

Embargoed until 30th November 2012

HSBC OFFERS ITS LOWEST EVER TWO YEAR FIXED RATE MORTGAGE

Market leading 1.99% 2 year fixed rate at 60% LTV

HSBC has responded to growing demand from customers seeking a fixed rate mortgage by offering its lowest ever two-year fixed rate of 1.99%.

From Friday 30th November 2012, borrowers with a 40% deposit or equity can secure the rate for a fee of £1,999, or £1,499 for HSBC current account holders.

Peter Dockar, HSBC Head of Mortgages, said: 'While there remains a low expectation of bank base rate increasing in the near future, it has been a week of surprises at the Bank of England and as yet we don't know whether the new Governor will bring a change of heart within the monetary policy committee.

'We have seen increasing numbers of customers seeking the security of a fixed rate and I expect this trend to continue. With the security of our retail deposit funding, HSBC is committed to offering competitive rates to benefit our customers.'

Rachel Springall, finance expert at Moneyfacts.co.uk commented: "The HSBC 1.99% deal has the lowest rate for a two-year fixed mortgage on the market and existing customers will be rewarded with £500 off the booking fee, which is great to see."

Other HSBC rate changes launched today (30th Nov) include:

2 Year Fixed Rates

- 60% LTV 2 year fixed - 2.49% with £599 fee

5 Year Fixed Rates

- 60% LTV 5 year fixed - 3.19% with £499 fee
- 60% LTV 5 year fixed - 3.39% fee free*

90% LTV

In addition, HSBC continues to offer its current mortgage range for homebuyers with a 10% deposit including:

- 90% LTV 5 year fixed - 4.69% with £899 fee
- 90% LTV 2 year discount - 3.84% with £999 fee

ENDS

Notes to Editors

HSBC mortgages are only available directly from HSBC - they are not available from brokers or any other intermediaries.

* Fee-free means: No booking fee, no standard valuation fee, no completion fee.

HSBC will cover the cost of one standard valuation where this is required by HSBC as part of the mortgage application. Additionally, where it is a straight forward transfer from another lender, HSBC also pays the standard legal costs.

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HSBC Bank plc: HSBC serves 16.1 million customers in the UK and employs approximately 50,000 people. In the UK, HSBC offers a complete range of personal, premier and private banking services including bank accounts and mortgages. It also provides commercial banking for small to medium businesses and corporate and institutional banking services. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc.

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