローンおよび住宅ローンが含まれている。

重要な観察不能な入力データによる評価手法を用いて評価されたデリバティブ商品には特定の種類の相関商品（特に株式為替バスケット・オプションおよび為替金利複合取引）、長期オプション取引（特に株式オプション）、金利為替オプションおよび特定のクレジット・デリバティブ（トランシェ・クレジット・デフォルト・スワップ取引や特定のモノライン保証付きクレジット・デリバティブなど）が含まれる。

売却可能な金融投資および公正価値評価の指定を受けた金融資産で観察不能な入力データにより評価されたものには、プライベート・エクイティやアセット・バック証券が含まれる。

公正価値で計上されていない金融商品の公正価値

	2009年６月30日		2008年12月31日	
	帳簿価額	**公正価値**	帳簿価額	公正価値

	百万ポンド		百万ポンド	
資産				
銀行に対する貸付金	**49,694**	**49,687**	50,719	50,703
顧客に対する貸付金	**279,509**	**272,464**	298,304	292,059
金融投資：負債証券	**5,968**	**6,044**	25	25
負債				
銀行からの預金	**56,634**	**56,610**	61,431	61,454
顧客からの預金	**351,387**	**351,538**	369,880	369,857
発行済負債証券	**37,391**	**36,167**	52,308	51,461
劣後債務	**6,654**	**5,929**	7,259	6,589

次へ

7 金融商品の信用の質

信用の質について2008年年次報告書の132ページ（訳注：原文のページ数である。）に記載され、定義された４つの分類は、グループの貸出金、負債証券ポートフォリオおよびデリバティブの信用の質を示している。これらの分類はそれぞれ、法人および個人向け貸出業務に付与されたより精細な内部信用格付けの等級ならびに外部機関が負債証券に対して付与した外部格付けを含んでいる。

下表は、グループにおける信用の質に基づく金融商品の区分を示す。

	2009年６月30日現在						
	延滞も減損もしていない						
	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
	百万ポンド						
他行から回収中の項目	2,191	38	―	―	―	―	2,229
トレーディング資産	106,688	36,907	1,086				144,681
－短期国債およびその他の適格手形	―	1	34				35
－負債証券	58,146	9,521	590				68,257
－銀行に対する貸付金	18,623	8,159	372				27,154
－顧客に対する貸付金	29,919	19,226	90				49,235
公正価値評価の指定を受けた金融資産	5,021	4,209	6				9,236
－短期国債およびその他の適格手形	207	―	―				207
－負債証券	4,257	4,209	6				8,472
－銀行に対する貸付金	110	―	―				110
－顧客に対する貸付金	447	―	―				447
デリバティブ	110,673	26,656	836				138,165
償却原価で保有されている貸付金	196,287	114,051	13,686	2,093	6,358	(3,272)	329,203
－銀行に対する貸付金	42,122	7,241	321	―	53	(43)	49,694
－顧客に対する貸付金	154,165	106,810	13,365	2,093	6,305	(3,229)	279,509
金融投資	81,962	7,070	275	―	362		89,669
－短期国債およびその他の類似手形	2,321	2	3	―	―		2,326
－負債証券	79,641	7,068	272	―	362		87,343
その他資産	3,288	1,320	7	12	4		4,631
－裏書および支払承諾見返	3	315	2	―	―		320
－その他	3,285	1,005	5	12	4		4,311

	2008年12月31日現在
	延滞も減損もしていない

	高	中	基準以下	延滞しているが減損していない	減損している	減損引当金	合計
				百万ポンド			
他行から回収中の項目	1,917	—	—	—	—	—	1,917
トレーディング資産	117,335	40,822	743				158,900
－短期国債およびその他の適格手形	—	21	—				21
－負債証券	66,272	10,969	—				77,241
－銀行に対する貸付金	32,006	5,892	—				37,898
－顧客に対する貸付金	19,057	23,940	743				43,740
公正価値評価の指定を受けた金融資産	1,649	6,424	—				8,073
－短期国債およびその他の適格手形	22	21	—				43
－負債証券	977	6,403	—				7,380
－銀行に対する貸付金	153	—	—				153
－顧客に対する貸付金	497	—	—				497
デリバティブ	201,340	41,336	408				243,084
償却原価で保有されている貸付金	195,187	138,836	11,462	2,339	3,744	(2,545)	349,023
－銀行に対する貸付金	41,824	8,656	240	—	42	(43)	50,719
－顧客に対する貸付金	153,363	130,180	11,222	2,339	3,702	(2,502)	298,304
金融投資	94,540	5,518	521	—	264		100,843
－短期国債およびその他の類似手形	10,551	—	11	—	—		10,562
－負債証券	83,989	5,518	510	—	264		90,281
その他資産	4,229	3,290	239	—	1		7,759
－裏書および支払承諾見返	165	191	13	—	1		370
－その他	4,064	3,099	226	—	—		7,389

8 偶発債務、契約債務および保証

	2009年６月30日現在	2008年12月31日現在
	百万ポンド	百万ポンド
保証およびその他の偶発債務		
保証および担保に供される取消不能信用状	**18,292**	21,310
その他偶発債務	**26**	110
	18,318	21,420
契約債務		
信用状および短期貿易関連取引	**1,608**	2,204
将来購入資産および将来実行預金	**432**	493
未実行のノート発行枠およびリボルビング引受枠	—	—

未実行の公式スタンドバイ契約、与信枠およびその他の貸付契約債務	**131,852**	151,694
	133,892	154,391

上表は、注記12に開示されている訴訟関連の偶発債務を除く、偶発債務、契約債務および保証の額面元本を開示している。契約債務および保証は主に信用関連商品であり、金融および非金融保証ならびに信用供与に関する契約債務を含む。額面元本は、契約がすべて実行され、顧客が債務不履行となった場合のリスク金額を表している。保証および契約債務の大部分が未実行のまま失効すると予想されるため、額面元本の合計は将来必要となる流動性の金額を表すものではない。

金融サービス補償制度

金融サービス補償制度（「FSCS」）は2008年におけるブラッドフォード・アンド・ビングレイ・ピーエルシー、ヘリタブル・バンク・ピーエルシーおよびカウプシング・シンガー・アンド・フリードランダー・リミテッド等、多数の預金金融機関の倒産を受け、預金者に補償金を支払った。預金者に支払われた補償金は現在、英国財務省からの融資によって調達されたものである。当行は、FSCSが英国財務省から借りた借入金（2009年３月31日現在、182億ポンド）の支払義務を一部負担する可能性がある。また当行は、FSCSの下で保護されている預金の当行の市場占有率を基準とした予測管理費用の負担分も支払わなければならない。

2008/9年、2009/10年および2010/11年の徴収年度の金利費用を含む予測管理費用の負担に関して、2009年６月30日現在、当行は121百万ポンドを計上した。この計上額は、それぞれ2007年および2008年12月31日現在、ならびに2009年６月30日現在の市場の保護預金における当行の占有率の見積りに基づいている。

2008年12月31日現在、当行はそれぞれ2007年および2008年12月31日現在の市場の保護預金における当行の占有率の見積りに基づき、2008/9年および2009/10年の徴収年度に関して、86百万ポンドを計上していた。

しかし、FSCSによる資産の回収可能性、金利の変動、保護預金水準およびその時点のFSCSメンバーの数等、様々な不確実な要因に左右されるため、2008年の複数企業の倒産の結果を受けた業界に対するFSCSの最終的な徴収について、現時点で正確に見積もることはできない。

9 セグメント別分析

2009年１月１日、グループはIAS第14号「セグメント報告」と差し換えられたIFRS第８号を適用した。適用日以降、グループのセグメントは英国リテール、欧州大陸リテール、グローバル・バンキング・アンド・マーケッツ、プライベート・バンキングおよびその他の５つのセグメントに再編成された。セグメントは、最高意思決定者が資源の配分や業績評価について意思決定を行うために財務情報のレビューをどのように行うかについて反映している。

正味営業収益

英国リテール	欧州大陸リテール	グローバル・バンキング・アンド・マーケッツ	プライベート・バンキング	その他	セグメント間	合計

				百万ポンド			
以下の日付に終了した6ヶ月：							
2009年6月30日	**1,994**	**928**	**3,017**	**890**	**(400)**	**(26)**	**6,403**
2008年6月30日[1]	2,939	959	1,833	794	(19)	(27)	6,479

税引前利益／(損失)

	英国リテール	欧州大陸リテール	グローバル・バンキング・アンド・マーケッツ	プライベート・バンキング	その他	セグメント間	合計
				百万ポンド			
以下の日付に終了した6ヶ月：							
2009年6月30日	**666**	**142**	**1,595**	**401**	**(446)**	**-**	**2,358**
2008年6月30日[1]	1,452	221	599	365	(39)	-	2,598

資産合計

	英国リテール	欧州大陸リテール	グローバル・バンキング・アンド・マーケッツ	プライベート・バンキング	その他	セグメント間	合計
				百万ポンド			
2009年6月30日現在	**155,858**	**57,205**	**583,697**	**69,495**	**12,883**	**(104,327)**	**774,811**
2008年12月31日現在[1]	145,753	69,913	781,999	88,676	5,195	(167,305)	924,231

[1] 比較情報は2009年６月30日現在の事業セグメントを反映するよう修正再表示されている。

10 関連当事者間取引

エイチエスビーシー・バンク（UK）年金制度（「制度」）は、インフレおよび負債の金利感応度を管理するために、グループとスワップ取引を締結する。2009年６月30日現在、スワップの名目元本合計は、125億ポンド（2008年12月31日現在：121億ポンド）で、スワップは当制度に対して368百万ポンド（2008年12月31日現在：12億ポンド）の正の公正価値を有しており、グループは、当該スワップに関して当制度に14億ポンド（2008年12月31日現在：17億ポンド）の担保を差し入れていた。すべてのスワップは、市場レートで標準の市場のビッド／オファー・スプレッドの範囲内で実行された。

分散要件を満たすため、受託会社はグループおよび当制度との間のスワップ取引に対し特別担保条項を求めている。当該担保契約は、当制度からグループへ担保を差し入れることはないと規定している。グループは、当行が契約を履行できなかった場合のスワップ取引再構築費用として十分であると受託会社が確信する金額を担保として当制度に差し入れる。契約条件に基づき、担保の増額が必要な場合、当行は日次で追加差入れを行い、担保の減額については月次でグループに返済される。

上述の特別担保契約を除き、当行と当制度との間のスワップ取引はすべて、第三者との比較可能な取引に適用されるものと実質的に同一の条件で行われている。

2009年３月、グループはエイチエスビーシー・バンク・ユーエスエイ・ナショナル・アソシエーションの直接子会社であるエイチエスビーシー・インベスター・ピービーアールエス・コーポレーション（デラウェア）が所有していたエイチエスビーシー・プライベート・バンク（スイス）エスエーの少数株主持分を現金対価247百万ポンドで取得した。

11 株式資本の発行

2009年１月に、エイチエスビーシー・ホールディングス・ピーエルシーは、エイチエスビーシー・バンク・ピーエルシーの額面１ポンドの普通株式１株に対して527百万ポンドを支払った。受け取った対価は、全額払込済普通株式資本および資本剰余金として計上された。

2009年３月に、エイチエスビーシー・ホールディングス・ピーエルシーは、エイチエスビーシー・バンク・ピーエルシーの額面１ポンドの普通株式１株に対して500百万ポンドを支払った。受け取った対価は、全額払込済普通株式資本および資本剰余金として計上された。

2009年５月に、エイチエスビーシー・ホールディングス・ピーエルシーは、エイチエスビーシー・バンク・ピーエルシーの額面１ポンドの普通株式１株に対して17.5億ポンドを支払った。受け取った対価は、全額払込済普通株式資本および資本剰余金として計上された。

12 訴訟

2007年７月27日に、英国公正取引庁（「OFT」）は、エイチエスビーシー・バンク・ピーエルシーを含む数多くの英国の金融機関に対し、高等法院の法的手続きを提起した。この法的手続きは、これらの金融機関の個人顧客に対する未承認の当座貸越に関する特定の手数料（「手数料」）の法律上の扱いおよび法的強制力を決定するためのものである。OFTは手数料の公平性について調査を行っている。金融サービス機構（「FSA」）は、手続きの決議を待つ一方で、企業（エイチエスビーシー・バンク・ピーエルシーを含む）が手数料に関する申し立てを保留できるように免責を与え、州裁判所はすべての個人顧客の訴訟を停止した。

これまでに下された裁判所の判決により、エイチエスビーシー・バンク・ピーエルシーの現在および過去の手数料は違約金の対象にはなりえないが公平性に関して審査されうることが確認された。エイチエスビーシー・バンク・ピーエルシー（および当該法的手続きに関与するその他のすべての金融機関）は後者の決定を不服として貴族院に上訴し、審理は2009年６月23日から25日に実施された。判決はまだ言い渡されていない。当該法的手続きは、貴族院への上訴の結果によって、また手数料が評価可能であればOFTの調査結果および調査対象期間の各手数料の公平性に関する高等法院の最終評価によって、様々な結果が生じる可能性がある。

2001年７月以降、当時の既存の契約に基づいてエイチエスビーシー・バンク・ピーエルシーが課した手数料は多岐にわたっており、課金期間も異なっている。

エイチエスビーシー・バンク・ピーエルシーの現在の評価に反して、エイチエスビーシー・バンク・ピーエルシーに法的責任があるとする最終判決が言い渡された場合、多数の異なる結果が生じる可能性があり、その結果の１つ１つが異なる財務的影響を及ぼすことになる。OFTの調査が継続中であり、公平性の評価方法や是正すべき顧客の権利（不公正が判明した場合）の計算方法に関して権限が限られていることを考慮すると、エイチエスビーシー・バンク・ピーエルシーは不利な判決が下された場合の潜在的な財務的

影響を正確に見積もることは現実的ではないと考えている。

ビジネス・イノベーション・技能大臣が2009年７月２日に国会に提出した白書「消費者のためのより良い取引」、および財務大臣が2009年７月８日に国会に提出した白書「金融市場の改革」には、OFTによる銀行手数料に関する案件は解決まで数年かかる可能性があることが特記事項として記されている。いずれの白書においても、政府は手数料に関する預金者からの申し立てを解決するために追加の訴訟を行うよりも迅速な手段がないかどうかを検討するよう規制当局および銀行に呼びかけており、その手段によって規制当局や銀行が必要とする確実性が得られるとも述べている。

エイチエスビーシー・バンク・ピーエルシーは、これらの手数料は現時点で、また過去においても公正、有効かつ法的強制力があると引き続き考えており、裁判手続きを通じて、強硬に抗弁を行う予定である。

2008年12月11日、バーナード・L・マドフ（「マドフ」）が証券詐欺の容疑で逮捕され、ニューヨーク州南部地区連邦地方裁判所に起訴された。同日、米国証券取引委員会（「SEC」）はマドフおよび同氏が所有するバーナード・L・マドフ・インベストメント・セキュリティーズ・エルエルシー（「マドフ・セキュリティーズ」）（証券会社および投資アドバイザーとしてSECに登録）を証券詐欺の疑いで起訴した。刑事告訴およびSECによる告訴においてマドフが実際にマドフ・セキュリティーズの幹部職員に投資アドバイザリー事業は詐欺であったと告げていたことが申し立てられた。2008年12月15日、証券投資家保護公社への申請上、ニューヨーク州南部地区連邦地方裁判所はマドフ・セキュリティーズの破産手続きを行う管財人を指定し、ニューヨーク州南部地区の破産裁判所への破産手続きを取り下げた。2009年２月９日、マドフの同意のもと、ニューヨーク州南部地区連邦地方裁判所はSECの告訴に対する一部判決として、マドフに米国証券取引法の特定の不正防止条項の違反に関する恒久的な禁止命令を下し、不当利得の返還、判決前利息および民事制裁金の支払い（金額は後日決定）、ならびに以前課せられた特定の他の訴訟上の救済命令（マドフの資産凍結を含む）の継続を命じた。2009年３月12日、マドフは証券詐欺、投資顧問詐欺、郵便詐欺、有線通信詐欺、３件のマネー・ロンダリング、虚偽申し立て、偽証、SECへの虚偽書類の提出、従業員福利制度からの窃盗を含む11件の重罪を認めた。2009年６月29日、マドフには150年の禁固刑が言い渡された。米国の関連当局は、詐欺容疑の調査を継続中である。詐欺容疑の事実ならびに最終的にマドフ・セキュリティーズの管財人によって分配されうる資産の総額に関しては依然として不透明な部分が多い。

米国外の様々なエイチエスビーシーのグループ会社は、マドフ・セキュリティーズに資産を投資している米国外に設立された多数のファンドに管理、事務および類似のサービスを提供している。マドフ・セキュリティーズから得た情報によると、これらのファンドの2008年11月30日現在の正味資産価値合計額（投資元本および未実現利益を含む）は84億ドルであった。

マドフおよびマドフ・セキュリティーズに関する訴訟は様々な司法管轄において、様々な原告（ファンド、ファンド投資家、およびマドフ・セキュリティーズの管財人を含む）によって多くの被告に対して既に行われており、エイチエスビーシーは、マドフ・セキュリティーズの管財人によるものを含め、追加の訴訟が行われると予想している。様々なエイチエスビーシーのグループ会社が米国、アイルランド、ルクセンブルグやその他の司法管轄での訴訟の被告として挙げられている。エイチエスビーシーのグループ会社が被告として挙げられた訴訟はすべて最も初期の段階である。エイチエスビーシーはこれらの申し立てに対して適切な抗弁を備えていると考えており、今後も積極的な抗弁を続ける予定である。このような申し立てから負債が生じることもあるとしても、エイチエスビーシーは当該負債を正確に見積もることはできない。

様々なエイチエスビーシーのグループ会社がマドフの詐欺容疑に関連して様々な規制当局および法執行機関、ならびにマドフ・セキュリティーズの管財人から情報の提供を要求されている。エイチエスビーシーのグループ会社は情報提供に協力している。

13 2009年中間報告書および法定財務諸表

2009年中間報告書の情報は未監査であり、2006年会社法第434条第３項に準拠する法定財務諸表を構成するものではない。2009年中間報告書は、2009年８月３日に取締役会で承認された。2008年12月31日に終了した事業年度の法定財務諸表は、1985年会社法第242条に準拠して、イングランドおよびウェールズの会社登記所へ提出されている。監査人は、これらの財務諸表について報告書を作成している。当該報告書は、（ｉ）無限定適正意見を表明しており、（ii）監査人が意見を限定することなく強調して注意を喚起するような事項についての言及がなく、（iii）1985年会社法第237条第２項または第３項に基づく記載も含まれていない。

2【主な資産・負債及び収支の内容】

上記「1 財務書類 － (1) 年次財務書類 － A.2008年12月31日終了事業年度 － 財務諸表注記」を参照のこと。

3【その他】

(1) 後発事象

該当事項なし

(2) 訴訟

訴訟については、上記「1 財務書類 － (2)中間財務書類 － 財務諸表注記」注記12「訴訟」を参照のこと。

4【英国（IFRS）と日本との会計原則の相違】

英国で適用されている国際財務報告基準（以下「IFRS」）と、日本において一般に公正妥当と認められる会計原則（以下「日本の会計原則」）との間には、2007年12月31日、2008年12月31日および2009年６月30日現在、以下を含む相違点がある。

(1) 連結

IFRS

IFRSでは、連結財務諸表には、親会社および親会社が支配する会社（すなわち子会社。特別目的会社を含む。）の財務諸表が含まれている。「支配」は、親会社がその会社の財務および経営に関する方針を左右する力を（直接的にまたは子会社を通じて間接的に）有する場合に存在し、一般的には議決権の過半数を保有することにより生じる。（国際会計基準（以下「IAS」）第27号）

連結財務諸表は、統一した会計方針を使用して作成される。（IAS第27号）

日本の会計原則

日本の会計原則では、実質支配力基準により連結範囲が決定され、被支配会社の財務諸表は連結される。

親会社および子会社が連結財務諸表を作成するために採用する会計原則は、原則として統一されなければならない。ただし、当面の取扱いとして、在外子会社と親会社の会計原則の相違により合理的でない結果が生じない限り、連結財務諸表は在外子会社の所在地国の会計原則に準拠して作成された財務諸表を基にして作成することが認められている。

2008年４月１日以後開始する事業年度から適用されている在外子会社の会計処理の統一に関する新たな当面の取扱いによれば、所在地国の会計原則に代えて、在外子会社の財務諸表がIFRSまたは米国会計基準に準拠して作成されている場合は、のれんの償却、退職給付会計における数理計算上の差異の費用処理、研究開発費の支出時費用処理、投資用物件の時価評価、会計方針を自主的に変更した場合の遡及的適用、および少数株主持分に帰属する純利益の会計処理等の一定の項目の修正を除き、これを連結決算手続上利用できることと規定された。

(2) 企業結合およびのれん

IFRS

IFRSでは、企業結合はパーチェス法で会計処理されている。企業結合により取得されたのれんは、当初、取得原価で認識され、その後は取得原価から減損損失累計額を控除して計上されている。のれんについて

は年に一回、および減損の兆候がある場合にはいつでも、減損テストが実施される。（IFRS第３号およびIAS第36号）

日本の会計原則

日本の会計原則では、企業結合は原則としてパーチェス法により会計処理される。なお、一定の厳格な条件の下で持分の結合と識別される限られた場合には、パーチェス法ではなく持分プーリング法により会計処理される。また、のれんは20年以内の期間にわたり定額法その他の合理的方法により規則的に償却され、必要に応じて減損テストの対象となる。

(3) 非金融資産の減損

IFRS

IFRSでは、各事業年度末において当該報告企業は、資産の減損の兆候について評価している。そのような兆候が存在する場合、会社は当該資産の回収可能価額および当然に減損損失を見積もっている。減損損失は、一定の場合には戻し入れることができるが、戻入により増加する資産額は、減損処理前の価額を超えてはならない。なお、のれんに係る減損損失の戻入は行われない。（IAS第36号およびIAS第39号）

日本の会計原則

日本の会計原則では、減損の兆候が認められ、かつ割引前の見積将来キャッシュ・フロー（20年以内の合理的な期間に基づく）が帳簿価額を下回ると見積られる場合において、回収可能価額と帳簿価額の差額につき減損損失を計上する。減損損失の戻入は認められない。

(4) ヘッジ会計

IFRS

一定の条件が満たされた場合は、下記の種類のヘッジ関係に係るヘッジ会計が認められている。

- 公正価値ヘッジ（すなわち、特定のリスクに起因し、損益に影響を与える可能性がある、公正価値の変動に対するエクスポージャーのヘッジ） － ヘッジ会計上、ヘッジ手段の損益は損益計算書に認識されている。また、ヘッジされたリスクに起因するヘッジ対象の損益はヘッジ対象の帳簿価額により調整され、損益計算書に認識されている。
- キャッシュ・フロー・ヘッジ（すなわち、特定のリスクまたは発生の可能性の高い予定取引に起因し、損益に影響を与える可能性がある、キャッシュ・フローの変動可能性に対するエクスポージャーのヘッジ） － ヘッジ会計上、ヘッジ手段の損益のうち有効なヘッジと判断される部分は資本の部において直接認識され、非有効部分は損益計算書に認識されている。
- 国外事業への純投資のヘッジ － ヘッジ会計上、ヘッジ手段の損益のうち有効なヘッジと判断される部分は資本の部において直接認識され、非有効部分は損益計算書に認識されている。

（IAS第21号およびIAS第39号）

日本の会計原則

日本の会計原則では、デリバティブ金融商品について、会計基準により定められたヘッジ会計の要件を満たす場合には、原則として、「繰延ヘッジ会計」（ヘッジ手段の損益を貸借対照表の「純資産の部」に計上し、ヘッジ対象が損益認識されるのと同一の会計期間に損益計算書に認識する。）を適用し、ヘッジ対象である資産または負債に係る相場変動等を会計基準に基づき損益に反映させることができる場合には、「時価ヘッジ会計」（ヘッジ手段の損益を発生時に認識するとともに、同一の会計期間にヘッジ対象の損

益も認識する。）を適用できる。

(5) 株式報酬

IFRS

従業員株式オプション制度の費用は、オプションが付与された日の公正価値に基づいて測定されている。公正価値は、オプションの行使価格、有効期間、現在の株価、株価の予想ボラティリティーおよびリスク・フリー金利を考慮した評価方法を用いて見積られる。権利確定条件は、公正価値測定の際には考慮されていないが、認識された金額が最終的に確定したオプションの数を反映するように、取引の測定において含まれるオプションの数を調整することで考慮されている。費用は権利確定期間にわたり損益に認識されている。（IFRS第２号およびIFRIC第11号）

日本の会計原則

日本の会計原則では、2005年12月27日に公表された「ストック・オプション等に関する会計基準」に基づき、会社法施行日（2006年５月１日）以後に付与されたストック・オプションについては、ストック・オプションの付与日から権利確定日までの期間にわたり、付与日現在のストック・オプションの公正価値に基づいて報酬費用が認識され、対応する金額は純資産の部に新株予約権として計上される。当該会計基準は上記の会社法施行日前に付与されたストック・オプションについては適用されない。

(6) 退職後給付

IFRS

確定給付型制度においては、制度負債は、数理的手法に基づき測定され、予測単位積増方式を用いて給付が割り引かれている。制度資産は、公正価値で測定されている。当該制度の資産が負債を超える場合は資産（超過額）として、不足する場合は負債（不足額）として、それぞれ貸借対照表に計上されている。当期勤務費用、利息費用、制度資産に対する期待運用収益および過去勤務費用は、損益に認識されている。数理計算上の損益の会計処理については、直接資本に認識するという選択肢があり、この場合、当該損益は認識収益・費用計算書または包括利益計算書に表示されることになる。（IAS第19号）

日本の会計原則

日本の会計原則では、確定給付型年金制度について、退職給付債務に未認識過去勤務債務および未認識数理計算上の差異を加減した額から年金資産の額を控除した額を退職給付に係る負債として計上する。退職給付に係る費用は、数理計算上の損益も含め、すべて営業費用として損益計算書に計上される。

(7) 金融保証

IFRS

IFRSでは、金融保証契約については、当初は公正価値で計上し、その後は、（過去の事象、発生可能性の高い資源流出および信頼できる金額の見積りにより、現在債務が存在するために）必要とされる引当金と、当初認識額から償却費用を差引いた後の金額とのいずれか高い方の金額で計上することを要求している。（IAS第37号およびIAS第39号）

日本の会計原則

日本では、金融資産または金融負債の消滅の認識の結果生じる債務保証を除いて、保証を当初より公正価値で貸借対照表に計上することは求められておらず、債務保証額について、支払承諾を貸借対照表に計

上する金融機関を除き、財務諸表に注記として計上する。保証に起因して、将来の損失が発生する可能性が高く、かつその金額を合理的に見積ることができる場合には、引当金を計上する。

(8) 認識収益・費用計算書および包括利益計算書

IFRS

IFRSでは、2009年１月１日より前に開始する年度については、資本における変動をすべて表示する計算書または認識収益・費用計算書が主要な計算書として表示されなければならない。認識収益・費用計算書は、株主としての地位に基づく株主との取引に起因するものを除く、資本の変動を表示する。（IAS第１号）。また、2009年１月１日以降開始する事業年度からは、包括利益計算書を財務諸表として表示しなければならなくなった。包括利益計算書は、株主としての地位に基づく株主との取引による変動を除く資本の変動を、以下のいずれかの方法で表示する。

- １つの計算書（すなわち包括利益計算書）
- ２つの計算書（すなわち損益計算書と損益計算書の純損益からはじまり他の包括利益の構成要素を表示する計算書）

（IAS第１号(改訂版)）

日本の会計原則

日本の会計原則では、認識収益・費用計算書および包括利益計算書に関する会計基準はなく、純資産の部に直接計上される項目は株主資本等変動計算書において表示される。

(9) 金融資産の認識の中止

IFRS

金融資産からのキャッシュ・フローに対する契約上の権利が消滅し、または金融資産が譲渡され、かつその譲渡が認識の中止の要件を満たす場合、金融資産の認識は中止される。（IAS第39号）

譲渡においては、報告企業は、資産のキャッシュ・フローを受取る契約上の権利を移転すること、または資産のキャッシュ・フローの権利を留保するが、そのキャッシュ・フローを第三者に支払う契約上の義務を引受けることのいずれかを要求される。譲渡に際して、会社は、譲渡した資産の所有に係るリスクおよび便益がどの程度留保されているかを評価する。実質的にすべてのリスクおよび便益が留保されている場合は、その資産は引続き貸借対照表で認識される。実質的にすべてのリスクおよび便益が移転された場合は、当該資産の認識は中止される。（IAS第39号）

実質的にすべてのリスクおよび便益が留保も移転もされない場合は、会社はその資産の支配を引続き留保しているかどうかについて評価をする。支配を留保していない場合は、当該資産の認識は中止される。一方、会社が支配を留保している場合、継続関与の程度に応じて、引続きその資産を認識する。（IAS第39号）

日本の会計原則

日本では、「金融商品に係る会計基準」により、金融資産は金融資産の契約上の権利を行使したとき、権利を喪失したときまたは権利に対する支配が他に移転したときに認識が中止される。金融資産の契約上の権利に対する支配が他に移転するのは、(a) 譲渡された金融資産に対する譲渡人の契約上の権利が譲渡人およびその債権者から法的に保全され、(b) 譲受人が譲渡された金融資産の契約上の権利を直接または間接に通常の方法で享受でき、(c) 譲渡人が譲渡した金融資産を当該金融資産の満期前に買戻すまたは償還する権利および義務を実質的に有していない場合である。

(10) 公正価値オプション

IFRS

一定の場合に使用可能な取消不能のオプションとして、金融資産または金融負債を最初の認識時に「損益計算書を通じて公正価値で測定する」項目に分類することができる（IAS第39号）。

日本の会計原則

金融商品の公正価値オプションは日本の会計原則では認められていない。

(11) リース

IFRS

資産の所有に伴うリスクと経済価値が実質的にすべて移転するリースは、ファイナンス・リース取引として扱われる。賃借人のリース資産は貸借対照表に計上されるが、これに対し、オペレーティング・リースにおける資産は賃貸人の貸借対照表に計上される（IAS第17号）。

日本の会計原則

日本では、2008年４月１日より前に開始する事業年度について、所有権が賃借人に移転すると認められるもの以外のファイナンス・リース取引については、一定の注記を財務諸表に開示することを条件にオペレーティング・リース取引として会計処理することが認められている。2008年４月１日以降に開始する事業年度からは、リース資産の所有権に関連する実質的にすべてのリスクおよび便益が契約によって移転される場合に、ファイナンス・リースとして会計処理することが要求されている。

第７【外国為替相場の推移】

当行の財務書類の表示に用いられた通貨(ポンド)と本邦通貨との間の為替相場が、国内において時事に関する事項を掲載する２以上の日刊新聞紙に最近５年間の事業年度および最近６か月間において掲載されているため、記載を省略する。

第８【本邦における提出会社の株式事務等の概要】

該当事項なし

第９【提出会社の参考情報】

１【提出会社の親会社等の情報】

該当事項なし

２【その他の参考情報】

当事業年度の開始日から本書提出日までの期間において提出された書類および提出日は以下のとおりである。

	提出書類	提出年月日
1	有価証券届出書およびその添付書類	平成21年２月６日
2	有価証券届出書の訂正届出書（上記１の訂正）	平成21年２月18日
3	有価証券報告書(自 平成20年１月１日 至 平成20年12月31日)	平成21年６月29日
4	半期報告書(自 平成21年１月１日 至 平成21年６月30日)	平成21年８月28日
5	有価証券届出書およびその添付書類	平成21年８月31日
6	有価証券届出書の訂正届出書（上記５の訂正）	平成21年９月11日
7	有価証券届出書の訂正届出書（上記５の訂正）	平成21年９月15日
8	有価証券届出書の訂正届出書（上記５の訂正）	平成21年９月16日
9	有価証券届出書の訂正届出書（上記５の訂正）	平成21年９月17日

第三部【提出会社の保証会社等の情報】

第１【保証会社情報】

該当事項なし

第２【保証会社以外の会社の情報】

該当事項なし

第３【指数等の情報】

１ 当該指数等の情報の開示を必要とする理由

本社債は、満期償還額がHSCEIの水準により決定されるため、HSCEIについての開示を必要とする。

２ 当該指数等の推移

HSCEI終値の過去の推移（終値ベース）

最近５年間の年別最高・最低値	年度	2004年	2005年	2006年	2007年	2008年
	最高	5,391.28	5,539.39	10,363.28	20,400.07	16,139.46
	最低	3,546.25	4,501.61	5,412.99	8,528.46	4,990.08

最近６ヶ月間の月別最高・最低値	月	2009年５月	2009年６月	2009年７月	2009年８月	2009年９月	2009年10月
	最高	10,428.19	11,088.77	12,424.58	12,368.20	12,668.25	13,316.02
	最低	9,448.53	10,280.13	10,279.25	11,260.83	11,192.39	11,526.32

出典：ブルームバーグ・エルピー

HSCEI終値の過去の推移はHSCEIの将来の動向を示唆するものではなく、本社債の時価の動向を示すものでもない。

過去の上記の期間においてHSCEIが上記のように変動したことによって、HSCEIおよび本社債の時価が本社債の償還まで同様に推移することも示唆するものではない。

第四部【特別情報】

第１【最近の財務書類】

該当事項なし

第２【有価証券の様式】

1．CGN仮大券の様式

本社債は、1933年米国証券法（その後の改正を含む。）（以下「米国証券法」という。）に基づき登録されておらず、今後登録される予定もない。米国内において、または米国人（米国証券法に基づくレギュレーションSに定義される。）に対し、本社債およびその一部の勧誘または売り付けを行ってはならない。

本大券を保有する米国人は、内国歳入法第165条(j)および第1287条(a)に規定される制限を含む、米国所得税法上の制限に服する。

エイチエスビーシー・バンク・ピーエルシー
（有限責任で英国において設立された。）

[本社債の元金総額]
[本社債の名称]

を表章する

CGN仮大券

本仮大券は、エイチエスビーシー・バンク・ピーエルシー（以下「発行会社」という。）により、元金総額[シリーズの元金総額]の[本社債の名称]（以下「本社債」という。）に関して発行される。

発行会社は、受領した対価に対し、発行会社により作成された2009年7月30日付基本目論見書（以下「基本目論見書」という。）および本社債に関連して作成された最終条件書（以下「最終条件書」という。）に定める本社債の要項（以下「要項」という。）に従い、本仮大券の呈示または提出（場合による。）と引換に、[満期日]またはかかる日より前に要項に従い支払期限の到来する日に、[文字および数字による各社債券の金額]の元金額の合計または要項に定められるその他の償還金額[または分割払込社債の場合、仮大券により随時表章されるその時々の各当該社債について、要項に定める日の要項に定める分割支払金額、または当該社債がその他の日において期限の利益を失う場合、要項に定める償還金額]を、仮大券の所持人に支払うこと、また、利息および要項に従って支払われるその他の金額のすべてを本仮大券に従って支払うことを約束する。

本仮大券の所持人は、本仮大券中に別段の記載のない限り、要項の利益、および本仮大券により表章される本社債の所持人に対して発行会社が履行しなければならない義務から受ける利益と同一の利益を享受する権利があり、また、特に仮大券に適用あるかかる要項の規定（およびそれに記載された発行会社が履行しなければならない義務）の利益を享受する権利があり、本仮大券に基づく、本仮大券の所持人に対する一切の支払いにより、本社債に関する発行会社の義務の履行は有効になされたものとし、本社債に関する義務から発行会社は免除されるものとする。

本仮大券は、要項および発行会社が署名した2009年7月30日付約束証書（その後の随時の修正、補足または差し替えを含み、以下「約束証書」という。）に従って、かつ、その利益を享受して発行される。

本仮大券は、エイチエスビーシー・インベストメント・バンク（ネザーランド）エヌブイ、主支払代理人としてのエイチエスビーシー・バンク・ピーエルシー（かかる資格において、以下「主支払代理人」といい、かかる表現にはかかる資格におけるエイチエスビーシー・バンク・ピーエルシーの承継者が含まれる。）およびその他と

の間で当初締結された1999年2月24日付発行および支払代理契約（2000年2月25日、2001年3月29日、2002年6月18日、2005年8月1日、2006年6月29日、2006年8月2日、2007年8月2日、2008年7月31日および2009年7月30日付で修正、改訂または補足済であり、その後の随時の補足、修正または差し替えを含み、以下「発行および支払代理契約」という。）に従って発行される。

一部払込済社債に関して要項に規定される通り、本仮大券は、実質上発行および支払代理契約の別紙2第二部*（CGN恒久大券の様式）*に記載の様式（その後完成される。）または無記名式確定社債券（以下「確定社債券」という。）の最終条件書に規定される場合には実質上発行および支払代理契約の別紙3*（無記名式確定社債券の様式）*に記載の様式（その後完成される。）で、本社債を表章する恒久大券（以下「恒久大券」という。）のすべてまたは一部と交換することができる。恒久大券または確定社債券（場合による。）との交換は、最終条件書に記載された交換日以降に限り、本社債に関して主支払代理人の指定事務所において本仮大券の呈示または提出（場合による。）と引換に、かつ、主支払代理人に対して関連ある最終条件書で合意する振替機関が発行した、実質上当該振替機関が本仮大券のアネックスⅡの様式で受領した証明に関する実質上本仮大券のアネックスⅠに記載された様式の、交換日より後の日付の証明書が交付された場合にその交付がなされた限りにおいて、なされる。確定社債券は、要項および発行および支払代理契約に従って入手可能である。交換日より前にその他の方法で支払期限が到来する利息の支払いは、本社債に関して主支払代理人の指定事務所において本仮大券の呈示と引換にのみ、かつ、主支払代理人に対して最終条件書で合意する振替機関が発行した、実質上本仮大券のアネックスⅠに記載された様式の、関連ある利払期日より後の日付の証明書が交付された場合にその交付がなされた限りにおいて、なされる。

本仮大券の所持人は、（恒久大券との（すべてもしくは一部の）交換または確定社債券の交付のために本仮大券を適式に呈示した場合において、当該交換または交付が不当に留保または拒絶され、当該留保または拒絶が関連ある支払日に継続している場合を除き、）交換日以後に支払期限の到来する本仮大券により表章される本社債に関する支払いを受領する権利、または交換日後に選択権を行使する権利を有する。

本仮大券に関して利息の支払いがなされる場合には、その都度、発行会社は本仮大券の別紙Ⅰにその旨を記載させるものとする。

本仮大券に関して元金もしくは償還金額の支払いがなされる場合、または本仮大券のすべてもしくは一部が上記の通り交換される場合、または本仮大券により表章される本社債が消却もしくは失効する場合、その都度、発行会社は(ⅰ)かかる支払いがなされた本社債の元金総額（または一部支払いの場合、その対応する部分）、または確定券面もしくは記名式の形式で交付される本社債の元金総額、または恒久大券と交換される本社債の元金総額、または消却もしくは失効する本社債の元金総額、および(ⅱ)本仮大券の残存元金額（それまでの本仮大券の元金額から上記(ⅰ)の金額を控除した額）を、本仮大券の別紙Ⅱに記載させ、かかる場合には、本仮大券の元金額は、あらゆる目的上、直近に記載されたものとする。

一部払込済社債の場合、本仮大券により表章される本社債に関して一部払込済社債の要項に従って発行会社に支払いがなされた場合には、その都度、発行会社は、

(ⅰ) かかる支払いがなされる元金総額、および
(ⅱ) 本仮大券の増加元金額（それまでの本仮大券の元金額に上記(ⅰ)の金額を加えた額）

を本仮大券の別紙Ⅱに記載させ、かかる場合には、本仮大券の元金額は、あらゆる目的上、直近に記載されたものとする。

要項第9項*（デノミネーション）*に従った本社債の通貨呼称の変更後、本仮大券により表章される本社債に関して支払期日の到来した利息額は、当該本社債の元金総額を参照して計算され、当該支払金額は、0.01ユーロ未満の端数を切り捨てる。本段落において、「ユーロ」とは、欧州共同体設立条約（欧州連合条約によるその後の修正を含む。）に従って単一通貨を採用した欧州連合(EU)加盟国の法定通貨を意味する。

要項第13項（*通知*）にかかわらず、本社債のすべてが本大券（または本大券およびその他の大券）により表章される間は、本社債またはそれに付された利札の所持人に対するすべての通知は、大券の様式による本社債の場合には、ユーロクリアおよび/またはクリアストリーム・ルクセンブルクおよび/または（発行会社とディーラー間で合意する）その他の関連ある振替機関もしくは預託機関に対して、その各々の記録に持分を有していると記されている者に通信を行うために交付された場合に有効となる。ただし、本社債がいずれかの上場認可機関、証券取引所および/もしくは相場システムにより上場、取引および/もしくは相場付けを許可された場合、当該上場認可機関、証券取引所および/または相場システムの規則が遵守されている。かかる通知は、かかる交付日または公告日（要求された場合。）（または公告が2回以上なされた場合には、最初の公告日（または2紙以上の新聞への公告が要求された場合には、要求された新聞すべてに公告がなされた最初の日））になされたものとみなされる。

本仮大券および当該本仮大券から生じるまたは当該本仮大券に関連するあらゆる契約的非契約的事項は、英国法に準拠し、英国法に従って解釈される。

本仮大券は、発行代理人であるエイチエスビーシー・バンク・ピーエルシーの代理人により認証がなされるまでは、いかなる目的においても効力を有しないものとする。

別 紙 I

利息支払い

利払期日	支払日	支払われるべき利息の総額	支払利息額	発行会社またはその代理人による支払確認
第1回 第2回*				

*** 特定シリーズの本社債に関する利払期日の回数が、適切な数に達するまで番号が付される。**

別 紙 II

支払い、確定社債券の交付、恒久大券との交換ならびに本社債の失効および消却

支払い、交付、失効または消却の実行日	支払われた一部払込済部分の総額（一部払込済社債の場合）	支払われた元金額または償還金額	交付された確定社債券の元金総額	恒久大券と交換された元金総額	消却または失効された本社債の元金総額	本仮大券の残存元金額	権限ある者の署名

発行会社の代理人として権限ある役員により署名がなされたことを証する。

エイチエスビーシー・バンク・ピーエルシー

署 名：

（授権された署名者）

発行代理人としてのエイチエスビーシー・バンク・ピーエルシーの代理人によって認証された。(償還義務、保証または責任を伴わない。)

署 名：　　**署 名：**

(授権された署名者)　　**(授権された署名者)**

2．CGN恒久大券の様式

[本社債は、1933年米国証券法（その後の改正を含む。）（以下「米国証券法」という。）に基づき登録されておらず、今後登録される予定もない。米国内において、または米国人（米国証券法に基づくレギュレーションSに定義される。）に対し、本大券およびその一部の勧誘または売り付けを行ってはならない。][1]

1 かかる文言は、仮大券が恒久大券と交換される日が販売遵守期間後である場合は、記載を要しない。

本大券を保有する米国人は、内国歳入法第165条(j)および第1287条(a)に規定される制限を含む、米国所得税法上の制限に服する。

エイチエスビーシー・バンク・ピーエルシー
(有限責任で英国において設立された。)

[本社債の元金総額]
[本社債の名称]

を表章する

CGN恒久大券

本大券は、エイチエスビーシー・バンク・ピーエルシー（以下「発行会社」という。）により、元金総額[シリーズの元金総額]の[本社債の名称]（以下「本社債」という。）に関して発行される。

発行会社は、受領した対価に対し、発行会社により作成された2009年7月30日付基本目論見書（以下「基本目論見書」という。）および本社債に関連して作成された最終条件書（以下「最終条件書」という。）に定める本社債の要項（以下「要項」という。）に従い、本恒久大券の呈示または提出（場合による。）と引換に、[満期日]またはかかる日より前に要項に従い支払期限の到来する日に、[文字および数字による各社債券の金額]の元金額の合計または要項に定められるその他の償還金額[または分割払込社債の場合、恒久大券により随時表章されるその時々の各当該社債について、要項に定める日の要項に定める分割支払金額、または当該社債がその他の日において期限の利益を失う場合、要項に定める償還金額]を、恒久大券の所持人に支払うこと、また、利息および要項に従って支払われるその他の金額のすべてを支払うことを約束する。

本恒久大券の所持人は、本恒久大券中に別段の記載のない限り、要項の利益、および本恒久大券により表章される本社債の所持人に対して発行会社が履行しなければならない義務から受ける利益と同一の利益を享受する権利があり、また、特に恒久大券に適用あるかかる要項（およびそれに記載された発行会社が履行しなければならない義務）の利益を享受する権利があり、本大券に基づく、本大券の所持人に対する一切の支払いにより、本社債

に関する発行会社の義務の履行は有効になされたものとし、本社債に関する義務から発行会社は免除されるものとする。

本大券は、要項および発行会社が署名した2009年7月30日付約束証書（以下「約束証書」という。）に従って、かつ、その利益を享受して発行される。

本恒久大券は、エイチエスビーシー・インベストメント・バンク（ネザーランド）エヌブイ、主支払代理人としてのエイチエスビーシー・バンク・ピーエルシー（かかる資格において、以下「主支払代理人」といい、かかる表現にはかかる資格におけるエイチエスビーシー・バンク・ピーエルシーの承継者が含まれる。）およびその他との間で当初締結された1999年2月24日付発行および支払代理契約（2000年2月25日、2001年3月29日、2002年6月18日、2005年8月1日、2006年6月29日、2006年8月2日、2007年8月2日、2008年7月31日および2009年7月30日付で修正、改訂または補足済であり、その後の随時の補足、修正または差し替えを含み、以下「発行および支払代理契約」という。）に従って発行される。

一部払込済社債に関して要項に規定される通り、本大券は、以下の裁量により、実質上発行および支払代理契約の別紙3に記載の様式（その後完成される。）で、発行会社による費用および経費負担により、そのすべて（一部は不可。ただし、下記(b)の場合を除く。）を無記名式確定社債券（以下「確定社債券」という。）と交換することができる。

(a) （ｉ）関連あるシリーズの本社債が要項第10項*（債務不履行事由）*に従って直ちに支払われるべきこととなった場合、または

（ii）ユーロクリア・バンク・エスエー/エヌブイ（以下「ユーロクリア」という。）またはクリアストリーム・バンキング・ソシエテ・アノニム、ルクセンブルク（以下「クリアストリーム・ルクセンブルク」という。）またはその他の関連ある振替機関もしくは預託機関が、（祝日以外の理由により）14日間連続して休業している場合、または業務を永久に中止する旨を発表した場合、または実際に業務を中止した場合、

当該恒久大券の所持人の裁量による。

(b) 発行会社が、本社債が確定券面もしくは記名式の形式（場合による。）であれば被ることのなかった、いずれかの法域における（租税その他の）法令の変更を理由として社債に関して重大な不利益を被る場合、発行会社の裁量による（また、一部払込済社債の場合、発行会社は一部のみの交換を行うことを選択することができる。）。

確定社債券は、主支払代理人の指定事務所にて当該確定社債券の権利を有する者が回収目的で入手可能である。記名式社債は、要項および発行および支払代理契約（本大券により表章される本社債の所持人と同じく本大券の所持人に適用される。）に従って交換により入手可能である。

本大券に関して利息の支払いがなされる場合には、その都度、発行会社は本大券の別紙Ｉにその旨を記載させるものとする。

本大券に関して元金もしくは償還金額の支払いがなされる場合、または本大券が上記の通り交換される場合、または本大券により表章される本社債が消却もしくは失効する場合、その都度、発行会社は(ｉ)かかる支払いがなされた本社債の元金総額（または一部支払いの場合、その対応する部分）、または確定券面もしくは記名式の形式で交付される本社債の元金総額、または消却もしくは失効する本社債の元金総額、および(ii)本大券の残存元金額（それまでの本大券の元金額から上記(ｉ)の金額を控除した額）を、本大券の別紙IIに記載させ、かかる場合には、本大券の元金額は、あらゆる目的上、直近に記載されたものとする。

当初本社債を表章する仮大券の一部のみが本大券と交換され、その後さらに残存元金額またはその一部が本大券と交換される場合、本社債に関して主支払代理人の指定事務所において本大券の呈示と引換に、かつ、当該仮大券の元金総額がかかるその後の交換により減額される限度において、発行会社は、(ｉ)かかるその後の交換がな

される本社債の元金総額および(ⅱ)本大券の新しい元金額（それまでの本大券の元金額に上記(ⅰ)の金額を加えた額）を、本大券の別紙Ⅱに記載させ、かかる場合には、本大券の元金額は、あらゆる目的上、直近に記載されたものとする。

一部払込済社債の場合、本恒久大券により表章される本社債に関して一部払込済社債の要項に従って発行会社に支払いがなされた場合には、その都度、発行会社は、

(ⅰ) かかる支払いがなされる元金総額、および

(ⅱ) 本恒久大券の増加元金額（それまでの本恒久大券の元金額に上記(ⅰ)の金額を加えた額）を本恒久大券の別紙に記載させ、かかる場合には、本恒久大券の元金額は、あらゆる目的上、直近に記載されたものとする。

要項第9項（*デノミネーション*）に従った本社債の通貨呼称の変更後、

(ⅰ) 本社債が確定券面での発行を要求された場合、当該本社債は、額面金額0.01ユーロ、1,000ユーロ、10,000ユーロ、100,000ユーロ、および主支払代理人が決定し、本社債権者に通知したその他の額面金額で、発行会社の費用負担により発行され、かつ、

(ⅱ) 本恒久大券により表章される本社債に関して支払期日の到来した利息額は、当該本社債の元金総額を参照して計算され、当該支払金額は、0.01ユーロ未満の端数を切り捨てる。本段落において、「ユーロ」とは、欧州共同体設立条約（欧州連合条約によるその後の修正を含む。）に従って単一通貨を採用した欧州連合(EU)加盟国の法定通貨を意味する。

要項第13項（*通知*）にかかわらず、本社債のすべてが本大券（または本大券およびその他の大券）により表章される間は、本社債の所持人に対するすべての通知は、ユーロクリアおよび/またはクリアストリーム・ルクセンブルクおよび/または（発行会社とディーラー間で合意する）その他の関連ある振替機関もしくは預託機関に対して、その各々の記録に持分を有していると記されている者に通信を行うために交付された場合に有効となる。ただし、本社債がいずれかの上場認可機関、証券取引所および/もしくは相場システムにより上場、取引および/もしくは相場付けを許可された場合、当該上場認可機関、証券取引所および/または相場システムの規則が遵守されている。かかる通知は、かかる交付日または公告日（要求された場合。）（または公告が2回以上なされた場合には、最初の公告日（または2紙以上の新聞への公告が要求された場合には、要求された新聞すべてに公告がなされた最初の日））になされたものとみなされる。

本大券および当該本大券から生じるまたは当該本大券に関連するあらゆる契約的非契約的事項は、英国法に準拠し、英国法に従って解釈される。

本大券は、発行代理人であるエイチエスビーシー・バンク・ピーエルシーの代理人により認証がなされるまでは、いかなる目的においても効力を有しないものとする。

別 紙 Ⅰ

利息支払い

利払期日	支払日	支払われるべき利息の総額	支払利息額	発行会社またはその代理人による支払確認

第1回 **第2回***				

*** 特定シリーズの本社債に関する利払期日の回数が、適切な数に達するまで番号が付される。**

別 紙 II

支払い、仮大券との交換、確定社債券の交付
ならびに本社債の失効（一部払込済社債の場合）および消却

支払い、交換、交付、失効または消却の実行日	支払われた一部払込済部分の総額（一部払込済社債の場合）	支払われた元金額または償還金額	交付された確定社債券の元金総額	恒久大券と交換された元金総額	消却または（一部払込済社債の場合）失効された本社債の元金総額	本恒久大券の新しい元金額	権限ある者の署名

発行会社の代理人として権限ある役員により署名がなされたことを証する。

エイチエスビーシー・バンク・ピーエルシー

署 名：

(授権された署名者)

発行代理人としてのエイチエスビーシー・バンク・ピーエルシーの代理人によって認証された。(償還義務、保証または責任を伴わない。)

署 名：

(授権された署名者)

署 名：

(授権された署名者)

3．無記名式確定社債券の様式

[レギュレーションSに依拠して勧誘または売り付けられる無記名式社債には、以下が含まれる。]
本社債は、1933年米国証券法（その後の改正を含む。）（以下「米国証券法」という。）に基づき登録されておら

ず、今後登録される予定もない。米国内において、または米国人（米国証券法に基づくレギュレーションSに定義される。）に対し、本社債の勧誘または売り付けを行ってはならない。

本社債を保有する米国人は、内国歳入法第165条(j)および第1287条(a)に規定される制限を含む、米国所得税法上の制限に服する。

エイチエスビーシー・バンク・ピーエルシー
（有限責任で英国において設立された。）

[本社債の元金総額]
[本社債の名称]

エイチエスビーシー・バンク・ピーエルシー（以下「発行会社」という。）は、受領した対価に対し、[本社債に裏書き/添付された]本社債の要項[および本社債の要項に記載され、かつ、本社債に関連して作成された最終条件書]（以下「要項」という。）に従い、本社債の提出と引換に、[満期日]またはかかる日より前に要項に従い支払期限の到来する日に、

[文字および数字による各社債券の金額]

の元金額または要項に定められるその他の償還金額[または本社債が分割払込社債の場合、要項に定める日の要項に定める分割支払金額、または当該本社債がその他の日において期限の利益を失う場合、要項に定める償還金額]を、本社債の所持人に支払うこと、また、利息および要項に従って支払われるその他の金額のすべてを本社債に従って支払うことを約束する。

本社債は、要項および発行会社が署名した2009年7月30日付約束証書（その後の随時の修正、補足または差し替えを含み、以下「約束証書」という。）に従って、かつ、その利益を享受して発行される。

要項で定義された用語および表現が、本社債の券面上で使用される場合には、当該定義と同じ意味を有する。

本社債、利札および利札引換券（以下に定義する。）の権利は、交付により移転する。発行会社は、本社債の所持人を、あらゆる目的において、本社債の完全な所有者として取り扱うことができる。

本社債、本社債に付された利札（以下「利札」という。）および本社債に付された利札引換券（以下「利札引換券」という。）はいずれも、発行代理人であるエイチエスビーシー・バンク・ピーエルシーの代理人により認証がなされるまでは、いかなる目的においても効力を有しないものとする。

発行会社の代理人として権限ある役員により署名がなされたことを証する。

エイチエスビーシー・バンク・ピーエルシー

署 名：

（授権された署名者）

20[　]年[　]月[　]日付でロンドンで発行された。

発行代理人としてのエイチエスビーシー・バンク・ピーエルシーの代理人によって認証された。(償還義務、保証または責任を伴わない。)

署 名：　　署 名：

(授権された署名者)　　(授権された署名者)

[本社債の裏面]

社債の要項

[基本目論見書において企図されるとおりとし、関連ある最終条件書により修正、補足または差し替えられる。社債の要項の内容については、「第一部 証券情報、第２ 売出要項、２ 売出しの条件」中の「売出社債のその他の主要な事項」を参照のこと。]

[社債の要項の末尾：]

発行代理人： エイチエスビーシー・バンク・ピーエルシー
E14 5HQロンドン市カナダ・スクエア8
(8 Canada Square, London E14 5HQ)

4．利札の様式

[(利付き、固定利率であり、かつ、利札のある)本社債に添付：]

[利札の表面]

エイチエスビーシー・バンク・ピーエルシー
(有限責任で英国において設立された。登記番号：第14259号)

[本社債の金額および名称]

シリーズ番号：[　　]

[　　]満期[　　]の利札

かかる金額は、(本利札が付される[本社債の名称]に適用があり、その時点で当該本社債に添付されているか否かを問わず、本利札の所持人を拘束する本社債の要項に従って）本利札の裏面に記載される主支払代理人またはその他の支払代理人（もしいれば）のいずれかの指定事務所（または当該目的上その時々に当該本社債の要項に従って適式になされた通知により指定されたその他のもしくは追加の支払代理人および/もしくは指定事務

所）において本利札の提出と引換に支払われる。

[利札の所持人は要項第8項(a)*（支払－無記名式社債）*を参照されたい。本利札が付される本社債は、当該要項に記載された一定の状況下において、本利札に関する支払期日より前に償還日が到来する可能性がある。かかる場合、当該本社債の償還のために呈示を受ける支払代理人は、上記第8項(a)*（支払－無記名式社債）*に従って、本利札が無効となるかを決定することができる。][2]

[2] **本記載は、関連ある本社債に関して支払われるべき利息の総額が、当該本社債に関して支払われるべき償還金額を上回る可能性がある範囲で、要項第8項(a)の規定が適用される場合にのみ要求される。**

本利札を保有する米国人は、内国歳入法第165条(j)および第1287条(a)に規定される制限を含む、米国所得税法上の制限に服する。

エイチエスビーシー・バンク・ピーエルシー

署名：

第３【保証会社及び連動子会社の最近の財務諸表又は財務書類】

該当事項なし

独立監査人の監査報告書

エイチエスビーシー・バンク・ピーエルシー
株主各位

私たちは、2008年12月31日に終了した事業年度のエイチエスビーシー・バンク・ピーエルシーおよびその子会社（「グループ」）の連結財務諸表ならびに親会社であるエイチエスビーシー・バンク・ピーエルシー（「当行」）の財務諸表の監査を行った。当該財務諸表は、グループの損益計算書、グループおよび当行の貸借対照表、グループおよび当行のキャッシュ・フロー計算書、グループおよび当行の認識収益費用計算書ならびに関連する注記で構成されている。当該財務諸表はその中に記載されている会計方針に基づいて作成されている。

当監査報告書は、1985年会社法第235条に準拠し、全体としての当行の株主に対してのみ作成されている。私たちの監査は、私たちが監査報告書へ記載を要求されている事項を株主に提示することを唯一の目的として実施された。私たちは、法律によって強制されない限り、私たちの監査業務、当報告書、または私たちの監査意見に関する責任を、当行および全体としての株主以外に対して負うことはない。

取締役および監査人の責任

取締役の責任は、該当する法律および欧州連合（「EU」）が採択した国際財務報告基準（「IFRS」）に準拠して取締役報告書および財務諸表を作成することであり、これらは24頁（訳注：原文のページ数である。）の取締役の責任に関する報告書に記載されている。

私たちの責任は、関連する法規制の要件および国際監査基準(英国およびアイルランド)に準拠して財務諸表を監査することにある。

私たちは、財務諸表が真実かつ公正な概観を提供しているかどうか、また財務諸表が1985年会社法に従って、そしてグループ財務諸表がIAS規則第４条に従って適正に作成されているかどうかについて意見を表明する。また、私たちは、取締役報告書の情報が財務諸表と一致しているかどうかについての私たちの意見も報告する。

さらに、私たちの意見において当社が適切な会計記録を保持していない場合、私たちが監査で必要とするすべての情報や説明を入手できなかった場合、または、法律により要求されている取締役報酬およびその他の取引に関する情報が開示されていない場合にも報告する。

私たちは、取締役報告書に含まれている他の情報を読み、監査済み財務諸表との整合性について検討を行う。私たちは、明白な虚偽の表示または財務諸表との重要な不一致に気づいた場合、私たちの報告書への影響を検討する。その他のいかなる情報も、私たちの責任の範疇には含まれない。

監査意見の基礎

私たちは、監査実務審議会によって公表された国際監査基準（英国およびアイルランド）に準拠して監査を実行した。監査は、財務諸表の金額と開示を裏付ける証拠を試査により検証することを含んでいる。監査はまた、財務諸表を作成するにあたって、取締役によって行われた重要な見積りおよび判断の評価とともに、会計方針が、グループおよび当行の状況に照らして適切であるか、継続的に適用されているか、そして十分に開示されているか否かについての評価も含んでいる。

私たちは、財務諸表に不正またはその他の不法行為や誤謬による重要な虚偽の表示がないかどうかについて合理的な保証を得るために必要と考えるすべての情報と説明を入手するために監査を計画し、実行した。意見を形成するにあたって、私たちは、財務諸表における情報の表示についての全体的な適切性についても評価した。

監査意見

私たちは、

- グループの財務諸表は、EUが採択したIFRSに準拠して、2008年12月31日現在のグループの財政状態および同日をもって終了した年度のグループの利益について、真実かつ公正な概観を提供しているものと認める。
- 当行の財務諸表は、1985年会社法の規定に基づき適用したEUが採択したIFRSに準拠して、2008年12月31日現在の当行の財政状態について、真実かつ公正な概観を提供しているものと認める。
- 財務諸表は1985年会社法に準拠し、またグループの財務諸表はIAS規則第４条に準拠して適正に作成されているものと認める。
- 取締役報告書に記載されている情報は、財務諸表の内容に一致しているものと認める。

ケーピーエムジー・オーディット・ピーエルシー（署名）

勅許会計士

登録監査人

ロンドン　　2009年３月２日

次へ

Independent Auditors ’ Report to the Member of HSBC Bank plc

We have audited the consolidated financial statements of HSBC Bank plc and its subsidiaries (‘ the group ’) and parent company financial statements of HSBC Bank plc (‘ the bank ’) for the year ended 31 December 2008 which comprise the group Income Statement, the group and bank Balance Sheets, the group and bank Cash Flow Statements, the group and bank Statement of Recognised Income and Expense and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the bank ’ s member, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the bank ’ s member those matters we are required to state to them in an auditor ’ s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the bank and the bank ’ s member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors ’ responsibilities for preparing the Directors ’ Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (‘ IFRSs ’) as adopted by the European Union (‘ EU ’) are set out in the Statement of Directors ’ Responsibilities on page 24.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985 and, as regards the group financial statements, Article 4 of the IAS Regulation. We also report to you whether in our opinion the information given in the Directors ’ Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors ’ remuneration and other transactions is not disclosed.

We read the other information contained in the Directors ’ Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group ’ s and bank ’ s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:
- the group ’ s financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the group ’ s affairs as at 31 December 2008 and of its profit for the year then ended;
- the bank ’ s financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU as applied in accordance with the provisions of the Companies Act 1985, of the state of the bank ’ s affairs as at 31 December 2008;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and, as regards the group financial statements, Article 4 of the IAS Regulation; and
- the information given in the Directors' Report is consistent with the financial statements.

/s/ KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

2 March 2009

（※）上記は、独立監査人の監査報告書の原本に記載された事項を電子化したものです。その原本は本有価証券届出書提出会社が別途保管しております。

独立監査人の監査報告書

エイチエスビーシー・バンク・ピーエルシー
株主各位

私たちは、2007年12月31日に終了した事業年度のエイチエスビーシー・バンク・ピーエルシーおよびその子会社（「グループ」）の連結財務諸表ならびに親会社であるエイチエスビーシー・バンク・ピーエルシー（「当行」）の財務諸表の監査を行った。当該財務諸表は、グループの損益計算書、グループおよび当行の貸借対照表、グループおよび当行のキャッシュ・フロー計算書、グループおよび当行の認識収益費用計算書ならびに関連する注記で構成されている。当該財務諸表はその中に記載されている会計方針に基づいて作成されている。

当監査報告書は、1985年会社法第235条に準拠し、当行の株主に対してのみ作成されている。私たちの監査は、私たちが監査報告書へ記載を要求されている事項を株主に提示することを唯一の目的として実施された。私たちは、法律によって強制されない限り、私たちの監査業務、当報告書、または私たちの監査意見に関する責任を、当行および全体としての株主以外に対して負うことはない。

取締役および監査人の責任

取締役の責任は、該当する法律およびEUが採択した国際財務報告基準（「IFRS」）に準拠して取締役報告書および財務諸表を作成することであり、これらは28頁（訳注：原文のページ数である。）の取締役の責任に関する報告書に記載されている。

私たちの責任は、関連する法規制の要件および国際監査基準(英国およびアイルランド)に準拠して財務諸表を監査することにある。

私たちは、財務諸表が真実かつ公正な概観を提供しているかどうか、また財務諸表が1985年会社法に従って、そしてグループ財務諸表がIAS規則第４条に従って適正に作成されているかどうかについて意見を表明する。また、私たちは、取締役報告書の情報が財務諸表と一致しているかどうかについての私たちの意見も報告する。

さらに、私たちの意見において当社が適切な会計記録を保持していない場合、私たちが監査で必要とするすべての情報や説明を入手できなかった場合、または、法律により要求されている取締役報酬およびその他の取引に関する情報が開示されていない場合にも報告する。

私たちは、2007年度の年次報告書に含まれている他の情報を読み、監査済み財務諸表との整合性について検討を行う。私たちは、明白な虚偽の表示または財務諸表との重要な不一致に気づいた場合、私たちの報告書への影響を検討する。その他のいかなる情報も、私たちの責任の範疇には含まれない。

監査意見の基礎

私たちは、監査実務審議会によって公表された国際監査基準（英国およびアイルランド）に準拠して監査を実行した。監査は、財務諸表の金額と開示を裏付ける証拠を試査により検証することを含んでいる。監査はまた、財務諸表を作成するにあたって、取締役によって行われた重要な見積りおよび判断の評価とともに、会計方針が、グループおよび当行の状況に照らして適切であるか、継続的に適用されているか、そして十分に開示されているか否かについての評価も含んでいる。

私たちは、財務諸表に不正またはその他の不法行為や誤謬による重要な虚偽の表示がないかどうかについて合理的な保証を得るために必要と考えるすべての情報と説明を入手するために監査を計画し、実行した。意見を形成するにあたって、私たちは、財務諸表における情報の表示についての全体的な適切性についても評価した。

監査意見

私たちは、

- グループの財務諸表は、EUが採択したIFRSに準拠して、2007年12月31日現在のグループの財政状態および同日をもって終了した年度のグループの利益について、真実かつ公正な概観を提供しているものと認める。
- 当行の財務諸表は、1985年会社法の規定に基づき適用したEUが採択したIFRSに準拠して、2007年12月31日現在の当行の財政状態について、真実かつ公正な概観を提供しているものと認める。
- 財務諸表は1985年会社法に準拠し、またグループの財務諸表はIAS規則第４条に準拠して適正に作成されているものと認める。
- 取締役報告書に記載されている情報は、財務諸表の内容に一致しているものと認める。

ケーピーエムジー　オーディット・ピーエルシー（署名）

勅許会計士

登録監査人

ロンドン　　2008年３月３日

次へ

Independent Auditors' Report to the Member of HSBC Bank plc

We have audited the consolidated financial statements of HSBC Bank plc and its subsidiaries ('the group') and parent company financial statements of HSBC Bank plc ('the bank') for the year ended 31 December 2007 which comprise the group Income Statement, the group and bank Balance Sheets, the group and bank Cash Flow Statements, the group and bank Statement of Recognised Income and Expense and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the bank's member, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the bank's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the bank and the bank's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Directors Report and the Financial Statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 28.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985 and, as regards the group financial statements, Article 4 of the IAS Regulation. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report and Accounts 2007 and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and bank's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:
- the group's financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the group's affairs as at 31 December 2007 and of its profit for the year then ended;
- the bank's financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU as applied in accordance with the provisions of the Companies Act 1985, of the state of the bank's affairs as at 31 December 2007;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and, as regards the group financial statements, Article 4 of the IAS Regulation; and
- the information given in the Directors' Report is consistent with the financial statements.

/s/ **KPMG Audit Plc**
Chartered Accountants
Registered Auditor
London

3 March 2008

（※）上記は、独立監査人の監査報告書の原本に記載された事項を電子化したものです。その原本は本有価証券届出書提出会社が別途保管しております。