

Press Release

Embargoed for publishing on March 12th 2011

The International Excellence in Retail Financial Services Awards 2011

HSBC Wins Best Retail Bank Award in Brunei

- *HSBC Brunei is the sole winner in Asia for Best Retail Bank in Brunei.*
- *In a challenging economic market, HSBC Brunei adopted an all-rounded theme of improving its retail banking on various fronts. It increased resources and provided a “one-stop solution” for mortgages.*
- *Over 170 banks and financial institutions from 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa were evaluated as part of the International Excellence in Retail Financial Services programme.*

Singapore, March 11th 2011—HSBC has been named the winner of the Best Retail Bank in Brunei at the 10th International Excellence in Retail Financial Services Awards Programme. The bank received the award at The International Excellence in Retail Financial Services 2011 Awards ceremony, held in conjunction with the region’s most prestigious retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held at the Shangri La Hotel in Kuala Lumpur on March 11th 2011.

About 150 senior bankers from award-winning banks in 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa attended the glittering event that recognises their efforts in bringing superior products and services to their customers.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind.

A stringent three-month evaluation process based on a balanced and transparent scorecard used to determine the winners and the positions of various retail banks in the region is attached.

HSBC is the winner for Best Retail Bank in Brunei.

Private retail banks in Brunei went through a tough year as they had to deal with a completely different business environment after the Central Bank changed a regulation regarding credit cards. Under the new regulation, credit cards have to be backed by a payroll account, which in practice are largely managed by the country’s Islamic Banks. This was a blow to the private banks, as the credit card business was their main source of income. HSBC Brunei was best able to deal with the new operating environment as its business was more diversified than that of their peers. HSBC registered an impressive year-on-year growth of over 7% in retail deposits. It also managed to record impressive increases in attracting customers to its upmarket products “HSBC Premier” and “HSBC Advance”.

In a challenging economic market, HSBC Brunei adopted an all-rounded theme of improving its retail banking on various fronts. It increased resources and provided a “one-stop solution” for mortgages.

In its attempt to diversify its portfolio, mortgages were a critical success factor—it managed to increase its market share by 3% in the first half of 2010. SME Banking was another key area that registered impressive growth for the bank.

Innovation also played a key role in enabling the bank to outperform its competitors. It extended its reach by developing new applications catering for specific platforms such as the iPhone. This saw it gain popularity among the increasingly tech-savvy Brunei population. Process-enhancement was also important for the bank in 2010, as it revamped its business model and sought opportunities for outsourcing management of its self-service terminals.

Chris Kapfer, head of Asian Banker Research, says: “By leveraging on the support of its global network, HSBC Brunei has been able to enrich the lives of its customers in Brunei through the offering of superior products at reasonable prices. At the same time, improvements to back-end operations were paramount in ensuring that an excellent retail banking platform was available to all customers.”

Over 170 banks in 29 countries across Asia, and this year for the first time Africa, were evaluated as part of The International Excellence in Retail Financial Services Programme.

“This year over 170 banks and financial institutions in 29 countries across Asia were evaluated as part of The Excellence in Retail Financial Services Programme in what has become the most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst retail financial institutions anywhere in the world today” said Philippe Paillart, chairman of The International Excellence in Retail Financial Services Programme. He added: “It is amazing to see the rapid development of the retail financial services industry every year, and to experience the narrowing gap between mature and emerging market banks in terms of operational efficiency and technology.”

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate the strength of individual banks’ retail banking businesses that involve extensive research and probing interviews, and taps the combined experience of a team of experienced researchers.

Paillart, formerly vice chairman and CEO of DBS Bank and a pioneer in the retail banking industry in the Asia Pacific region, elaborated: “The Asian Banker Excellence Programme was instituted in 2001 on the premise that an outstanding player in the retail financial services industry should build business franchises that are sustainable, competitive and profitable over a period of time. To stay abreast of the rapidly growing geographic scope of the programme, The Asian Banker has renamed the awards ‘The International Retail Financial Services Awards’ in 2011.”

About The Asian Banker

The Asian Banker is the region's most authoritative provider of strategic business intelligence to the financial services community. The Singapore-based company has offices in Singapore, Malaysia, Hong Kong and Shanghai as well as representatives in London, New York and San Francisco. It has a business model that revolves around three core business lines: publications, research services and forums. The company's website is www.theasianbanker.com

For more information please contact:

Mr Thomas Zink

Tel: (+65) 6236 6535

tzink@theasianbanker.com

-Ends-