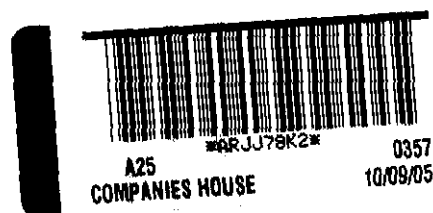


HFC Pension Plan Limited

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2004

**Company Registered Number
2426093**



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Directors' report

The directors present their report together with the unaudited financial statements of the company for the year ended 31 December 2004.

Principal activities

The company acts as Corporate Trustee for the HFC Pension Plan, the HFC Bank plc Money Purchase Pension Scheme and the HFC Bank plc Money Purchase Scheme No. 2, HFC Bank 2-4-1 and 1-4-1 Share Schemes and HFC Bank Midas Share Scheme.

Business review

The directors believe that the company will remain dormant for the foreseeable future.

The directors do not recommend the payment of a dividend (2003: £nil).

Directors and their interests

The directors of the company who served during the year were:

S A Cooper
R V Lovering
F A H Madill
M J Rees
K L Scholfield - resigned *
J M Butterfield - Alternate to K L Scholfield
S G Boyle

The directors' interests in shares of HSBC Holdings plc is shown below.

	HSBC Holdings plc ordinary shares US\$0.50 par value	
	At 31 December 2003	At 31 December 2004
S A Cooper	4,912	5,060
R V Lovering	30,810	26,127
F A H Madill	21,560	9,892
M J Rees	4,461	2,897
J M Butterfield	1,064	1,698
S G Boyle	1,381	1,698

The terms of a number of Employee Benefits Trusts provide that all employees of HSBC Holdings plc and any of its subsidiary undertakings are potential beneficiaries of the Trusts. As potential beneficiaries of the Trusts, each director of the company is deemed to have a technical interest in all of the HSBC Holdings plc ordinary shares of US\$0.50 each held by the Trusts. At 31 December 2004 the Trusts held a total of 123,108,967 ordinary shares of \$0.50 each (2003: 108,871,178).

During the year options over ordinary shares in HSBC Holdings plc were granted/exercised as follows:

	HSBC Holdings plc ordinary shares US\$0.50 par value	
	Granted	Exercised
	Number of options	Number of options
M J Rees	291	-

Auditors

For the year ended 31 December 2004, the company was entitled to exemption from audit under section 249AA and 249B of the Companies Act 1985.

Directors' report (continued)

Statement of directors' responsibilities

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of HFC Pension Plan Limited as at the end of the financial year and of the profit or loss for the year.


The directors are required to prepare these financial statements on the going concern basis unless it is not appropriate. Since the directors are satisfied that HFC Pension Plan Limited has the resources to continue in business for the foreseeable future, the financial statements continue to be prepared on the going concern basis.

The directors consider that in preparing the financial statements, HFC Pension Plan Limited has used appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that HFC Pension Plan Limited keeps accounting records which disclose with reasonable accuracy the financial position of HFC Pension Plan Limited and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of HFC Pension Plan Limited and to prevent and detect fraud and other irregularities.

By order of the board



C J Rivers
Secretary

North Street,
Winkfield,
Windsor,
Berkshire SL4 4TD

21 June 2005

Balance sheet

As at 31 December	Note	2004 £	2003 £
Current assets			
Cash at bank and in hand with group undertakings		2	2
Net assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called-up share capital	2	2	2
Equity shareholders' funds		<u>2</u>	<u>2</u>

The directors:

(a) confirm that the company was entitled to exemption under subsection (1) of section 249AA of the Companies Act 1985 from the requirement to have its accounts for the financial year ended 31 December 2004 audited.

(b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with subsection (2) of section 249B of that Act.

(c) acknowledge their responsibilities for:

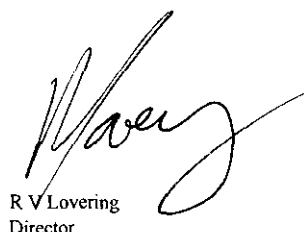
(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Companies Act 1985, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

Profit and loss account

During the financial year and the preceding year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit or a loss.

The financial statements on pages 4 and 5 were approved by the Board of directors on 21 June 2005 and were signed on its behalf by:



R V Lovering
Director

The notes on page 5 form an integral part of these financial statements

Notes to the financial statements

1 Principal accounting policies

A summary of the accounting policy is set out below, which has been applied consistently throughout both this year and the preceding year.

Basis of preparation

The financial statements have been prepared on the historical cost basis of accounting and in accordance with applicable accounting standards. The company is a wholly owned subsidiary of HSBC Holdings plc and the cash flows of the company are included in the consolidated group cash flow statement of HSBC Holdings plc. Consequently the company is exempt under the terms of Financial Reporting Standard 1 ('FRS') (Revised 1996) from publishing a cash flow statement. Historical cost profit is not materially different to the Company profit on ordinary activities before and after taxation.

2 Share capital

	2004 £	2003 £
Authorised:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued, allotted, and fully paid:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

3 Ultimate parent undertaking

The company's immediate parent undertaking is HFC Bank Limited. The ultimate parent and controlling undertaking and the largest group in which HFC Bank Limited and its subsidiary companies are consolidated is HSBC Holdings plc which is registered in England and Wales. The smallest group in which they are consolidated is that headed by *Household International Europe Limited which is registered in England and Wales and operates in the United Kingdom. The consolidated accounts of these groups are available at North Street, Winkfield, Windsor, Berkshire, SL4 4TD.*

HFC Pension Plan Limited is registered in England and Wales.