

## HSBC Annual Results 2017 video

### **Iain Mackay, Group Finance Director, HSBC**

2017 has been a good year for HSBC. Profit before tax was up on both a reported and adjusted basis strongly. We ended the year with a very strong, industry-leading common equity tier one ratio, and I think the results of 2017 vindicated the strategic actions that we set out in 2015, notably the acceleration of our investment in Asia, which continues to play a very important part in the Group.

### **Why is Asia so important?**

Asia is where HSBC started more than 150 years ago and is the fastest-growing economic region in the world. We have more than 50 per cent of our employees for the Group based in Asia, with 30,000 in Hong Kong and more than 24,000 in mainland China. In 2017, we grew our lending in the region by more than USD50 billion and we are ideally situated to support, through our network, the development of the Belt and Road Initiative, the development of wealth in the middle classes, so the opportunity for growth in the future through the Asian network for HSBC is extremely important.

### **What are HSBC's core strengths?**

HSBC's strengths lie in the breadth of our network, our presence in Asia, the diversification of the business model and the strength of our balance sheet. Our strategy is working but it is clearly important to continue to evolve and implement at pace from a strategic perspective. As John Flint takes over as Chief Executive, that's clearly going to be a focus area for John, in terms of evolving the strategy, ensuring that we implement at pace, that we continue to focus on improving the quality of the services to our customers, improving the efficiency with which we operate, and through that delivering better returns for our shareholders.

### **What will HSBC be focusing on in 2018?**

Our focus in 2018 will be on enhancing performance and the reputation of HSBC. We're in an environment where we're generating more revenue, which creates the capacity to continue to invest in the capabilities of the firm. For 2018 I think we'll be very much focused on doing the right thing for our customers, our shareholders and our employees, and growing the business in a sustainable way.