

HSBC HOLDINGS PLC
Form 6-K
December 12, 2012

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934

For the month of December
HSBC Holdings plc

42nd Floor, 8 Canada Square, London E14 5HQ, England

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F).

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934).

Yes..... No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-.....).

HSBC BANK MALAYSIA BERHAD
RESULTS FOR THE FINANCIAL PERIOD ENDED
30 SEPTEMBER 2012 - HIGHLIGHTS

- Profit before tax for the nine months ended 30 September 2012 was MYR1,193m, an increase of MYR187m or 18.6% compared with the same period in 2011.
- Operating income grew to MYR2,267m, an increase of MYR187m or 9.0% compared with the same period in 2011. This was mainly due to higher income from Islamic banking operations of MYR425m, an increase of MYR113m or 36.3% and higher net interest income of MYR958m, an increase of MYR80m or 9.2%.
- Loan impairment charges and other credit risk provisions increased marginally by MYR6m or 3.3% for the nine months ended 30 September 2012 compared with the same period in 2011.
- Cost efficiency ratio for the nine months ended 30 September 2012 improved to 39.7% from 43.3% for the same period in 2011.
- Total assets of MYR77.6bn at 30 September 2012 decreased from MYR79.9bn at 31 December 2011 (30 September 2011: MYR73.0bn).
- Core capital ratio and risk-weighted capital ratio remain strong at 9.4% and 12.9% respectively at 30 September 2012, higher than the 9.1% and 12.7% reported at 31 December 2011.

The financial statements of HSBC Bank Malaysia Berhad have been prepared in accordance with the applicable approved accounting standards issued by the Malaysian Accounting Standards Board.

Commentary

Mukhtar Hussain, Deputy Chairman and Chief Executive Officer of HSBC Bank Malaysia Berhad ('the Bank'), commented: "We recorded a strong increase of MYR187m, or 18.6%, in profit before tax for the first nine months of 2012 by continuing to expand our Malaysian business, and the prudent management of overheads, which created organic growth across all business lines.

"Malaysia's GDP growth for 2012 continues to be spurred by robust domestic and private consumption, effectively mitigating against negative spillovers from weaknesses in the external environment. The government's efforts through the Economic Transformation Programme (ETP) as well as the Government Transformation Programme (GTP) have contributed to sustainable economic growth within the country.

"We continue to remain optimistic about the Bank's prospects in Malaysia and are committed to investing and contributing positively towards the economic and financial development of the country."

Financial commentary

HSBC Bank Malaysia Berhad reported profit before tax of MYR1,193m in the first nine months of 2012, an increase of 18.6% or MYR187m compared with the same period in 2011.

Operating income grew to MYR2,267m, an increase of MYR187m or 9.0% compared with the same period last year. This was mainly due to higher income from Islamic banking operations of MYR425m (up MYR113m or 36.3%), higher net interest income of MYR958m (up MYR80m or 9.2%), higher net fee income of MYR365m (an increase of MYR9m or 2.6%), offset by lower trading profits of MYR490m, down MYR24m or 4.8%.

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The robust growth rate in income from Islamic Banking Operations was driven by strong growth in net financing income (at MYR323m, up MYR58m or 22.0%) and Islamic trading profits (at MYR45m, up MYR33m or 258.4%). The strong momentum and interest in Islamic Banking in the local and international financial industry, coupled with the Bank's investments in domestic network coverage supported the expansion of Islamic income. Net interest income grew because the size of the average loan and financing base increased and net fee income improved from increased corporate finance related fees.

Loan impairment charges and other credit risk provisions remain stable with only a marginal increase of MYR6m or 3.3% for the nine months ended 30 September 2012 compared to the same period last year. The increase was mainly due to higher provisions for net collective loan impairments (up MYR21m) and individual loan impairments (up MYR28m) on the expansion in gross loans, advances and financing. The higher provisions were partly offset by reduced levels of written-off impaired loans and financing (down MYR22m). Operating expenses were relatively unchanged at MYR899m (30 September 2011: MYR900m).

Gross loans, advances and financing at 30 September 2012 increased by MYR2.9bn to MYR43.2bn (31 December 2011: MYR40.3bn). Total assets at 30 September 2012 were MYR77.6bn, MYR2.3bn lower compared with MYR79.9bn at 31 December 2011. The decrease was due mainly to lower deposits and placements from banks and financial institutions (30 September 2012: MYR7.2bn; 31 December 2011: MYR9.9bn).

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Notes to editors:

1. HSBC in Malaysia

HSBC Bank Malaysia Berhad was locally incorporated in 1984 and is a wholly owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited (a member of the HSBC Group). In 2006, HSBC was the first foreign bank to be awarded a Takaful (Islamic insurance) license in Malaysia. HSBC Amanah Takaful (Malaysia) Sdn Bhd, a joint venture between HSBC Insurance (Asia-Pacific) Holdings Limited (49% shareholding), Jerneh Asia Berhad (31% shareholding) and Employees Provident Fund Board of Malaysia (20% shareholding), commenced operations in August 2006. In 2007, HSBC Bank Malaysia Berhad was the first locally incorporated foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia, and HSBC Amanah Malaysia, a fully fledged Islamic bank wholly owned by HSBC Bank Malaysia, commenced operations in August 2008. As at 30 September 2012, HSBC in Malaysia has a network of 64 branches nationwide, of which 22 are Islamic finance branches.

2. The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding and a principal member of the HSBC Group which serves customers worldwide from around 6,900 offices in over 80 countries and territories in Europe, the Asia-Pacific region, North and Latin America, and the Middle East and North Africa. With assets of US\$2,721bn at 30 September 2012, the HSBC Group is one of the world's largest banking and financial services organisations.

Unaudited Condensed Statements of Financial Position at 30 September 2012

Figures in MYR '000s

| | 30 Sep 2012 | Group 31 Dec 2011 Restated | 1 Jan 2011 Restated |
|---------------------------|-------------|----------------------------------|------------------------|
| Assets | | | |
| Cash and short term funds | 11,702,846 | 21,603,227 | 11,815,604 |

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| | | | |
|--|-------------|-------------|------------|
| Securities purchased under resale agreements | 2,682,796 | 3,682,969 | 6,467,863 |
| Deposits and placements with banks and other financial institutions | 5,007,705 | 651,778 | 330,981 |
| Financial Assets Held-for-Trading | 4,491,320 | 6,217,237 | 4,895,060 |
| Financial Investments Available-for-Sale | 6,100,336 | 4,873,818 | 3,400,090 |
| Loans, advances and financing | 42,291,871 | 39,417,305 | 34,293,889 |
| Other assets | 3,369,703 | 1,754,521 | 1,937,341 |
| Statutory deposits with Central Bank | 1,336,660 | 1,096,060 | 221,827 |
| Property and equipment | 341,538 | 354,032 | 318,481 |
| Intangible assets | 52,894 | 53,263 | 60,621 |
| Deferred tax assets | 217,093 | 220,907 | 294,806 |
| Total assets | 77,594,762 | 79,925,117 | 64,036,563 |
| Liabilities | | | |
| Deposits from customers | 59,519,142 | 58,737,097 | 48,492,474 |
| Deposits and placements from banks and other financial institutions | 7,153,163 | 9,908,962 | 6,853,048 |
| Bills and acceptances payable | 433,573 | 521,337 | 429,229 |
| Other liabilities | 3,833,610 | 4,546,590 | 2,247,500 |
| Recourse obligation on loans sold to National Mortgage Corporation | - | - | 374,991 |
| Provision for taxation | 240,955 | 199,566 | 251,677 |
| Subordinated bonds | 1,014,753 | 1,015,200 | 1,003,039 |
| Total liabilities | 72,195,196 | 74,928,752 | 59,651,958 |
| Equity | | | |
| Share capital | 114,500 | 114,500 | 114,500 |
| Reserves | 5,285,066 | 4,581,865 | 4,020,105 |
| Proposed dividend | - | 300,000 | 250,000 |
| Total equity attributable to owner of the Bank | 5,399,566 | 4,996,365 | 4,384,605 |
| Total liabilities and equity | 77,594,762 | 79,925,117 | 64,036,563 |
| Commitments and Contingencies | 134,543,640 | 118,976,559 | 87,355,828 |

Comparative figures for 31 Dec 2011 and 1 Jan 2011 have been restated/reclassified to conform to current year's presentation upon the adoption of the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012

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Unaudited Condensed Statements of Financial Position at 30 September 2012

Figures in MYR '000s

| | 30 Sep 2012 | Bank 31 Dec 2011 Restated | 1 Jan 2011 Restated |
|--|--------------------|---------------------------------|------------------------|
| Assets | | | |
| Cash and short term funds | 10,057,585 | 20,292,272 | 10,658,860 |
| Securities purchased under resale agreements | 2,682,796 | 3,682,969 | 6,467,863 |
| Deposits and placements with banks and other financial institutions | 7,117,398 | 3,687,058 | 1,471,815 |
| Financial Assets Held-for-Trading | 4,230,140 | 6,000,521 | 4,747,054 |
| Financial Investments Available-for-Sale | 5,169,293 | 4,451,732 | 3,069,425 |
| Loans, advances and financing | 33,219,224 | 31,642,441 | 29,483,746 |
| Other assets | 3,360,199 | 1,734,637 | 1,895,128 |
| Statutory deposits with Central Bank | 988,598 | 867,498 | 187,098 |
| Investments in subsidiary companies | 660,021 | 660,021 | 660,021 |
| Property and equipment | 319,648 | 335,106 | 302,056 |
| Intangible assets | 52,778 | 52,802 | 59,122 |
| Deferred tax assets | 179,309 | 191,284 | 262,423 |
| Total assets | 68,036,989 | 73,598,341 | 59,264,611 |
| Liabilities | | | |
| Deposits from customers | 50,773,947 | 53,074,622 | 44,561,936 |
| Deposits and placements from banks and other financial institutions | 7,124,594 | 9,429,554 | 6,261,536 |
| Bills and acceptances payable | 420,648 | 513,737 | 423,698 |
| Other liabilities | 3,453,332 | 4,631,878 | 2,173,082 |
| Recourse obligation on loans sold to National Mortgage Corporation | - | - | 374,991 |
| Provision for taxation | 192,648 | 168,318 | 225,616 |
| Subordinated bonds | 1,014,753 | 1,015,200 | 1,003,039 |
| Total liabilities | 62,979,922 | 68,833,309 | 55,023,898 |
| Equity | | | |
| Share capital | 114,500 | 114,500 | 114,500 |
| Reserves | 4,942,567 | 4,350,532 | 3,876,213 |
| Proposed dividend | - | 300,000 | 250,000 |
| Total equity attributable to owner of the Bank | 5,057,067 | 4,765,032 | 4,240,713 |
| Total liabilities and equity | 68,036,989 | 73,598,341 | 59,264,611 |
| Commitments and Contingencies | 132,874,163 | 116,742,039 | 85,680,212 |

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Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income

| Figures in MYR'000s | 3rd quarter ended | | Year-To-Date ended | |
|--|-------------------|--------------------------|--------------------|--------------------------|
| | 30 Sept 2012 | 30 Sept 2011 Restated | 30 Sept 2012 | 30 Sept 2011 Restated |
| Revenue | 1,057,405 | 1,010,318 | 3,161,098 | 2,920,331 |
| Interest income | 555,191 | 556,800 | 1,694,313 | 1,632,245 |
| Interest expense | (242,045) | (268,781) | (736,740) | (755,000) |
| Net interest income | 313,146 | 288,019 | 957,573 | 877,245 |
| Fee and commission income | 124,968 | 123,230 | 387,278 | 370,953 |
| Fee and commission expense | (9,092) | (3,041) | (22,113) | (15,075) |
| Net fee and commission income | 115,876 | 120,189 | 365,165 | 355,878 |
| Net trading income | 167,485 | 188,235 | 490,409 | 514,907 |
| Income from Islamic Banking | 152,489 | 110,966 | 425,269 | 311,952 |
| Other operating income | 11,130 | 4,707 | 28,467 | 20,075 |
| Operating income before impairment losses | 760,126 | 712,116 | 2,266,883 | 2,080,057 |
| Loan / financing impairment charges and other credit risk provisions | (63,078) | (36,732) | (175,066) | (169,517) |
| Impairment losses on intangible assets | - | - | - | (4,900) |
| Net operating income | 697,048 | 675,384 | 2,091,817 | 1,905,640 |
| Other operating expenses | (278,986) | (295,524) | (899,113) | (900,282) |
| Profit before income tax expense | 418,062 | 379,860 | 1,192,704 | 1,005,358 |
| Income tax expense | (97,068) | (104,878) | (293,070) | (262,893) |
| Profit for the period | 320,994 | 274,982 | 899,634 | 742,465 |
| Other comprehensive income | | | | |
| Cash flow hedge | | | | |
| Effective portion of changes in fair value | (129) | 862 | (257) | 907 |
| Net amount transferred to profit and loss | (104) | - | (300) | - |
| Fair value reserve | | | | |
| Change in fair value | (6,731) | 4,399 | 530 | 2,702 |
| Amount transferred to profit or loss | - | (20) | - | (1,431) |
| Income tax relating to components of other comprehensive income | 1,750 | (1,321) | 16 | (544) |
| Other comprehensive income for the period, net of income tax | (5,214) | 3,920 | (11) | 1,634 |

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|--|-----------|-----------|-----------|-----------|
| Total comprehensive income for the period | 315,780 | 278,902 | 899,623 | 744,099 |
| Profit attributable to owner of the Bank | 320,994 | 274,982 | 899,634 | 742,465 |
| Total comprehensive income attributable to owner of the Bank | 315,780 | 278,902 | 899,623 | 744,099 |
| Basic earnings per MYR0.50 ordinary share | 140.2 sen | 120.1 sen | 392.9 sen | 324.2 sen |
| Dividends per MYR0.50 ordinary share (net) | | | | |
| - final dividend paid in respect of prior year | - | - | 131.0 sen | 109.2 sen |
| - interim dividend paid | 87.3 sen | 87.3 sen | 87.3 sen | 87.3 sen |

Comparative figures for 30 Sept 2011 have been restated/reclassified to conform to current year's presentation upon the adoption of the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012.

Unaudited Condensed Statements of Profit or Loss and Other Comprehensive Income

| Figures in MYR'000s | Bank | | | |
|--|-------------------|--------------|--------------------|--------------|
| | 3rd quarter ended | | Year-To-Date ended | |
| | 2012 | 30 Sept 2011 | 30 Sept 2012 | 30 Sept 2011 |
| Revenue | 901,201 | 909,262 | 2,728,740 | 2,645,725 |
| Interest income | 572,456 | 570,383 | 1,742,183 | 1,667,447 |
| Interest expense | (242,045) | (268,781) | (736,740) | (755,000) |
| Net interest income | 330,411 | 301,602 | 1,005,443 | 912,447 |
| Fee and commission income | 124,968 | 123,230 | 387,278 | 370,953 |
| Fee and commission expense | (9,092) | (3,041) | (22,113) | (15,075) |
| Net fee and commission income | 115,876 | 120,189 | 365,165 | 355,878 |
| Net trading income | 165,078 | 188,235 | 489,985 | 514,907 |
| Other operating income | 38,699 | 27,414 | 109,294 | 92,418 |
| Operating income before impairment losses | 650,064 | 637,440 | 1,969,887 | 1,875,650 |
| Loan / financing impairment charges and other credit risk provisions | (30,433) | (4,888) | (80,956) | (93,445) |
| Impairment losses on intangible assets | - | - | - | (4,900) |
| Net operating income | 619,631 | 632,552 | 1,888,931 | 1,777,305 |
| Other operating expenses | (252,918) | (276,823) | (827,492) | (854,312) |
| Profit before income tax expense | 366,713 | 355,729 | 1,061,439 | 922,993 |

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| | | | | |
|---|-----------|-----------|-----------|-----------|
| Income tax expense | (89,156) | (99,194) | (267,433) | (246,065) |
| Profit for the period | 277,557 | 256,535 | 794,006 | 676,928 |
| Other comprehensive income | | | | |
| Cash flow hedge | | | | |
| Effective portion of changes in fair value | (129) | 862 | (257) | 907 |
| Net amount transferred to profit and loss | (104) | - | (300) | - |
| Fair value reserve | | | | |
| Change in fair value | (5,981) | 3,997 | 795 | 2,486 |
| Amount transferred to profit or loss | - | (20) | - | (1,431) |
| Income tax relating to components of other comprehensive income | | | | |
| | 1,554 | (1,221) | (59) | (490) |
| Other comprehensive income for the period, net of income tax | (4,660) | 3,618 | 179 | 1,472 |
| Total comprehensive income for the period | 272,897 | 260,153 | 794,185 | 678,400 |
| Profit attributable to owner of the Bank | 277,557 | 256,535 | 794,006 | 676,928 |
| Total comprehensive income attributable to owner of the Bank | 272,897 | 260,153 | 794,185 | 678,400 |
| Basic earnings per MYR0.50 ordinary share | 121.2 sen | 112.0 sen | 346.7 sen | 295.6 sen |
| Dividends per MYR0.50 ordinary share (net) | | | | |
| - final dividend paid in respect of prior year | - | - | 131.0 sen | 109.2 sen |
| - interim dividend paid | 87.3 sen | 87.3 sen | 87.3 sen | 87.3 sen |
| | ends/all | | | |

Comparative figures for 30 Sept 2011 have been restated/reclassified to conform to current year's presentation upon the adoption of the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HSBC Holdings plc

By:

Name: P A Stafford

Title: Assistant Group Secretary

Date: 12 December 2012