

Consolidated Balance Sheet at 31 December 2014

	2014 US\$m	2013 US\$m
Assets		
Cash and balances at central banks	129,957	166,599
Items in the course of collection from other banks	4,927	6,021
Hong Kong Government certificates of indebtedness	27,674	25,220
Trading assets	304,193	303,192
Financial assets designated at fair value	29,037	38,430
Derivatives	345,008	282,265
Loans and advances to banks	112,149	120,046
Loans and advances to customers	974,660	992,089
Reverse repurchase agreements - non-trading	161,713	179,690
Financial investments	415,467	425,925
Prepayments, accrued income and other assets	75,176	76,842
Current tax assets	1,309	985
Interests in associates and joint ventures	18,181	16,640
Goodwill and intangible assets	27,577	29,918
Deferred tax assets	7,111	7,456
Total assets at 31 December	2,634,139	2,671,318
Liabilities and Equity		
Liabilities		
Hong Kong currency notes in circulation	27,674	25,220
Deposits by banks	77,426	86,507
Customer accounts	1,350,642	1,361,297
Repurchase agreements - non-trading	107,432	164,220
Items in the course of transmission to other banks	5,990	6,910
Trading liabilities	190,572	207,025
Financial liabilities designated at fair value	76,153	89,084
Derivatives	340,669	274,284
Debt securities in issue	95,947	104,080
Accruals, deferred income and other liabilities	53,396	52,341
Current tax liabilities	1,213	607
Liabilities under insurance contracts	73,861	74,181
Provisions	4,998	5,217
Deferred tax liabilities	1,524	910
Subordinated liabilities	26,664	28,976
Total liabilities at 31 December	2,434,161	2,480,859
Equity		
Called up share capital	9,609	9,415
Share premium account	11,918	11,135
Other equity instruments	11,532	5,851
Other reserves	20,244	26,742
Retained earnings	137,144	128,728
Total shareholders' equity	190,447	181,871
Non-controlling interests	9,531	8,588
Total equity at 31 December	199,978	190,459
Total liabilities and equity at 31 December	2,634,139	2,671,318

Consolidated Income Statement for the year ended 31 December 2014

	2014 US\$m	2013 US\$m
Interest income	50,955	51,192
Interest expense	(16,250)	(15,653)
Net interest income	34,705	35,539
Fee income	19,545	19,973
Fee expense	(3,588)	(3,539)
Net fee income	15,957	16,434
Trading income excluding net interest income	4,853	6,643
Net interest income on trading activities	1,907	2,047
Net trading income	6,760	8,690
Changes in fair value of long-term debt issued and related derivatives	508	(1,228)
Net income from other financial instruments designated at fair value	1,965	1,996
Net income/(expense) from financial instruments designated at fair value	2,473	768
Gains less losses from financial investments	1,335	2,012
Dividend income	311	322
Net insurance premium income	11,921	11,940
Other operating income	1,131	2,632
Total operating income	74,593	78,337
Net insurance claims and benefits paid and movement in liabilities to policyholders	(13,345)	(13,692)
Net operating income before loan impairment charges and other credit risk provisions	61,248	64,645
Loan impairment charges and other credit risk provisions	(3,851)	(5,849)
Net operating income	57,397	58,796
Employee compensation and benefits	(20,366)	(19,196)
General and administrative expenses	(18,565)	(17,065)
Depreciation and impairment of property, plant and equipment	(1,362)	(1,364)
Amortisation and impairment of intangible assets	(936)	(931)
Total operating expenses	(41,249)	(38,556)
Operating profit	16,148	20,240
Share of profit in associates and joint ventures	2,532	2,325
Profit before tax	18,680	22,565
Tax expense	(3,975)	(4,765)
Profit for the year	14,705	17,800
Profit attributable to shareholders of the parent company	13,688	16,204
Profit attributable to non-controlling interests	1,017	1,596
	US\$	US\$
Basic earnings per ordinary share	0.69	0.84
Diluted earnings per ordinary share	0.69	0.84

Consolidated Statement of Comprehensive Income for the year ended 31 December 2014

	2014 US\$m	2013 US\$m
Profit for the year	14,705	17,800
Other comprehensive income/(expense)		
Items that will be reclassified subsequently to profit or loss when specific conditions are met :		
Available-for-sale investments	2,972	(1,718)
- fair value gains (losses)	4,794	(1,787)
- fair value gains reclassified to the income statement	(1,672)	(1,277)
- amounts reclassified to the income statement in respect of impairment losses	374	286
- income taxes	(524)	1,060
Cash flow hedges	188	(128)
- fair value gains	1,512	776
- fair value gains reclassified to the income statement	(1,244)	(894)
- income taxes	(80)	(10)
Share of other comprehensive income/(expense) of associates and joint ventures	80	(71)
- share for the year	78	(35)
- reclassified to income statement on disposal	2	(36)
Exchange differences	(8,903)	(1,372)
- foreign exchange gains reclassified to income statement on disposal of a foreign operation	(21)	(290)
- other exchange differences	(8,917)	(1,154)
- income tax attributable to exchange differences	35	72
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit asset/liability	1,985	(458)
- before income taxes	2,419	(601)
- income taxes	(434)	143
Other comprehensive income/(expense) for the year, net of tax	(3,678)	(3,747)
Total comprehensive income for the year	11,027	14,053
Attributable to:		
- shareholders of the parent company	9,245	12,644
- non-controlling interests	1,782	1,409
Total comprehensive income for the year	11,027	14,053

Consolidated Statement of Changes in Equity for the year ended 31 December 2014

	Called up share capital US\$m	Share premium US\$m	Other equity instruments US\$m	Retained earnings US\$m	Other reserves				Total shareholders equity US\$m	Non- controlling interests US\$m	Total equity US\$m
					Available- for-sale fair value reserve US\$m	Cash flow hedging reserve US\$m	Foreign exchange reserve US\$m	Merger reserve US\$m			
At 1 January 2014	9,415	11,135	5,851	128,728	97	(121)	(542)	27,308	181,871	8,588	190,459
Profit for the year	-	-	-	13,688	-	-	-	-	13,688	1,017	14,705
Other comprehensive income (net of tax)	-	-	-	2,066	2,025	189	(8,723)	-	(4,443)	765	(3,678)
- available-for-sale investments	-	-	-	-	2,025	-	-	-	2,025	947	2,972
- cash flow hedges	-	-	-	-	-	189	-	-	189	(1)	188
- remeasurement of defined benefit asset/liability	-	-	-	1,986	-	-	-	-	1,986	(1)	1,985
- share of other comprehensive income of associates and joint ventures	-	-	-	80	-	-	-	-	80	-	80
- exchange differences	-	-	-	-	-	-	(8,723)	-	(8,723)	(180)	(8,903)
Total comprehensive income for the year	-	-	-	15,754	2,025	189	(8,723)	-	9,245	1,782	11,027
Shares issued under employee remuneration and share plans	60	917	-	(710)	-	-	-	-	267	-	267
Shares issued in lieu of dividends and amounts arising thereon	134	(134)	-	2,709	-	-	-	-	2,709	-	2,709
Capital securities issued	-	-	5,681	-	-	-	-	-	5,681	-	5,681
Dividends to shareholders	-	-	-	(9,893)	-	-	-	-	(9,893)	(712)	(10,605)
Cost of share-based payment arrangements	-	-	-	732	-	-	-	-	732	-	732
Other movements	-	-	-	(176)	21	(10)	-	-	(165)	(127)	(292)
At 31 December 2014	9,609	11,918	11,532	137,144	2,143	58	(9,265)	27,308	190,447	9,531	199,978

	Called up share capital US\$m	Share premium US\$m	Other equity instruments US\$m	Retained earnings US\$m	Other reserves				Total shareholders equity US\$m	Non- controlling interests US\$m	Total equity US\$m
					Available- for-sale fair value reserve US\$m	Cash flow hedging reserve US\$m	Foreign exchange reserve US\$m	Merger reserve US\$m			
At 1 January 2013	9,238	10,084	5,851	120,347	1,649	13	752	27,308	175,242	7,887	183,129
Profit for the year	-	-	-	16,204	-	-	-	-	16,204	1,596	17,800
Other comprehensive income (net of tax)	-	-	-	(561)	(1,577)	(128)	(1,294)	-	(3,560)	(187)	(3,747)
- available-for-sale investments	-	-	-	-	(1,577)	-	-	-	(1,577)	(141)	(1,718)
- cash flow hedges	-	-	-	-	-	(128)	-	-	(128)	-	(128)
- remeasurement of defined benefit asset/liability	-	-	-	(490)	-	-	-	-	(490)	32	(458)
- share of other comprehensive income of associates and joint ventures	-	-	-	(71)	-	-	-	-	(71)	-	(71)
- exchange differences	-	-	-	-	-	-	(1,294)	-	(1,294)	(78)	(1,372)
Total comprehensive income for the year	-	-	-	15,643	(1,577)	(128)	(1,294)	-	12,644	1,409	14,053
Shares issued under employee remuneration and share plans	60	1,168	-	(931)	-	-	-	-	297	-	297
Shares issued in lieu of dividends and amount arising thereon	117	(117)	-	2,523	-	-	-	-	2,523	-	2,523
Dividends to shareholders	-	-	-	(9,510)	-	-	-	-	(9,510)	(718)	(10,228)
Cost of share-based payment arrangements	-	-	-	630	-	-	-	-	630	-	630
Other movements	-	-	-	26	25	(6)	-	-	45	10	55
At 31 December 2013	9,415	11,135	5,851	128,728	97	(121)	(542)	27,308	181,871	8,588	190,459

Consolidated Statement of Cash Flows for the year ended 31 December 2014

	2014 US\$m	2013 US\$m
Cash flow from operating activities		
Profit before tax	18,680	22,565
Adjustment for :		
- net gain from investing activities	(1,928)	(1,458)
- share of profits in associates and joint ventures	(2,532)	(2,325)
- (gain)/loss on disposal of associates, joint ventures, subsidiaries and business	9	(1,173)
- other non-cash items included in profit before tax	11,262	11,995
- change in operating assets	25,877	(148,899)
- change in operating liabilities	(93,814)	164,757
- elimination of exchange differences	24,571	4,479
- dividends received from associates	757	694
- contributions paid to defined benefit plans	(681)	(962)
- tax paid	(3,573)	(4,696)
Net cash generated from/(used in) operating activities	(21,372)	44,977
Cash flow from investing activities		
Purchase of financial investments	(384,199)	(363,979)
Proceeds from the sale and maturity of financial investments	382,837	342,539
Purchase of property, plant and equipment	(1,477)	(1,952)
Proceeds from the sale of property, plant and equipment	88	441
Net cash inflow/(outflow) from disposal of customer and loan portfolios	(1,035)	6,518
Net purchase of intangible assets	(903)	(834)
Proceeds from disposal of Ping An	-	7,413
Net cash inflow/(outflow) from disposal of other subsidiaries businesses, associates and joint ventures	(242)	3,295
Net cash outflow from acquisition of or increase in stake of associates	(30)	(26)
Net cash (used in)/generated from investing activities	(4,961)	(6,585)
Cash flow from financing activities		
Issued of ordinary share capital	267	297
Net sales/(purchase) of own shares for market-making and investment purposes	(96)	(32)
Issue of other equity instruments	5,681	-
Redemption of preference shares	(234)	-
Subordinated loan capital issued	3,500	1,989
Subordinated loan capital repaid	(3,163)	(1,662)
Dividends paid to shareholders of parent company	(6,811)	(6,414)
Dividends paid to non-controlling interests	(639)	(586)
Dividends paid to holders of other equity instruments	(573)	(573)
Net cash used in financing activities	(1,868)	(6,981)
Net increase/(decrease) in cash and cash equivalents	(28,201)	31,411
Cash and cash equivalents at 1 January	346,281	315,308
Exchange differences in respect of cash and cash equivalents	(16,779)	(438)
Cash and cash equivalents at 31 December	301,301	346,281

Contingent Liabilities, Contractual Commitments and Guarantees at 31 December 2014

	2014 US\$m	2013 US\$m
Guarantees and contingent liabilities		
Guarantees	86,385	84,554
Other contingent liabilities	346	182
At 31 December	86,731	84,736
Commitments		
Documentary credits and short-term trade-related transactions	12,082	12,154
Forward asset purchases and forward deposits placed	823	1,005
Undrawn formal standby facilities, credit lines and other commitments to lend	638,475	574,444
At 31 December	651,380	587,603

Catatan:

Untuk memenuhi ketentuan dalam Peraturan Bank Indonesia No. 3/22/PBI/2001 tanggal 13 Desember 2001 tentang "Transparansi Kondisi Keuangan Bank", sebagaimana telah diubah terakhir dengan Peraturan Bank Indonesia No. 14/14/PBI/2012 tentang "Transparansi dan Publikasi Laporan Bank", terkait dengan publikasi laporan keuangan perusahaan induk, maka di atas adalah informasi keuangan konsolidasian HSBC Holdings plc yang merupakan pemilik 98,94% saham PT Bank Ekonomi Raharja Tbk pada tanggal 31 Desember 2014.

Informasi keuangan disajikan berdasarkan HSBC Holdings plc Annual Report and Accounts 2014 yang telah disetujui oleh Direksi HSBC Holdings plc di London pada tanggal 23 Februari 2015.

Informasi keuangan konsolidasian di atas ini merupakan bagian dari publikasi Laporan Keuangan PT Bank Ekonomi Raharja Tbk per 31 Desember 2014 (diaudit) dan 2013 (diaudit) yang dipublikasikan melalui surat kabar harian Media Indonesia dan Investor Daily pada tanggal 27 Februari 2015.

Jakarta, 27 Februari 2015
PT. Bank Ekonomi Raharja Tbk

Antony Colin Turner
Direktur Utama

Hanna Tantani
Direktur

London, 23 February 2015</