



B #:	1311-15
Date:	08/05/15
To:	All Participants
Category:	Dividends
From:	Supervisor, Stock Dividend Department
Attention:	Dividend Managers, Cashiers, and Reorganization Managers
Subject:	Optional Dividend: HSBC Holdings PLC CUSIP: 404280406 Record Date: 08/14/15 Payable Date: 10/02/15 Rate: \$0.50 per ADS DTC EDS Cut-Off: 09/11/15 at 8:00 P.M. New York time

***** WARNING TIME CRITICAL *****

HSBC Holdings PLC (“HSBC”) declared a Second interim dividend for 2015, which amounts to USD \$0.50 per American Depositary Share (“ADS”). As an alternative to receiving the dividend in cash, holders may elect to receive a scrip dividend of new ADSs at rate 1 new ADS for every TBA ADS’s held. The dividend will be paid on 10/02/15 to HSBC ADS holders of record at close of business on 08/14/15.

Option #1 Cash: You may elect to receive the cash dividend of USD \$0.50 per ADS (**default**).

Option #2 ADS: You may elect to receive the scrip dividend in new ADS’s. Fractional ADS entitlements will be paid in cash in lieu at the DTC Participant level.

The number of ADSs to which holders will be entitled to will be calculated by dividing the total cash dividend due on your holdings of ADSs at the record date by the established USD ADS price of TBA per new ADS. The scrip price represents the dollar equivalent of the average closing prices of HSBC Ordinary Shares on the London Exchange for the 5 trading days ending TBA.

RECORD DATE POSITION INFORMATION SHOULD BE CONFIRMED THROUGH THE CA WEB.

PARTICIPANTS SHOULD SUBMIT ELECTION INSTRUCTIONS THROUGH THE CORPORATE ACTION WEB INSTRUCTION TAB.

Record date holders would need to have a minimum of TBA ADSs in order to receive one new ADS as a scrip dividend. Holders with less than TBA ADSs on TBA will receive the dividend in cash.

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Participants not responding to the above option by 09/11/15 at 8:00 P.M. New York time will receive the mandatory distribution in accordance with Option #1 (Cash).

If there are any questions regarding this Important Notice, or the processing of related instructions via EDS, participants should contact DTC's Customer Help Line at (888) 382-2721.

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