

Interim Results 2006

8 August 2006



Leading the way
in Asia, Africa and the Middle East





Forward looking statements

It is possible that this presentation could or may contain forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as anticipate, target, expect, estimate, intend, plan, goal, believe, will, may, should, would, could or other words of similar meaning. Undue reliance should not be placed on any such statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and Standard Chartered's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

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Leading the way in Asia, Africa and the Middle East

Bryan Sanderson
Chairman

Performance highlights

Income

US\$4.11bn



27%

Operating profit before tax

US\$1.53bn



15%

Normalised EPS

84.1c



12%

Dividend per share

20.83c



10%

Economic growth

GDP growth %	2005	2006 F*	2007 F*
China	9.9	9.8	8.9
Hong Kong	7.3	6.0	4.5
India	8.4	7.0	6.5
Indonesia	5.6	5.5	6.0
South Korea	4.0	4.9	3.7
Malaysia	5.3	5.5	6.0
Pakistan	8.4	6.8	6.0
Singapore	6.6	6.5	5.5
UAE	12.0	10.2	5.2
EU	1.6	2.3	2.0
USA	3.5	3.3	2.8



- Economies diversify and grow domestic demand
- Financial markets deepen and expand
- New trade corridors emerging
- Shifting economic, social and political ties



- Board further strengthened
 - Lord Turner – Non-Executive Director
 - Rudy Markham – Senior Independent Director
- Governance processes in good shape



- Good progress
- Appropriate governance in place
- Well positioned to continue to deliver good performance

Leading the way in Asia, Africa and the Middle East

Peter Sands
Group Finance Director



Group performance

US\$m	H1 2005	H2 2005	H1 2006	YOY %
Income	3,236	3,625	4,112	27
Expenses	(1,708)	(2,103)	(2,225)	30
Operating profit before provisions	1,528	1,522	1,887	23
Loan impairment	(194)	(125)	(349)	80
Other impairment	(1)	(49)	(8)	
Loss from associates	0	0	(3)	
Profit before tax	1,333	1,348	1,527	15
Profit attributable to ordinary shareholders	956	961	1,088	14



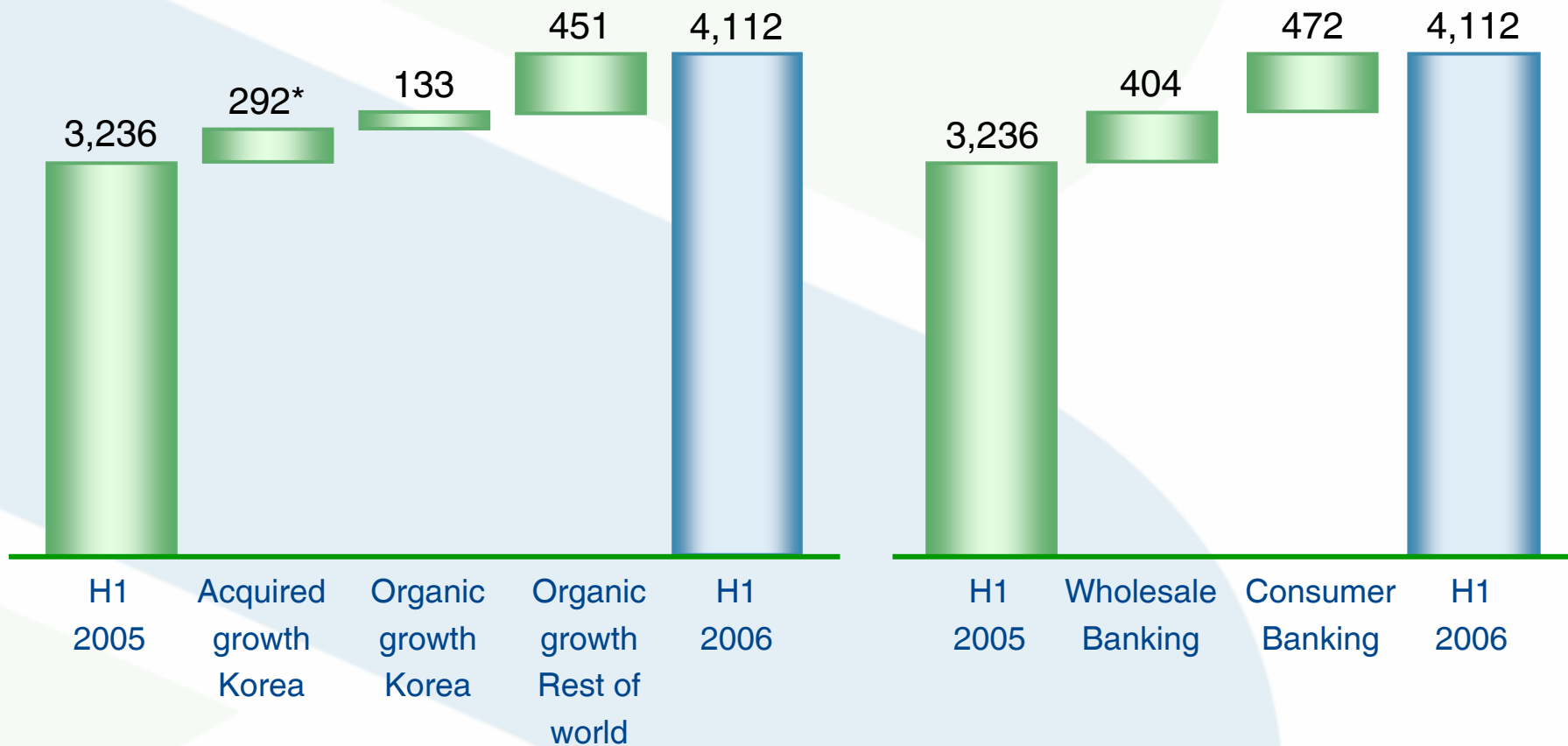
Performance highlights

Normalised metrics	H1 2005	H2 2005	H1 2006
Earnings per share	75.2c	78.7c	84.1c
Return on ordinary shareholders equity	18.3%	18.1%	17.9%
Cost income ratio	52.6%	57.3%	53.6%



Sources of income growth

US\$m



* Acquired growth is the difference between KFB H1 2005 proforma income US\$ 550m and KFB actual contribution of US\$ 258m



Performance by geography

Profit before tax US\$m	H1 2005*	H2 2005*	H1 2006	YOY %
Hong Kong	363	354	458	26
Singapore	104	121	134	29
Malaysia	69	86	97	41
Korea	108	156	234	117
Other APR	239	159	(34)	(114)
India	137	101	213	55
MESA	214	268	243	14
Africa	30	34	91	203
Americas, UK & Group	69	69	91	32
Total	1,333	1,348	1,527	15

* 2005 income restated, impact not material see Note 29 of Interim Results Press Release.



Group performance

(excluding Korea)

US\$m	H1 2005	H2 2005	H1 2006	YOY %
Income	2,927	2,977	3,378	15
Expenses	(1,541)	(1,638)	(1,765)	15
Operating profit before provisions	1,386	1,339	1,613	16
Loan impairment	(160)	(98)	(309)	93
Other impairment and losses	(1)	(49)	(11)	
Operating profit before tax	1,225	1,192	1,293	6
Normalised cost income ratio (%)	52.6%	54.8%	52.2%	



Consumer Banking performance

(excluding Korea)

US\$m	H1 2005	H2 2005	H1 2006	YOY %
Income	1,514	1,591	1,665	10
Expenses	(765)	(831)	(832)	9
Operating profit before provisions	749	760	833	11
Loan impairment	(159)	(210)	(372)	134
Other impairment	0	(3)	0	
Operating profit before tax	590	547	461	(22)



Consumer Banking income

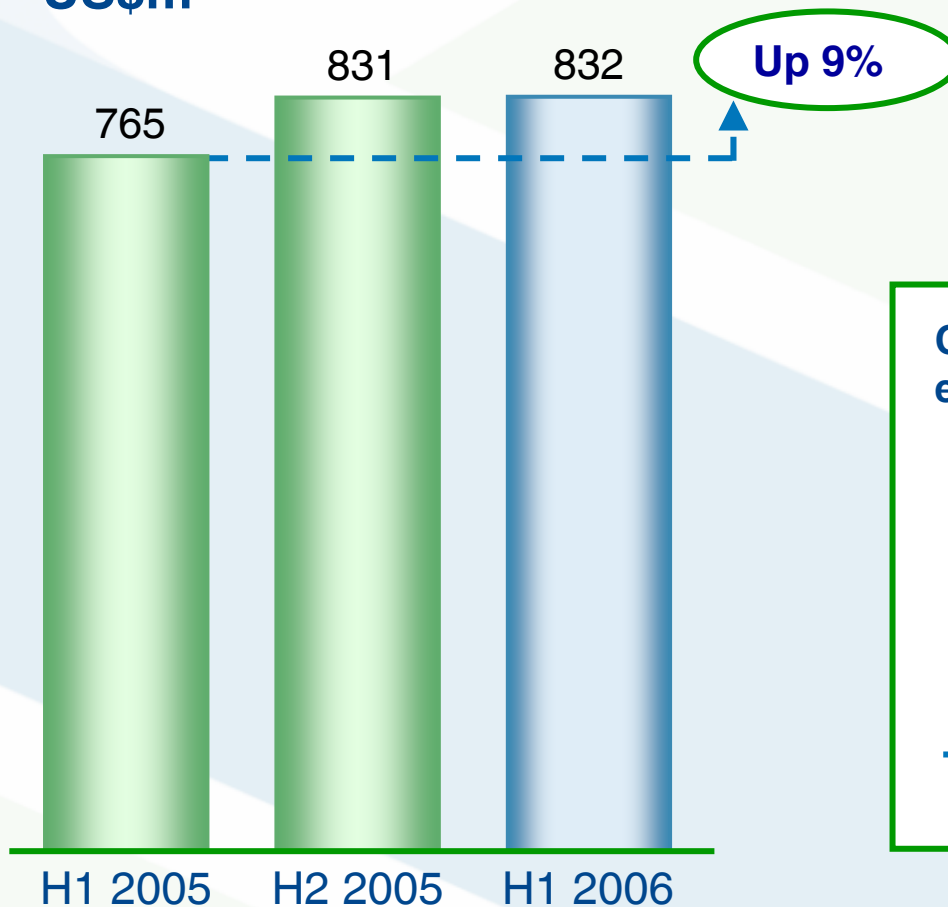
(excluding Korea)

US\$m	H1 2005	H2 2005	H1 2006	YOY %
Hong Kong	485	491	505	4
Singapore	163	161	170	4
Malaysia	101	109	112	11
Other APR	292	319	317	9
India	143	143	158	10
MESA	177	202	238	34
Africa	124	134	128	3
Americas, UK & Group	29	32	37	28
Total	1,514	1,591	1,665	10



Consumer Banking expenses (excluding Korea)

US\$m



- Distribution capabilities
- New products
- Infrastructure and systems

Components of expense growth (%)

- 4 Investment for future growth
- 3 Regulatory/Control
- 2 BAU/Volume
- 9



Consumer Banking loan impairment (excluding Korea)

US\$m	H1 2005	H2 2005	H1 2006
Total loan impairment	(159)	(210)	(372)
Individual impairment provision	(19)	(40)	(133)
Portfolio impairment provision	(4)	(35)	(70)
Taiwan	(23)	(75)	(203)
Individual impairment provision	(126)	(124)	(162)
Portfolio impairment provision	(10)	(11)	(7)
Total excluding Taiwan	(136)	(135)	(169)



Wholesale Banking performance

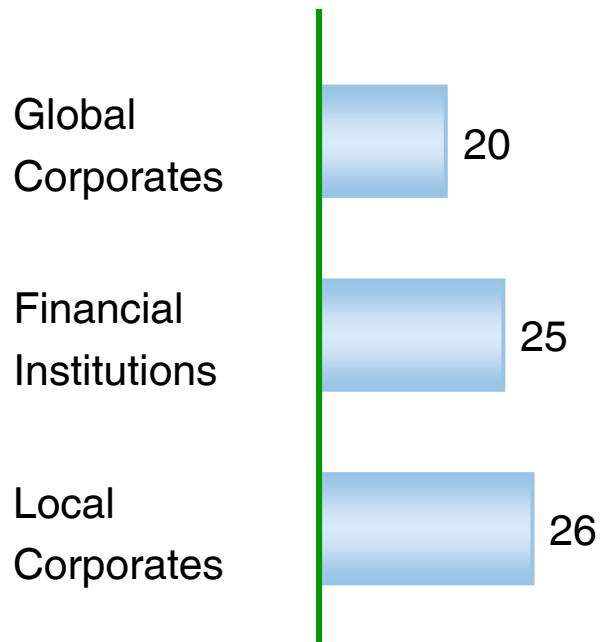
(excluding Korea)

US\$m	H1 2005	H2 2005	H1 2006	YOY %
Income	1,413	1,386	1,713	21
Expenses	(776)	(807)	(933)	20
Operating profit before provisions	637	579	780	22
Loan impairment	(1)	112	63	
Other impairment	(1)	(10)	(8)	
Operating profit before tax	635	681	835	31
Risk weighted assets (US\$bn)	61.9	65.2	69.5	12

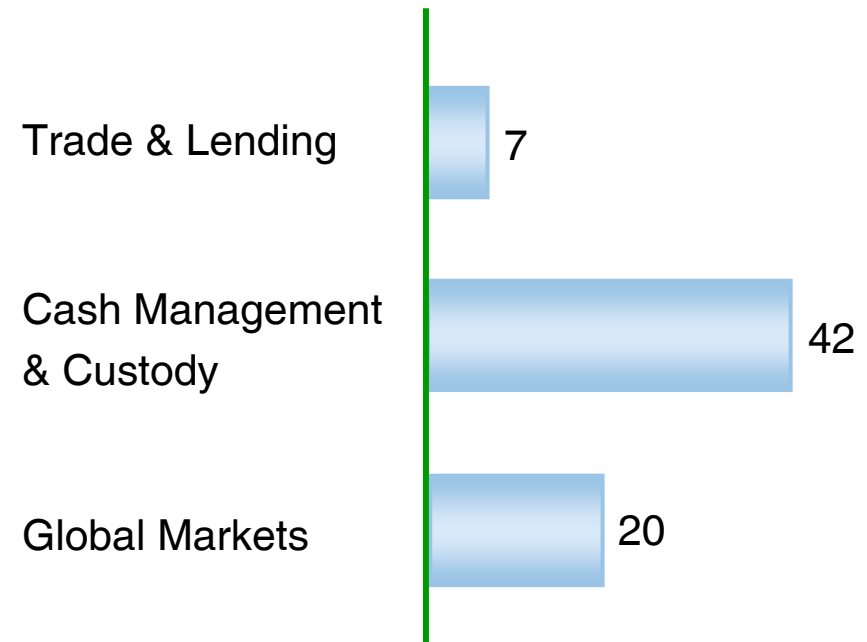


Wholesale Banking income (excluding Korea)

Client income growth by segment (%)



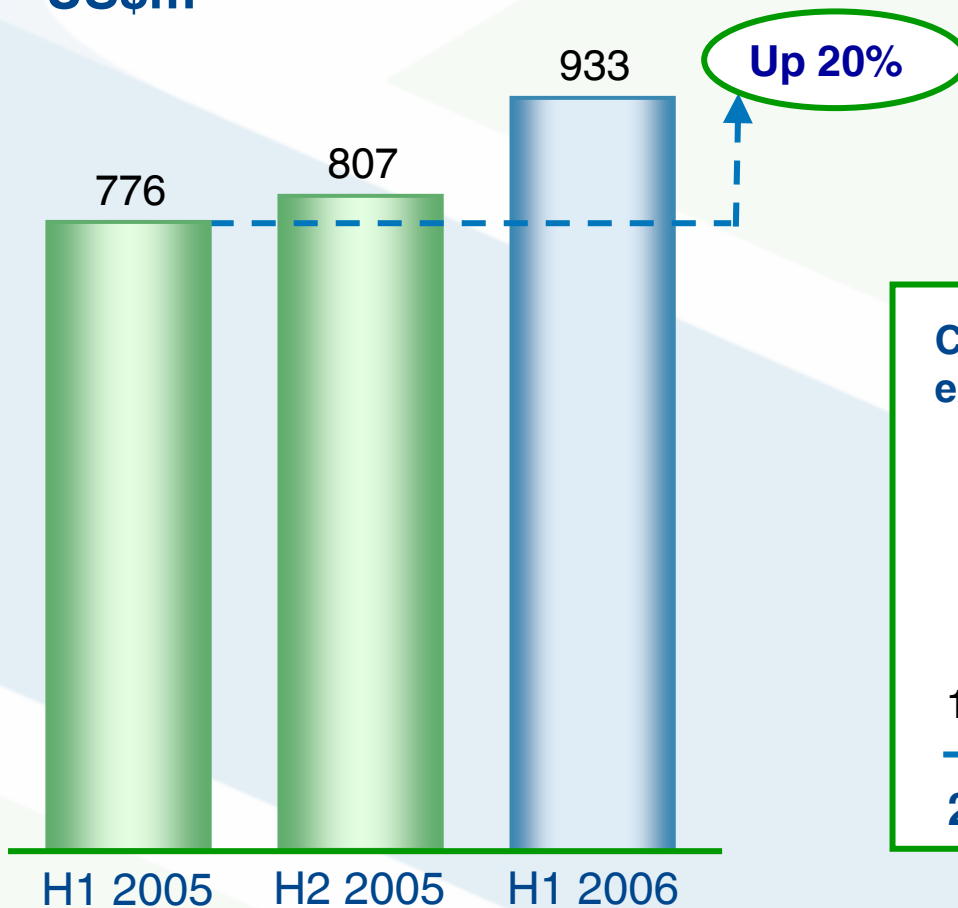
Income growth by products (%)





Wholesale Banking expenses (excluding Korea)

US\$m



- Expanding sales force
- New product launches
- Infrastructure and systems

Components of expense growth (%)

- 5 Investment for future growth
- 2 Regulatory/Control
- 13 BAU/Volume
- 20**



Wholesale Banking loan impairment (excluding Korea)

US\$m	H1 2005	H2 2005	H1 2006
Individual impairment provision	(102)	(66)	(31)
Recoveries	112	174	94
Net impairments	10	108	63
Portfolio impairment provision	(11)	4	0
Total	(1)	112	63
Loans and advances to customers (US\$bn)	38.1	39.5	45.5



Korea performance

US\$m	H1 2005	H2 2005	H1 2006	H1 06 v H2 05 %
Income	309	648	734	13
Expenses	(167)	(465)	(460)	(1)
Loan impairment	(34)	(27)	(40)	48
Operating profit before tax	108	156	234	50



Korea Consumer Banking performance

US\$m	H1 2005	H2 2005	H1 2006	H1 06 v H2 05 %
Income	209	488	530	9
Expenses	(123)	(382)	(378)	(1)
Loan impairment	(34)	(22)	(33)	50
Operating profit before tax	52	84	119	42



Korea Wholesale Banking performance

US\$m	H1 2005	H2 2005	H1 2006	H1 06 v H2 05 %
Income	100	160	204	28
Expenses	(44)	(83)	(82)	(1)
Loan impairment	0	(5)	(7)	40
Operating profit before tax	56	72	115	60



Group balance sheet – liabilities

Deposits US\$bn

H1 2005

H2 2005

H1 2006

YOY %

Current & demand accounts

46.2

53.3

60.4

31

Deposits

84.2

87.9

95.2

13

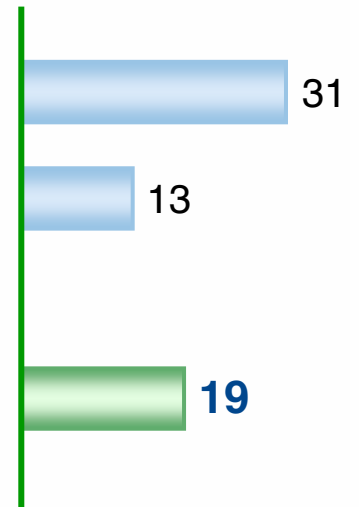
Total

130.4

141.2

155.6

19





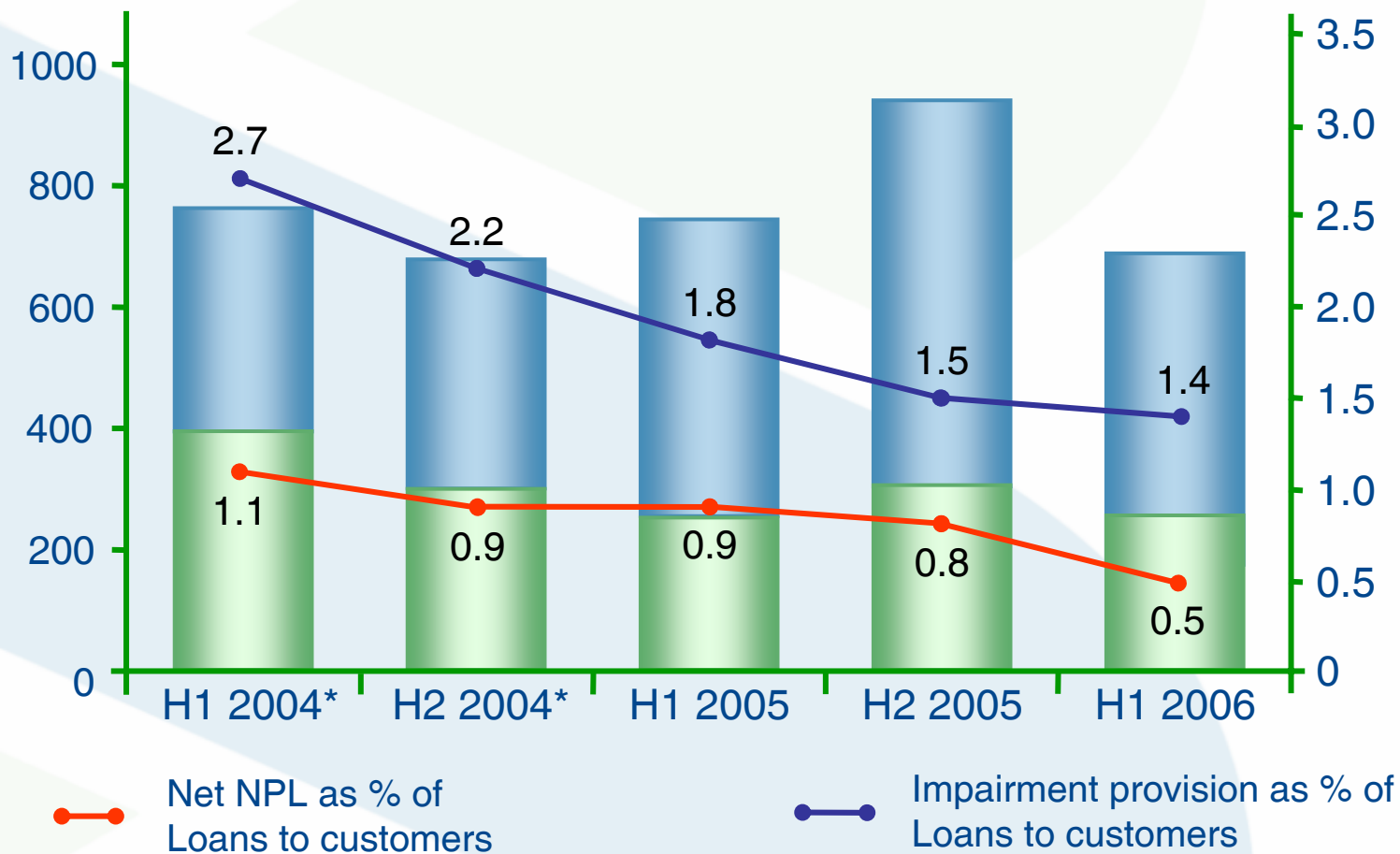
Group balance sheet – assets

Loans to customers US\$bn	H1 2005	H2 2005	H1 2006	YOY %
Consumer Banking				
Mortgages	41.0	44.0	44.0	7
Other	14.2	14.6	15.5	9
SME	8.3	9.5	9.6	16
Total Consumer Banking	63.5	68.1	69.1	9
Wholesale Banking	44.2	44.4	51.5	17
Total Loans to customers	107.7	112.5	120.6	12



NPL US\$m

Consumer Banking
Wholesale Banking

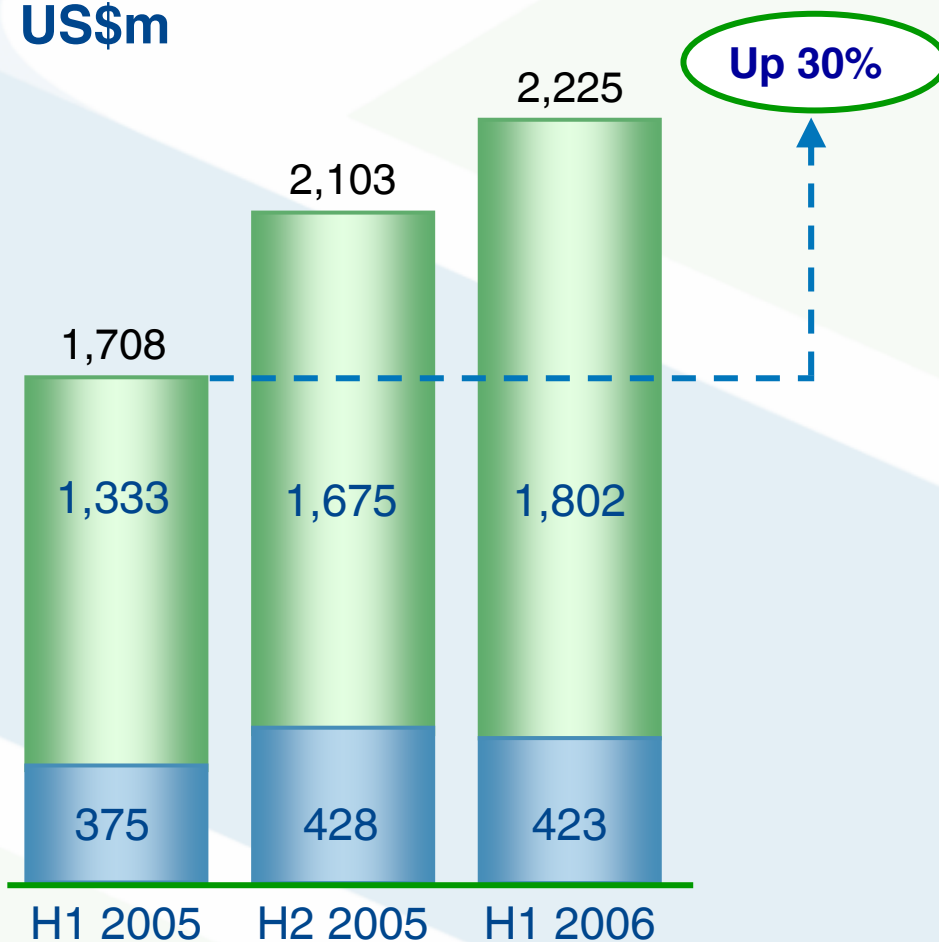


* Excludes balances that were part of the Loan Management Agreement portfolio (see page 33 of Annual Report and Accounts 2005 for further information).



Group expenses

US\$m

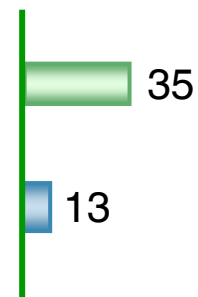


Business and Support

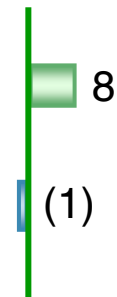
Technology production
and operations

Expense growth by type %

YOY



HOH





Capital management





Summary

- Good income momentum
- Disciplined expenses management
- Tight management of risk

Leading the way in Asia, Africa and the Middle East

Mervyn Davies
Group Chief Executive



Five year performance

	H1 2001	H1 2006	CAGR
Income (US\$m)	2,164	4,112	14%
Operating profit before tax (US\$m)	628	1,527	19%
Normalised EPS (US\$)	40.2c	84.1c	16%
Dividend per share (US\$)	12.82c	20.83c	10%

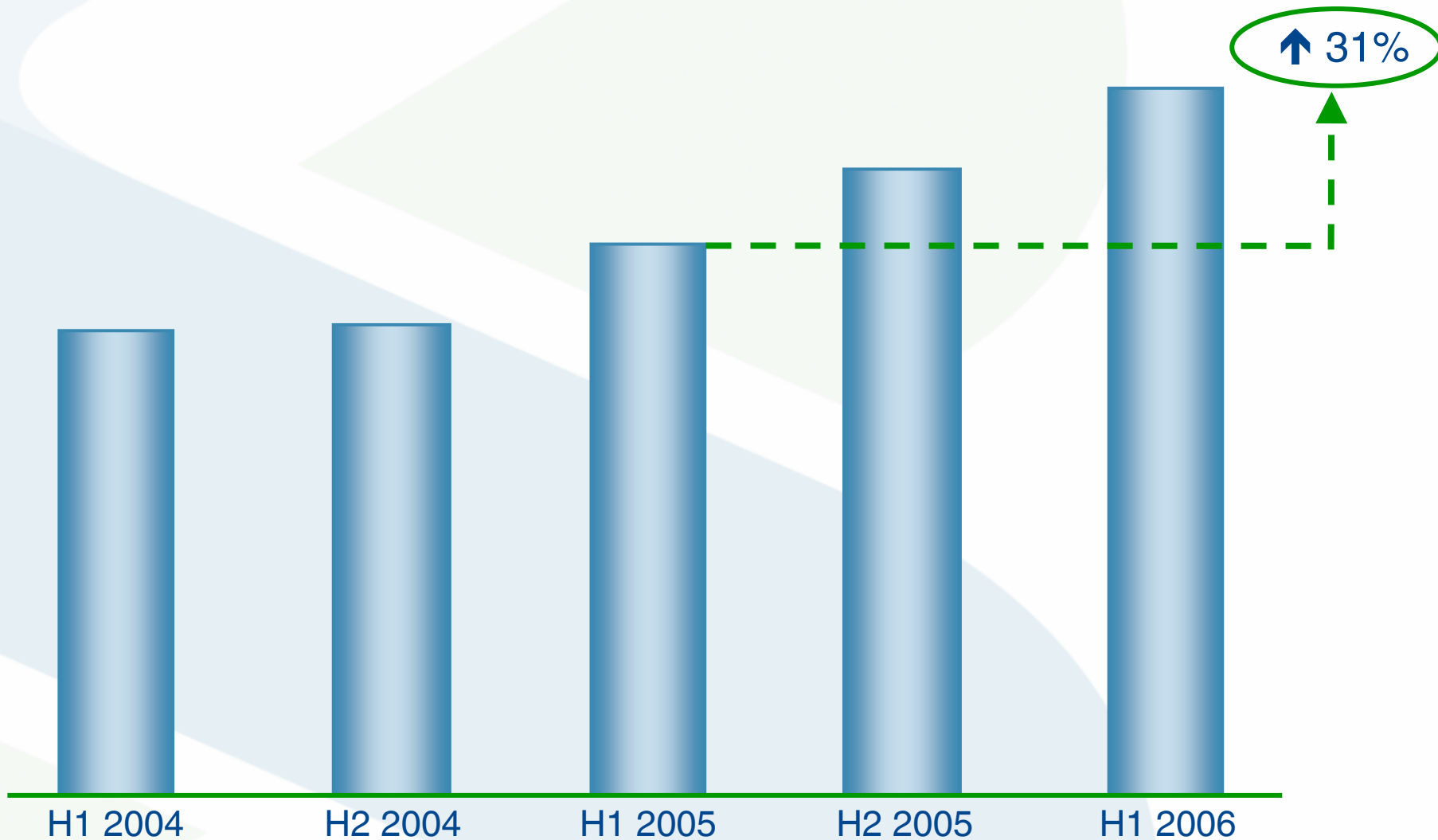


Delivering 2006 management agenda

- Accelerate growth in both businesses, focusing on priority markets
 - Deepen client relationships in Wholesale Banking
 - Enter new customer segments in Consumer Banking
- Drive growth and performance in Korea
- Excel in service and innovation
- Lead by example in corporate responsibility

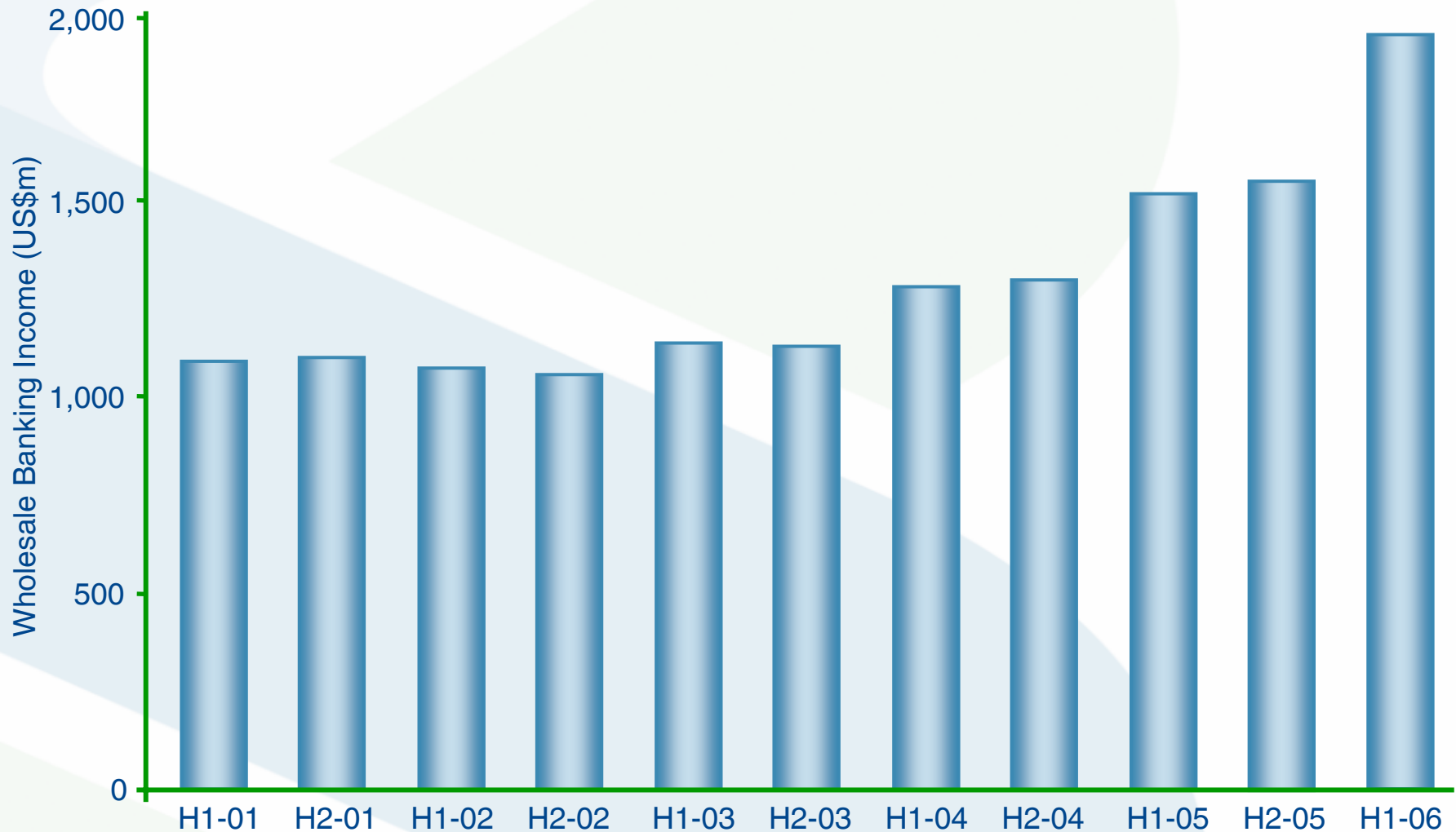


Wholesale Banking client income





Wholesale Banking transformation



Note: 2005 and 2006 reported on IFRS basis and include SC First Bank. 2004 reported on IFRS basis excluding IAS 32/39.



Wholesale Banking business awards

Euromoney



Best Debt House in Thailand

Awards for Excellence 2006

Global Custodian



Best Agent Bank in Asia

Global Custodian Agent
Bank Survey 2005

The Asset



Best Structured Trade Finance Bank

The Asset Triple A Asian
Awards 2006

Emerging Markets



Best Project Finance Loan Best Corporate Loan

Emerging Markets 2006
Awards

Global Finance



Best Bank for Liquidity Management in Africa

Global Finance 2006

The Asset



Best Cash Management Bank for South Asia

The Asset Triple A Asian
Awards 2006

Euromoney



Best Project Finance House in Asia

Awards for Excellence 2006

The Asset

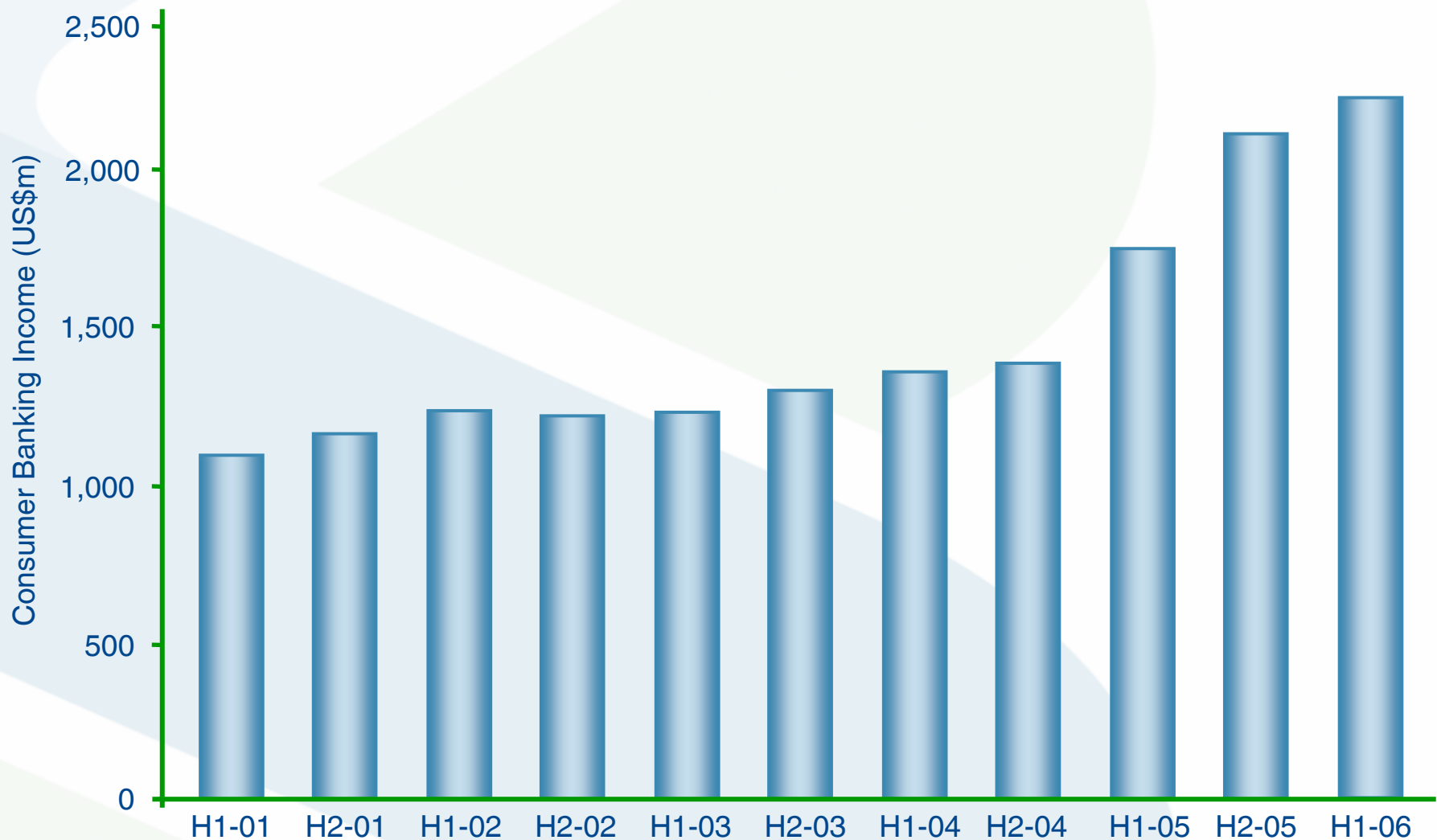


Best Sub Custodian in Thailand

The Asset Triple A Asian
Awards 2006



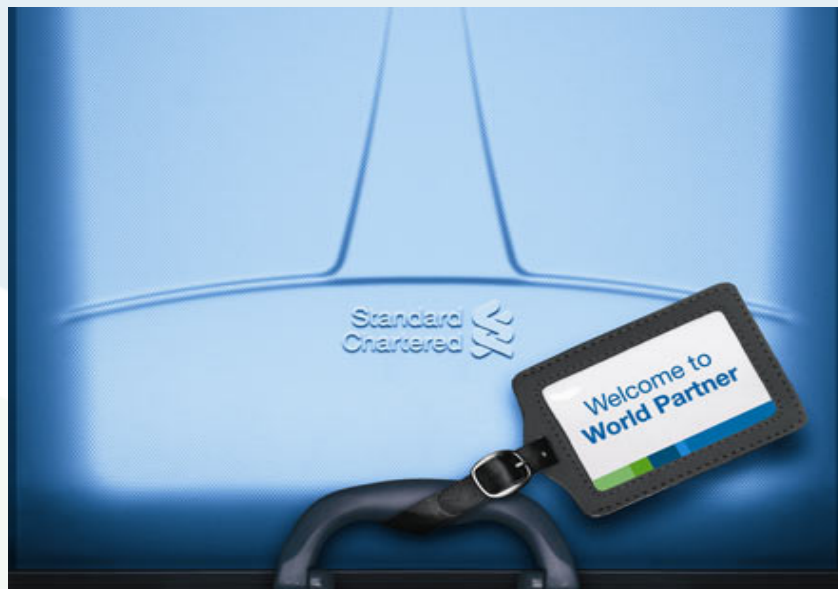
Consumer Banking growth



Note: 2005 and 2006 reported on IFRS basis and include SC First Bank. 2004 reported on IFRS basis excluding IAS 32/39.



Consumer Banking product portfolio



Express Trade for SMEs gives you fast access to the trade facilities you need – letting you focus on running your business.

Speak to us today to find out more! Call **1800 743 3000** now.



Consumer Banking service guarantee

Sr. No. _____

Certificate Issued

Name _____

Ref No. _____

Delivery Date _____

Delivery Time _____

Delivery Location _____

Sr. No. _____

MANHATTAN

 *Certificate of Guarantee*

To _____ Reference No. _____

This certificate guarantees delivery of your Manhattan Credit Card within 1 working day. In case you do not receive your Credit Card within 1 working day, we will not charge you the Credit Card annual fees for the first year.

Delivery location: ☐ Office address ☐ Residence address

Delivery date _____

Delivery time _____


Anupam Shrivastava
General Manager
Credit Cards & Personal Loans
United Arab Emirates

Primary Applicant Signature _____ Date _____ Time _____

The guarantee is subject to the terms and conditions mentioned overleaf



Consumer Banking investment





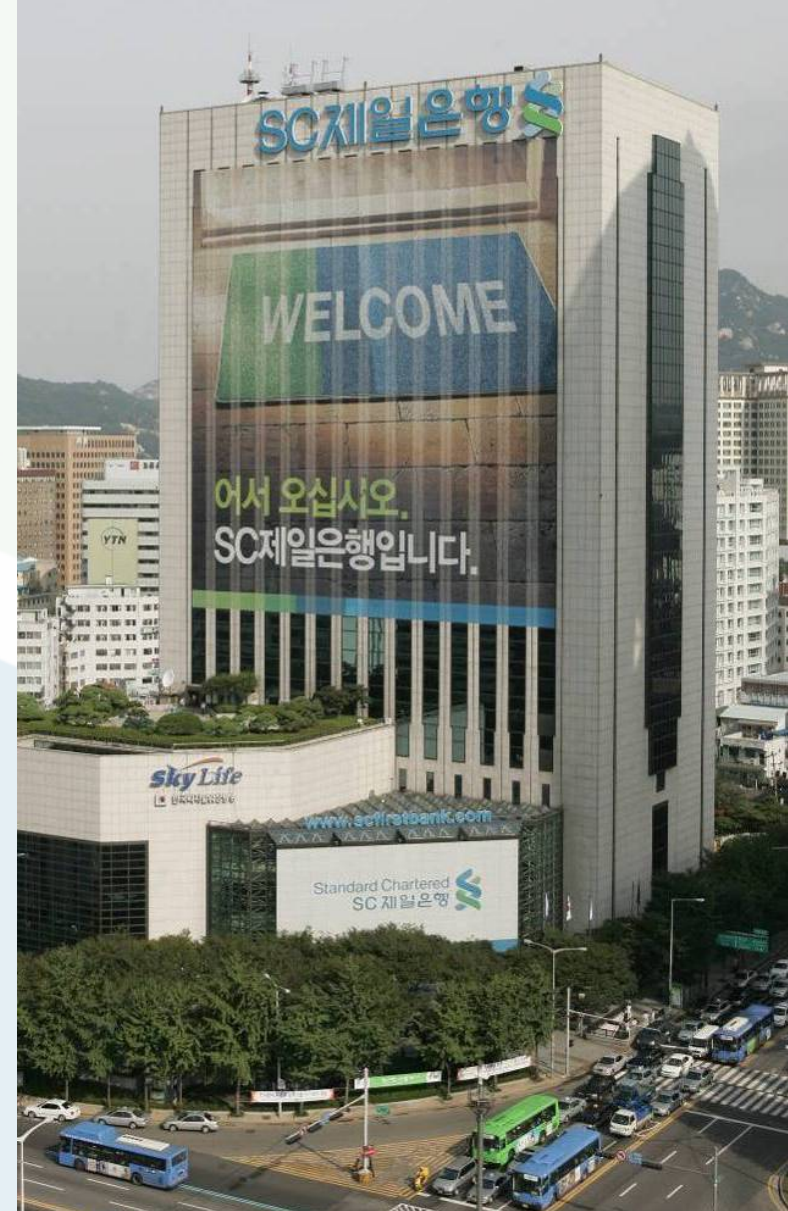
Korea product launches

Consumer Banking

- Wealth Management - e-Click Account, My Dream Account, 30 new funds
- Mortgages - Credit linked retail mortgages
- Credit Cards - PB Platinum, Rotary
- Personal Loans - Drim, Select Loan
- SME - Express Trade Services, Business Plus accounts

Wholesale Banking

- Cash - Prime Money Market Deposit Account
- Trade - Cross border supply chain finance, Forfaiting solutions
- Global Markets - New FX and Interest Rate derivative structures





Key Outserve elements

- Voice of customer
- Process improvement
- Metrics and measurement
- Change management and communication





Sustainable economic development

- Social contribution
- Environmental protection
- Strong governance





Delivering growth

- Focused strategy delivering results
- Disciplined investments paying off
- Investments drive future growth



Growth in India





Growth in Africa





Africa business awards

Euromoney



**Best Bank in Sub
Saharan Africa
2005 & 2006**

Market Intelligence



**Best Bank Corporate
Banking & Most
Efficient Bank, Kenya**

Trade Finance



**Best Trade Finance
Bank in Sub-Saharan
Africa 2005 & 2006**

Banker FT



**Best Bank 2005
Country Award for 6
African Countries**

Global Finance



**Best Emerging
Market Bank, Ghana
and Zambia, 2005**

Euromoney



**Best Bank Project
Finance 2006**

FUE



**Best Employer Award
in Uganda**

Euromoney



**Best Bank in
Botswana, Tanzania,
Zimbabwe 2006**



Growth in MESA





Strategic focus





Power of the brand



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- Extending market penetration
- Extending product reach
- Delivering shareholder value





Diversity





Summary

- Well positioned in dynamic markets
- Strategic progress
- Disciplined approach
- Investing for future growth