

HSBC HOLDINGS PLC
Form 6-K
March 27, 2014

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 March
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-.....).

Profit/(loss) for the year (continued)

	Europe	Hong Kong	Rest of Asia-Pacific	MENA	North America	Latin America	Intra- HSBC items	Total
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	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
2012								
Net interest income				1,470				
.....	10,394	5,316	5,391		8,117	6,984	-	37,672
Net fee income				595				
.....	6,169	3,335	2,083		2,513	1,735	-	16,430
Net trading income				390				
.....	2,707	1,463	1,053		507	971	-	7,091
Gains on disposal of US branch network, US cards business and Ping An			3,012	-	4,012	-	-	7,024
Other income/(expense)				(25)	(456)	1,261	(3,358)	113
.....	(1,662)	2,308	2,045					
Net operating income ¹				2,430	14,693	10,951	(3,358)	68,330
.....	17,608	12,422	13,584					
Loan impairment charges and other credit risk provisions			(436)	(286)	(3,457)	(2,137)	-	(8,311)
.....	(1,921)	(74)						
Net operating income			13,148	2,144				
.....	15,687	12,348			11,236	8,814	(3,358)	60,019
Employee compensation and benefits			(3,140)	(652)	(3,243)	(2,814)	-	(20,491)
.....	(8,070)	(2,572)						
General and administrative expenses			(2,433)	(459)	(5,413)	(3,117)	3,358	(19,983)
.....	(10,059)	(1,860)						
Depreciation and impairment of property, plant and equipment			(191)	(44)	(195)	(221)	-	(1,484)
.....	(597)	(236)						
Amortisation and impairment of intangible assets			(42)	(11)	(89)	(278)	-	(969)
.....	(369)	(180)						
Total operating expenses			(5,806)	(1,166)				
.....	(19,095)	(4,848)			(8,940)	(6,430)	3,358	(42,927)
Operating profit/(loss)			7,342	978				
.....	(3,408)	7,500			2,296	2,384	-	17,092
Share of profit/(loss) in associates and joint ventures		82	3,106	372	3	-	-	3,557
.....	(6)							
Profit/(loss) before tax			10,448	1,350				
.....	(3,414)	7,582			2,299	2,384	-	20,649
Tax expense			(1,616)	(254)				
.....	(173)	(1,095)			(1,313)	(864)	-	(5,315)

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	Europe	Hong Kong	Rest of Asia-Pacific	MENA	North America	Latin America	Intra-HSBC items	Total
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Profit/(loss) for the year				1,096				
.....	(3,587)	6,487	8,832		986	1,520	-	15,334
2011								
Net interest income				1,432				
.....	11,001	4,691	5,102		11,480	6,956	-	40,662
Net fee income				627				
.....	6,236	3,097	2,111		3,308	1,781	-	17,160
Net trading income/(expense)				482				
.....	2,161	1,189	1,658		(362)	1,378	-	6,506
Other income				66				
.....	4,848	1,705	1,842		1,574	1,338	(3,421)	7,952
Net operating income ¹				2,607				
.....	24,246	10,682	10,713		16,000	11,453	(3,421)	72,280
Loan impairment charges and other credit risk provisions				(293)				
.....	(2,512)	(156)	(267)		(7,016)	(1,883)	-	(12,127)
Net operating income				2,314				
.....	21,734	10,526	10,446		8,984	9,570	(3,421)	60,153
Employee compensation and benefits				(659)				
.....	(7,621)	(2,610)	(3,179)		(3,928)	(3,169)	-	(21,166)
General and administrative expenses				(458)				
.....	(8,473)	(1,724)	(2,378)		(4,404)	(3,443)	3,421	(17,459)
Depreciation and impairment of property, plant and equipment				(36)				
.....	(581)	(245)	(198)		(261)	(249)	-	(1,570)
Amortisation and impairment of intangible assets				(6)				
.....	(394)	(179)	(51)		(326)	(394)	-	(1,350)
Total operating expenses				(1,159)				
.....	(17,069)	(4,758)	(5,806)		(8,919)	(7,255)	3,421	(41,545)
Operating profit				1,155				
.....	4,665	5,768	4,640		65	2,315	-	18,608
Share of profit in associates and joint ventures				337				
.....	6	55	2,831		35	-	-	3,264
Profit before tax				1,492				
.....	4,671	5,823	7,471		100	2,315	-	21,872

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Tax income/(expense)				(266)				
.....	(1,589)	(1,043)	(1,315)		958	(673)	-	(3,928)
Profit for the year				1,226				
.....	3,082	4,780	6,156		1,058	1,642	-	17,944

1 Net operating income before loan impairment charges and other credit risk provisions, also referred to as revenue.

Other information about the profit/(loss) for the year

	Europe US\$m	Hong Kong US\$m	Rest of Asia- Pacific US\$m	MENA US\$m	North America US\$m	Latin America US\$m	Intra- HSBC items US\$m	Total US\$m
2013								
Net operating income ¹	20,967	13,203	11,978	2,503	8,803	10,568	(3,377)	64,645
External	20,108	12,031	10,822	2,497	8,569	10,618	-	64,645
Inter-segment	859	1,172	1,156	6	234	(50)	(3,377)	-
Profit for the year includes the following significant non-cash items:								
Depreciation, amortisation and impairment	957	402	208	48	303	412	-	2,330
Loan impairment losses gross of recoveries and other credit risk provisions	2,165	172	493	45	1,321	2,949	-	7,145
Impairment of financial investments	(61)	-	4	-	15	6	-	(36)
Changes in fair value of long-term debt and related derivatives	(936)	-	(1)	(3)	(288)	-	-	(1,228)
Restructuring costs	211	5	74	3	100	42	-	435
2012	17,608	12,422	13,584	2,430	14,693	10,951	(3,358)	68,330

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Net operating income 1									
External	16,405	11,307	12,586	2,455	14,566	11,011	-	68,330	
Inter-segment	1,203	1,115	998	(25)	127	(60)	(3,358)	-	
Profit for the year includes the following significant non-cash items:									
Depreciation, amortisation and impairment	966	416	233	55	363	499	-	2,532	
Loan impairment losses gross of recoveries and other credit risk provisions	2,329	105	586	361	3,587	2,489	-	9,457	
Impairment of financial investments	420	(21)	83	1	32	4	-	519	
Changes in fair value of long-term debt and related derivatives	(3,091)	-	(4)	(13)	(1,219)	-	-	(4,327)	
Restructuring costs	292	21	107	27	219	94	-	760	
2011									
Net operating income 1	24,246	10,682	10,713	2,607	16,000	11,453	(3,421)	72,280	
External	23,188	9,598	9,663	2,609	15,760	11,462	-	72,280	
Inter-segment	1,058	1,084	1,050	(2)	240	(9)	(3,421)	-	
Profit for the year includes the following significant non-cash items:									
Depreciation, amortisation and impairment	975	424	249	42	802	643	-	3,135	
Loan impairment losses gross	3,085	202	453	395	7,147	2,271	-	13,553	

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of recoveries and other credit risk provisions								
.....								
Impairment of financial investments	705	55	25	13	9	1	-	808
.....								
Changes in fair value of long-term debt and related derivatives	3,180	-	4	10	967	-	-	4,161
.....								
Restructuring costs	357	47	34	27	73	259	-	797
.....								

1 Net operating income before loan impairment charges and other credit risk provisions, also referred to as revenue.

Balance sheet information

	Europe US\$m	Hong Kong US\$m	Rest of Asia- Pacific US\$m	MENA US\$m	North America US\$m	Latin America US\$m	Intra- HSBC items US\$m	Total US\$m
At 31 December 2013								
Loans and advances to customers (net)	504,200	195,547	147,797	27,211	161,629	43,920	-	1,080,304
.....								
Interests in associates and joint ventures	169	275	13,547	2,575	74	-	-	16,640
.....								
Total assets	1,392,959	555,413	335,937	60,810	432,035	113,999	(219,835)	2,671,318
.....								
Customer accounts	644,816	365,993	182,626	38,683	196,495	54,199	-	1,482,812
.....								
Total liabilities	1,326,537	523,579	306,918	50,706	393,635	99,319	(219,835)	2,480,859
.....								
Capital expenditure incurred ¹	907	1,124	112	32	265	385	-	2,825
.....								
At 31 December 2012								
Loans and advances to customers (net)	463,440	173,613	138,119	28,086	140,756	53,609	-	997,623
.....								
	178	224	15,085	2,262	85	-	-	17,834

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Interests in associates and joint ventures									
.....									
Total assets									
.....	1,389,240	518,334	342,269	62,605	490,247	131,277	(241,434)	2,692,538	
Customer accounts									
.....	555,009	346,208	183,621	39,583	149,037	66,556	-	1,340,014	
Total liabilities									
.....	1,327,487	496,640	308,815	53,498	450,480	113,923	(241,434)	2,509,409	
Capital expenditure incurred ¹	925	336	208	102	248	458	-	2,277	
At 31 December 2011									
Loans and advances to customers (net)									
.....	434,336	157,665	123,868	25,875	142,747	55,938	-	940,429	
Interests in associates and joint ventures									
.....	150	196	17,916	2,036	101	-	-	20,399	
Total assets									
.....	1,281,945	473,024	317,816	57,464	504,302	144,889	(223,861)	2,555,579	
Customer accounts									
.....	493,404	315,345	174,012	36,422	155,982	78,760	-	1,253,925	
Total liabilities									
.....	1,224,386	458,179	288,485	49,005	464,990	128,302	(223,861)	2,389,486	
Capital expenditure incurred ¹	1,177	432	207	29	342	951	-	3,138	

¹ Expenditure incurred on property, plant and equipment and other intangible assets. Excludes assets acquired as part of business combinations and goodwill.

Other financial information

Net operating income by global business

	RBWM	CMB	GB&M	GPB	Other ¹	Intra-HSBC items	Total
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
2013							
Net operating income ²	26,740	16,365	19,176	2,439	5,651	(5,726)	64,645
External	25,038	17,241	20,767	1,955	(356)	-	64,645

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Internal	1,702	(876)	(1,591)	484	6,007	(5,726)	-
.....							
2012							
Net operating							
income ²	33,861	16,551	18,273	3,172	2,332	(5,859)	68,330
External							
.....	31,980	17,295	20,410	2,413	(3,768)	-	68,330
Internal							
.....	1,881	(744)	(2,137)	759	6,100	(5,859)	-
2011							
Net operating							
income ²	33,533	15,611	17,057	3,292	9,145	(6,358)	72,280
External							
.....	32,024	15,362	19,881	2,207	2,806	-	72,280
Internal							
.....	1,509	249	(2,824)	1,085	6,339	(6,358)	-

1 The main items reported in the 'Other' category are certain property activities, unallocated investment activities, centrally held investment companies, movements in fair value of own debt and HSBC's holding company and financing operations. The 'Other' category also includes gains and losses on the disposal of certain significant subsidiaries or business units.

2 Net operating income before loan impairment charges and other credit risk provisions, also referred to as revenue.

Information by country

	2013		2012		2011	
	External net operating income ^{1,2} US\$m	Non-current assets ³ US\$m	External net operating income ^{1,2} US\$m	Non-current assets ³ US\$m	External net operating income ^{1,2} US\$m	Non-current assets ³ US\$m
UK	13,347	17,481	9,149	18,391	16,058	21,414
.....						
Hong Kong	12,031	12,170	11,307	11,657	9,600	6,257
.....						
USA	6,121	4,189	11,779	6,718	12,972	3,830
.....						
France	3,111	11,565	2,881	11,074	2,747	10,790
.....						
Brazil	5,364	1,715	6,395	2,017	6,637	2,149
.....						
Other countries	24,671	27,879	26,819	30,078	24,266	31,590
.....						
	64,645	74,999	68,330	79,935	72,280	76,030

1 External net operating income is attributed to countries on the basis of the location of the branch responsible for reporting the results or advancing the funds.

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2 Net operating income before loan impairment charges and other credit risk provisions, also referred to as revenue.
3 Non-current assets consist of property, plant and equipment, goodwill, other intangible assets, interests in associates and joint ventures and certain other assets expected to be recovered more than twelve months after the reporting period.

13 Analysis of financial assets and liabilities by measurement basis

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The summary of significant accounting policies in Note 2 describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised. The following table analyses the carrying amounts of the financial assets and liabilities by category as defined in IAS 39 and by balance sheet heading.

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: Ben J S Mathews

Title: Group Company Secretary

Date: 25 March 2014