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HSBC HOLDINGS PLC  
Form 6-K  
February 16, 2006

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 February 2006

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- .....

The following is the text of an announcement which is to be published in the press in Malta on 17 February 2006 by HSBC Bank Malta p.l.c., a 70.03 per cent indirectly-held subsidiary of HSBC Holdings plc.

HSBC Bank Malta p.l.c. Preliminary Profit Statement  
for the year ended 31 December 2005

The preliminary profit statement is published pursuant to Listing Rule 9.39 of the MFSA Listing Authority and Article 4 (2) (b) of the Prevention of Financial Markets Abuse (Disclosure and Notification) Regulations, 2005. Figures have been extracted from HSBC Bank Malta p.l.c.'s Annual Report and Accounts which have been audited by KPMG.

All figures are stated in Maltese lira, the functional currency of HSBC Bank Malta p.l.c. The euro exchange rate ruling on 31 December 2005 was EUR1 = Lm0.4293. The US dollar and sterling exchange rates ruling on the same day were US\$1 = Lm0.3637 and GBP1 = Lm0.6245. Average exchange rates for 2005 for euro, US dollar and sterling EUR1 = Lm0.4299, US\$1 = Lm0.3453 and GBP1 = Lm0.6285.

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### Review of Performance

During the year ended 31 December 2005, HSBC Bank Malta p.l.c. and its subsidiaries generated a profit before tax on ordinary activities of Lm36.7 million, an increase of Lm3.9 million or 11.7 per cent compared with the year ended 31 December 2004.

Profit attributable to shareholders was Lm24.1 million, an increase of Lm2.1 million on the previous year.

Earnings per share increased from a 2004 figure of 30.2 cents to 33.0 cents, with the pre-tax return on average shareholders' funds increasing from 24.7 per cent in 2004 to 27.6 per cent.

Tax on profit on ordinary activities for 2005 increased to Lm12.6 million from Lm10.8 million in 2004.

Net interest income grew by 13.2 per cent over prior year and contributed Lm46.9 million to total operating income.

Non-interest income levels grew by 16.3 per cent, contributing Lm21.8 million to net operating income.

Operating expenses were Lm32.1 million, an increase of Lm0.5 million over prior year figures.

As a result, the group's cost:income ratio improved to 46.7 per cent from 52.5 per cent in 2004.

Net impairments reduced and recoveries contributed Lm0.1 million to profitability.

The Board is recommending a final ordinary dividend of 19.1 cents gross per share and a special dividend of 21.1 cents gross per share, giving a total final dividend of 40.2 cents gross per share. The dividends will be payable to shareholders who are on the register of shareholders as at 21 February 2006. A gross interim dividend of 19.1 cents and a special dividend of 27.4 cents were paid in August 2005.

The Board is also recommending a three-for-one bonus share issue. The bonus shares will be allotted to shareholders on the register of members as at close of trading on the Malta Stock Exchange on 18 April 2006. These bonus shares will be available for trading by the shareholders at the opening of business on 19 April 2006.

Shaun Wallis, Director and Chief Executive Officer of HSBC Bank Malta p.l.c. said: "2005 has been another successful year for HSBC Bank Malta p.l.c. with strong sales growth across all our key lines of business, reflecting the increased economic activity of our customers.

"These results were achieved by building the market leading bank in Malta with a strong customer-driven culture and a strong sense of community spirit and social responsibility."

HSBC Bank Malta p.l.c. is a member of the HSBC Group, whose ultimate parent company is HSBC Holdings plc. Headquartered in London, HSBC Holdings plc is one of the largest banking and financial services organisations in the world. The HSBC Group's international network comprises over 9,700 offices in 77 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

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Income Statement for the year 1 January 2005 to 31 December 2005

	Group		Bank	
	2005	2004	2005	2004
	Lm000	Lm000	Lm000	Lm000
Interest receivable and similar income				
- on loans and advances, balances with Central Bank of Malta and Treasury Bills	60,994	56,531	58,048	53,088
- on debt and other fixed income instruments	13,205	12,276	12,196	11,817
Interest payable	(27,327)	(27,413)	(27,648)	(27,717)
Net interest income	46,872	41,394	42,596	37,188
Fees and commissions receivable	11,866	9,567	9,342	7,685
Fees and commissions payable	(814)	(765)	(686)	(646)
Net fee and commission income	11,052	8,802	8,656	7,039
Dividend income	473	363	22,604	5,709
Trading profits	7,206	6,562	7,215	6,552
Net income from insurance financial instruments designated at fair value through profit or loss	8,523	3,496	-	-
Net gains on disposal of non-trading financial instruments	1,204	1,716	1,266	1,019
Net earned insurance premium	16,236	14,198	-	-
Other operating income	723	737	24	50
Total operating income	92,289	77,268	82,361	57,557
Net insurance claims incurred and movement in policyholders' liabilities	(23,661)	(17,168)	-	-
Net operating income	68,628	60,100	82,361	57,557
Employee compensation and benefits	(20,132)	(19,656)	(19,203)	(18,698)
General and administrative expenses	(9,075)	(8,590)	(8,527)	(8,026)
Depreciation	(2,197)	(2,311)	(2,157)	(2,253)
Amortisation of intangible assets	(635)	(797)	(556)	(616)
Other operating charges	(26)	(206)	(6)	(206)
Net operating income before impairment reversals and provisions	36,563	28,540	51,912	27,758
Net impairment reversals	142	4,012	121	3,649
Reversals of provisions for liabilities and other charges	1	301	1	301
Profit before tax	36,706	32,853	52,034	31,708
Tax on profit	(12,642)	(10,843)	(17,854)	(10,627)
Profit for the year	24,064	22,010	34,180	21,081
Profit attributable to shareholders of the bank	24,057	22,010	34,180	21,081
Profit attributable to minority interest	7	-	-	-
Earnings per share	33.0c	30.2c	46.8c	28.9c

Balance Sheet at 31 December 2005

	Group		Bank	
	2005	2004	2005	2004
	Lm000	Lm000	Lm000	Lm000
Assets				
Balances with Central Bank of				

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Malta, Treasury Bills and cash	77,121	106,806	77,118	106,781
Cheques in course of collection	9,727	4,458	9,727	4,458
Financial assets held for trading	3,907	4,826	3,907	4,826
Financial assets designated at fair value through profit or loss	93,131	72,533	-	-
Investments	224,500	238,446	254,468	268,226
Loans and advances to banks	162,882	131,283	202,332	172,363
Loans and advances to customers	1,016,084	976,296	937,813	884,868
Shares in subsidiary companies	-	-	20,350	19,850
Intangible assets	9,433	8,782	829	964
Property, plant and equipment	29,746	30,647	29,755	30,620
Investment property	961	346	-	-
Assets held for sale	4,918	3,150	5,864	3,150
Current tax recoverable	1,895	1,372	1,607	1,310
Other assets	3,522	3,715	2,699	2,856
Prepayments and accrued income	12,868	16,486	12,945	15,716
<b>Total assets</b>	<b>1,650,695</b>	<b>1,599,146</b>	<b>1,559,414</b>	<b>1,515,988</b>
<b>Liabilities</b>				
Financial liabilities held for trading	4,050	9,917	4,050	9,917
Amounts owed to banks	22,667	48,336	22,667	48,336
Amounts owed to customers	1,367,214	1,288,618	1,381,683	1,296,687
Debt securities in issue	12	12	-	-
Deferred tax liability	3,843	2,251	349	564
Liabilities to customers under investment contracts	8,297	-	-	-
Liabilities under insurance contracts issued	81,096	65,996	-	-
Other liabilities	16,755	14,522	16,192	13,306
Accruals and deferred income	15,035	15,101	14,942	14,818
Provisions for liabilities and other charges	25	26	25	26
Subordinated liabilities	-	19,914	-	20,000
<b>Total Liabilities</b>	<b>1,518,994</b>	<b>1,464,693</b>	<b>1,439,908</b>	<b>1,403,654</b>
<b>Equity</b>				
Called up share capital	9,120	9,120	9,120	9,120
Revaluation reserves	13,105	11,473	13,041	11,479
Other reserve	4,242	4,242	4,242	4,242
Retained earnings	104,906	109,618	93,103	87,493
Equity attributable to shareholders	131,373	134,453	119,506	112,334
Minority interest	328	-	-	-
<b>Total equity</b>	<b>131,701</b>	<b>134,453</b>	<b>119,506</b>	<b>112,334</b>
<b>Total liabilities and equity</b>	<b>1,650,695</b>	<b>1,599,146</b>	<b>1,559,414</b>	<b>1,515,988</b>
<b>Memorandum items</b>				
Contingent liabilities	51,513	44,127	51,523	44,537
Commitments	419,573	330,584	430,401	346,758

Statement of Changes in Equity for the year 1 January 2005 to 31 December 2005

Attributable to shareholders of the bank

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	Called up share capital Lm000	Reval- uation reserves Lm000	Other reserve Lm000	Retained earnings Lm000	Total Lm000	Minority interest Lm000
Group						
At 1 January 2004	9,120	11,365	4,242	106,435	131,162	-
Release of net gains on available-for-sale assets transferred to the income statement on disposal	-	(1,357)	-	-	(1,357)	-
Net fair value adjustments on investments	-	615	-	-	615	-
Surplus on revaluation of freehold and long leasehold properties	-	850	-	-	850	-
Net gains not recognised in the income statement	-	108	-	-	108	-
Profit for the year	-	-	-	22,010	22,010	-
Dividends	-	-	-	(18,827)	(18,827)	-
At 31 December 2004	9,120	11,473	4,242	109,618	134,453	-
At 1 January 2005 as previously stated	9,120	11,473	4,242	109,618	134,453	-
Impact of adoption of IFRS 4	-	-	-	(199)	(199)	-
At 1 January 2005 as restated	9,120	11,473	4,242	109,419	134,254	-
Release of net gains on available-for-sale assets transferred to the income statement on disposal	-	(783)	-	-	(783)	-
Net fair value adjustments on investments	-	757	-	-	757	-
Release of revaluation reserve on disposal of property	-	30	-	(45)	(15)	-
Movement in deferred tax on revaluation of property	-	1,628	-	-	1,628	-
Net gains not recognised in the income statement	-	1,632	-	(45)	1,587	-
Share capital of subsidiary	-	-	-	-	-	321
Profit for the year	-	-	-	24,057	24,057	7
Dividends	-	-	-	(28,525)	(28,525)	-
At 31 December 2005	9,120	13,105	4,242	104,906	131,373	328

	Called up share capital Lm000	Revaluation reserves Lm000	Other reserve Lm000	Retained earnings Lm000	Total equity Lm000
Bank					
At 31 December 2003 as previously stated	9,120	32,456	4,242	85,239	131,057
Effect of change in accounting policy for valuation of investment in subsidiary companies	-	(21,752)	-	-	(21,752)
At 31 December 2003 as restated	9,120	10,704	4,242	85,239	109,305

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At 1 January 2004	9,120	10,704	4,242	85,239	109,305
Release of net gains on available-for-sale assets transferred to the income statement on disposal	-	(660)	-	-	(660)
Net fair value adjustments on investments	-	585	-	-	585
Surplus on revaluation of freehold and long leasehold properties	-	850	-	-	850
Net gains not recognised in the income statement	-	775	-	-	775
Profit for the year	-	-	-	21,081	21,081
Dividends	-	-	-	(18,827)	(18,827)
At 31 December 2004	9,120	11,479	4,242	87,493	112,334
At 1 January 2005	9,120	11,479	4,242	87,493	112,334
Release of net gains on available-for-sale assets transferred to the income statement on disposal	-	(823)	-	-	(823)
Net fair value adjustments on investments	-	727	-	-	727
Release of revaluation reserve on disposal of property	-	30	-	(45)	(15)
Movement in deferred tax on revaluation of property	-	1,628	-	-	1,628
Net gains not recognised in the income statement	-	1,562	-	(45)	1,517
Profit for the year	-	-	-	34,180	34,180
Dividends	-	-	-	(28,525)	(28,525)
At 31 December 2005	9,120	13,041	4,242	93,103	119,506

Cash Flow Statement for the year 1 January 2005 to 31 December 2005

	Group		Bank	
	2005	2004	2005	2004
	Lm000	Lm000	Lm000	Lm000
Cash flows from operating activities				
Interest and commission receipts	101,511	84,933	77,419	63,919
Interest and commission payments	(30,381)	(31,843)	(28,359)	(30,256)
Payments to employees and suppliers	(29,547)	(25,841)	(27,938)	(25,133)
Operating profit before changes in operating assets/liabilities	41,583	27,249	21,122	8,530
(Increase)/decrease in operating assets:				
Trading instruments	419	(1,742)	419	(1,742)
Reserve deposit with				

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Central Bank of Malta	(1,823)	(4,827)	(1,823)	(4,841)
Loans and advances to banks with contractual maturity of over three months	(4,952)	(7,079)	(4,952)	(7,080)
Loans and advances to customers	(41,414)	(52,911)	(54,538)	(71,273)
Treasury Bills with contractual maturity of over three months	42,144	30,701	42,144	30,700
Cheques in course of collection	(5,269)	1,179	(5,269)	1,179
Other receivables	(206)	(1,261)	(242)	(1,610)
Increase/(decrease) in operating liabilities:				
Amounts owed to banks with contractual maturity of over three months	(22,999)	14,561	(22,999)	14,560
Amounts owed to customers	67,563	25,735	73,962	27,297
Other payables	2,444	4,670	3,002	1,865
Net cash from/(used in) operating activities before tax	77,490	36,275	50,826	(2,415)
Tax paid	(9,784)	(10,412)	(8,953)	(9,504)
Net cash flows from/(used in) operating activities	67,706	25,863	41,873	(11,919)
Cash flows from investing activities				
Dividends received	397	323	14,798	3,887
Interest received from financial instruments designated at fair value through profit or loss	2,399	1,605	-	-
Interest received from available-for-sale debt and other fixed income instruments	6,821	5,083	6,821	5,083
Interest received from held-to-maturity debt and other fixed income instruments	4,978	7,429	6,328	8,802
Proceeds on disposal of financial instruments designated at fair value through profit or loss	9,454	4,031	-	-
Proceeds on disposal of available-for-sale instruments	15,498	10,814	15,354	5,224
Proceeds on maturity of held-to-maturity debt and other fixed income instruments	41,707	70,488	41,707	70,488
Proceeds on disposal of property, plant and equipment	264	57	255	47
Purchase of financial instruments designated at fair value through profit or loss	(21,506)	(23,319)	-	-
Purchase of available-for-sale instruments	(37,330)	(35,332)	(37,330)	(30,764)

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Purchase of held-to-maturity debt and other fixed income instruments	-	(57,805)	-	(57,805)
Purchase of property, plant and equipment and investment property	(2,143)	(1,290)	(1,553)	(1,244)
Purchase of intangible assets	(712)	(86)	(421)	(81)
Purchase of shares in subsidiary companies	-	-	(1,500)	-
Net cash flows from/(used in) investing activities	19,827	(18,002)	44,459	3,637
Cash flows from financing activities				
Dividends paid	(28,525)	(18,827)	(28,525)	(18,827)
Maturity of subordinated loan stock	(19,914)	-	(20,000)	-
Issue of units to minority interest	321	-	-	-
Cash used in financing activities	(48,118)	(18,827)	(48,525)	(18,827)
Increase/(decrease) in cash and cash equivalents	39,415	(10,966)	37,807	(27,109)
Effect of exchange rate changes on cash and cash equivalents	2,558	(1,139)	2,558	(1,139)
Net increase/(decrease) in cash and cash equivalents	36,857	(9,827)	35,249	(25,970)
	39,415	(10,966)	37,807	(27,109)
Cash and cash equivalents at beginning of year	97,053	108,019	138,108	165,217
Cash and cash equivalents at end of year	136,468	97,053	175,915	138,108

Segmental Information

a Class of business

	Personal Financial Services		Commercial Banking		Corporate, Investment Banking and Markets		Total	
	2005 Lm000	2004 Lm000	2005 Lm000	2004 Lm000	2005 Lm000	2004 Lm000	2005 Lm000	2004 Lm000
Group								
Profit before tax								
Segment operating income	33,732	29,606	23,517	22,136	11,379	8,358	68,628	60,000
Segment impairment allowances	(507)	107	649	3,905	-	-	142	4,000
Common costs							(32,064)	(31,000)
Profit before tax							36,706	32,000
Assets								
Segment total assets	577,333	476,124	610,844	653,122	462,518	469,900	1,650,695	1,599,000
Average total								



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assets	526,728	444,835	631,983	648,577	466,209	475,653	1,624,920	1,569,
Total equity	38,261	39,451	79,806	82,069	13,634	12,933	131,701	134,

b Geographical segments

The group's activities are carried out within Malta. There are no identifiable geographical segments or other material concentrations.

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: P A Stafford  
Title: Assistant Group Secretary  
Date: February 16, 2006