

News Release

15 June 2017

HSBC makes major investment in Malaysia

US\$250 million investment to construct HSBC Malaysia's future headquarter office in TRX underscores HSBC's commitment to develop Malaysia as a financial hub in the ASEAN region

HSBC and TRX City signed a sale-and-purchase agreement for the development of HSBC Malaysia's future Headquarters at the upcoming international financial district Tun Razak Exchange (TRX), marking the first phase of the land acquisition. The US\$250 million investment for the future HSBC Malaysia TRX headquarters with a minimum office space of 568,000 square feet, makes HSBC the first foreign bank to invest in the TRX development.

A strategic enabler of the Malaysian government's Economic Transformation Programme (ETP), TRX will further strengthen Kuala Lumpur's role as the country's financial capital, by the creation of a seamless and central business environment for financial services firms, multinational companies (MNCs) and supporting ancillary businesses.

This investment will be fundamental to developing Malaysia as a financial centre in the ASEAN region, and HSBC is very excited to be part of this iconic development.

"HSBC has enjoyed more than 130 years of remarkable business success in Malaysia. Malaysia is a priority market for the HSBC Group globally and this investment further cements our growth plans in Malaysia. The collaboration between HSBC and TRX demonstrates our commitment to our employees, the community and our business in Malaysia. Significantly, it also reinforces the important role Malaysia plays in HSBC's ASEAN strategy," commented HSBC Malaysia CEO, Mukhtar Hussain.

Mukhtar added, "TRX is ideally located in the heart of Malaysia's capital and will be crucial to enhancing Malaysia's status as an international financial and business centre. We envisage that many multinational and local companies will be attracted to this area. The strategic decision to invest in the TRX is both a milestone for HSBC and a significant investment, reinforcing our plans to expand our franchise here and to the future of Malaysia. With our strong positioning in the country as the leading foreign bank and unparalleled international network, HSBC is ideally positioned to boost TRX's success. I strongly believe that our collaboration will result in successfully developing the country's financial centre".

"This is a significant milestone for TRX, as we move to realize our vision in becoming Malaysia's international financial center. We are happy to have a leading financial services institution like HSBC as our partner, as this will solidify our role in strengthening Kuala Lumpur's position as a leading centre for international finance and business," said CEO TRX City Sdn Bhd Dato' Azmar Talib.

"To date, around 70 percent of the plots available in TRX have been commercialized, and TRX City continues to receive significant interest from various local and international investors and tenants, including several of the world's major banks and financial institutions."

This news release is issued by

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TRX has also signed global property and infrastructure group Lendlease to jointly develop the Lifestyle Quarter; Indonesia's leading property developer Mulia Group to develop the Signature Tower plot; Affin Bank Berhad for an office tower; Lembaga Tabung Haji for a residential plot, and global leader in water management Veolia Water Technologies as the water treatment and recycling concessionaire.

As the most seamlessly connected district in the city, TRX will feature an integrated MRT interchange station. This is further supported by direct links to major roads such as Jalan Tun Razak, the MEX highway and the SMART Tunnel.

TRX will also improve connectivity beyond its boundaries. It is currently working with DBKL on the Jalan Tun Razak traffic dispersal project and on building pedestrian-friendly walkways that will connect to the Bukit Bintang shopping belt to TRX.

The world-class financial district will provide best-in-class infrastructure, including international standard safety and security management, an on-site wastewater recycling plant that will halve demand for potable water and highly resilient national grid level electricity network that will service the city beyond TRX's border. TRX currently holds provisional neighbourhood LEED ND Gold and GBI Township Platinum green certifications, the first district in Malaysia to qualify.

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About 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 company under the HSBC Group). In 2007, HSBC Bank Malaysia was the first locally incorporated foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia, and HSBC Amanah Malaysia Berhad, a full-fledged Islamic bank wholly owned by HSBC Bank Malaysia, commenced operations in August 2008. HSBC in Malaysia has a network of 68 branches nationwide, of which 26 are HSBC Amanah Malaysia Berhad branches. HSBC Amanah Malaysia Berhad also has offsite ATMs established in 25 locations nationwide. 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.

About Tun Razak Exchange

Tun Razak Exchange ("TRX"), Malaysia's dedicated international financial district, is a strategic enabler supporting the Government's Economic Transformation Programme (ETP) and a catalyst for urban regeneration in Kuala Lumpur. TRX will further develop the city's role as a financial capital by creating a seamless business environment for financial services firms, multinational companies and supporting ancillary businesses. TRX will encompass investment grade A office space, world-class residential, hospitality, retail, and cultural offerings. Its master developer, TRX City Sdn Bhd, is wholly owned by the Ministry of Finance Malaysia. For more information, please go to www.trx.my