

Final Results 2006

27 February 2007

Leading▶
the way
in Asia, Africa and
the Middle East



Standard
Chartered 

Leading the way in Asia, Africa and the Middle East

Mervyn Davies
Chairman

Performance highlights

Income

US\$8.62bn



26%

Profit before tax

US\$3.18bn



19%

Normalised EPS

170.7c



11%

Dividend per share

71.04c



11%





- Consistent delivery
- Continuity of leadership
- Strong global economy
- Positive outlook



Leading the way in Asia, Africa and the Middle East

Richard Meddings
Group Finance Director

Group performance

US\$m	2005	2006	YOY%
Income	6,861	8,620	26
Expenses	(3,811)	(4,796)	26
Operating profit before provisions	3,050	3,824	25
Loan impairment	(319)	(629)	97
Other impairment and loss from associates	(50)	(17)	(66)
Profit before tax	2,681	3,178	19
Profit attributable to ordinary shareholders	1,917	2,253	18



Performance highlights

Normalised metrics

Earnings per share

2005

153.7c

2006

170.7c

Return on ordinary shareholders equity

18.0%

16.9%

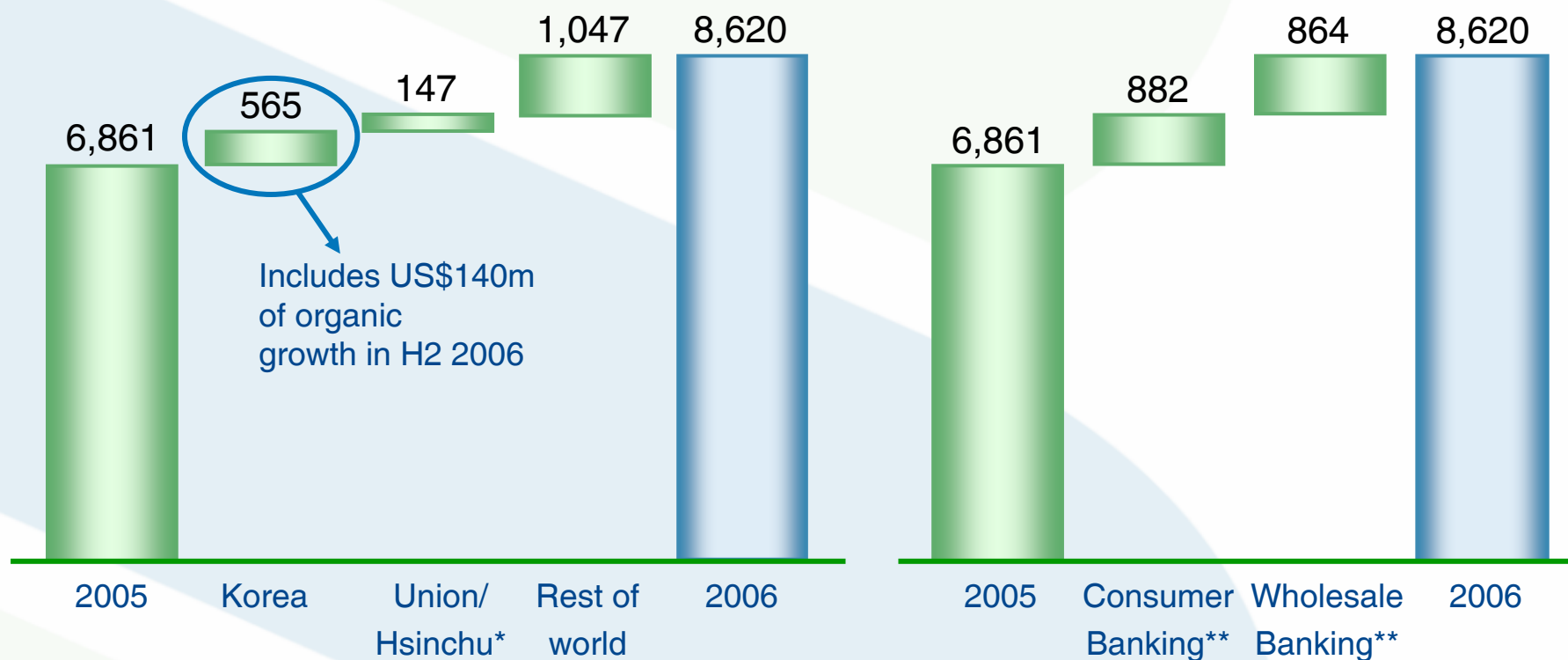
Cost income ratio

54.5%

55.2%

Sources of income growth

US\$m



*Includes additional 12.96% purchase in Permata

**US\$13m of corporate items not allocated

Performance by geography

Profit before tax US\$m

2005

2006

YOY %

Hong Kong

717

888

24

Singapore

225

289

28

Malaysia

155

178

15

Korea

264

454

72

Other APR

398

208

-48

India

238

403

69

MESA

482

503

4

Africa

64

192

200

Americas, UK & Group

138

63

-54

Total

2,681

3,178

19

Underlying Group performance

(excluding Korea and acquisitions*)

US\$m	2005	2006	YOY %
Income	5,904	6,951	18
Expenses	(3,179)	(3,733)	17
Operating profit before provisions	2,725	3,218	18
Loan impairment	(258)	(515)	100
Other impairment and loss from associates	(50)	(17)	(66)
Profit before tax	2,417	2,686	11
Normalised cost income ratio (%)	53.7	53.7	

*Acquisitions include Union, Hsinchu and increased stake in Permata



Consumer Banking performance

US\$m	2005	2006	YOY %	Underlying YOY %*
Income	3,802	4,684	23	10
Expenses	(2,101)	(2,641)	26	10
Operating profit before provisions	1,701	2,043	20	10
Loan impairment	(425)	(721)	70	67
Other impairment	(3)	(0)		
Operating profit	1,273	1,322	4	(9)

* Underlying numbers are ex Korea and acquisitions

Consumer Banking income

US\$m

2005

2006

YOY %

Hong Kong

976

1,019

4

Singapore

324

367

13

Malaysia

210

221

5

Korea

697

1,146

64

Other APR

611

729

19

India

286

323

13

MESA

379

545

44

Africa

258

257

0

Americas, UK & Group

61

77

26

Total

3,802

4,684

23

Consumer Banking expenses

US\$m	2005	2006	YOY %
Hong Kong	415	428	3
Singapore	126	142	13
Malaysia	95	101	6
Korea	505	799	58
Other APR	342	445	30
India	179	201	12
MESA	182	280	54
Africa	205	194	-5
Americas, UK & Group	52	51	-2
Total	2,101	2,641	26
Total (Underlying)*	1,596	1,760	10

Components of expense growth (%)

5 Investment for future growth

3 Regulatory/Control

2 BAU/Volume

10

* Underlying numbers are ex Korea and acquisitions

Consumer Banking loan impairment

US\$m	2005	2006	YOY %
Total loan impairment	(425)	(721)	70
Individual impairment provision	(59)	(248)	320
Portfolio impairment provision	(39)	0	NA
SCB Taiwan branch*	(98)	(248)	153
Individual impairment provision	(301)	(441)	47
Portfolio impairment provision	(26)	(32)	23
Total excluding SCB Taiwan branch	(327)	(473)	45

* Excluding Hsinchu

Wholesale Banking performance

US\$m	2005	2006	YOY %	Underlying YOY %*
Income	3,059	3,923	28	26
Expenses	(1,710)	(2,151)	26	24
Operating profit before provisions	1,349	1,772	31	27
Loan impairment	106	92	(13)	(9)
Other asset impairment	(11)	(15)	36	36
Operating profit	1,444	1,849	28	24
Risk weighted assets (US\$bn)	73.9	93.1	26	19

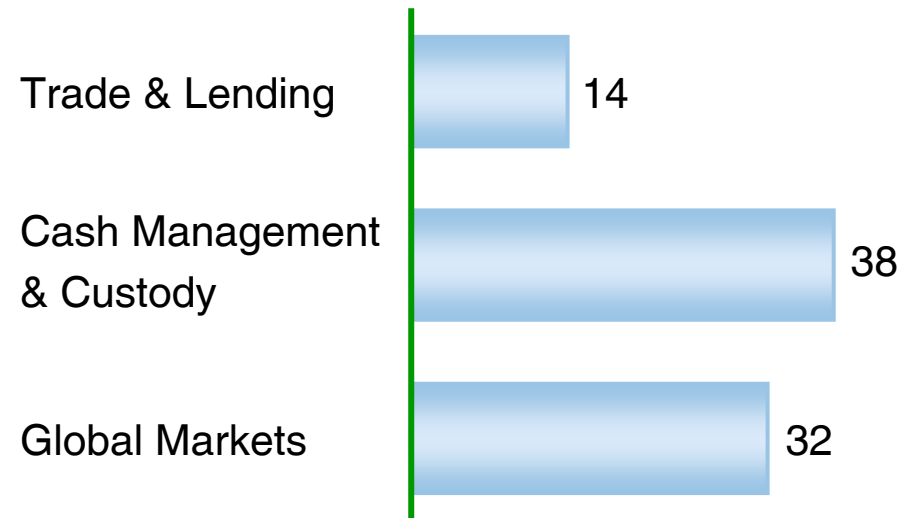
* Underlying numbers are ex Korea and acquisitions



Client income growth by segment (%)

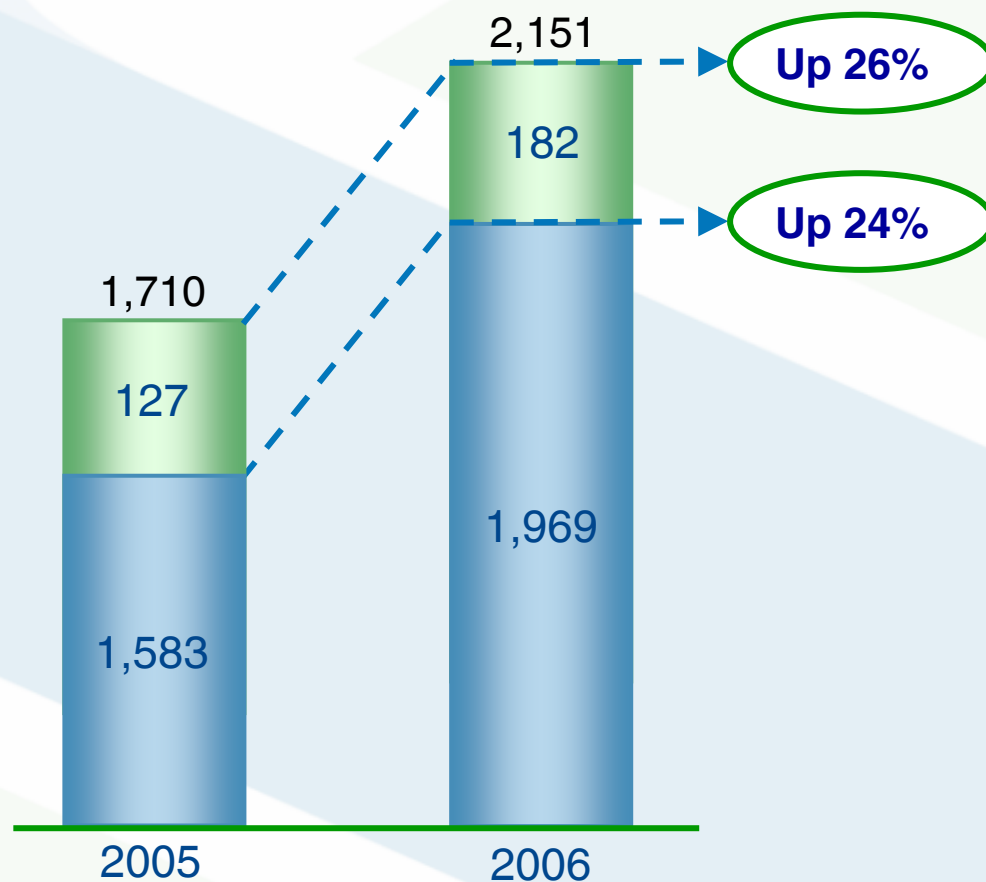


Income growth by product (%)



Wholesale Banking expenses

US\$m



Korea and acquisitions

Underlying

Components of underlying expense growth (%)

7 Investment for future growth

3 Regulatory/Control

14 BAU/Volume

24



Wholesale Banking loan impairment

US\$m	2005	2006	YOY %
Specific impairment provisions	(169)	(80)	(53)
Recoveries	287	170	(41)
Net impairment	118	90	(24)
Portfolio impairment provisions	(12)	2	NA
Total net release	106	92	(13)
Loans and advances to customers (US\$bn)	44.4	61.7	39



Korea performance

US\$m	H2 2005	H2 2006	H2 06 v H2 05 %
Income	648	788	22
Expenses	(465)	(512)	10
Loan impairment	(27)	(56)	107
Profit before tax	156	220	41



Hsinchu and Union performance

2006
US\$m

Hsinchu

Union

Income

80

51

Expenses

(47)

(34)

Loan impairment

(6)

(10)

Profit before tax

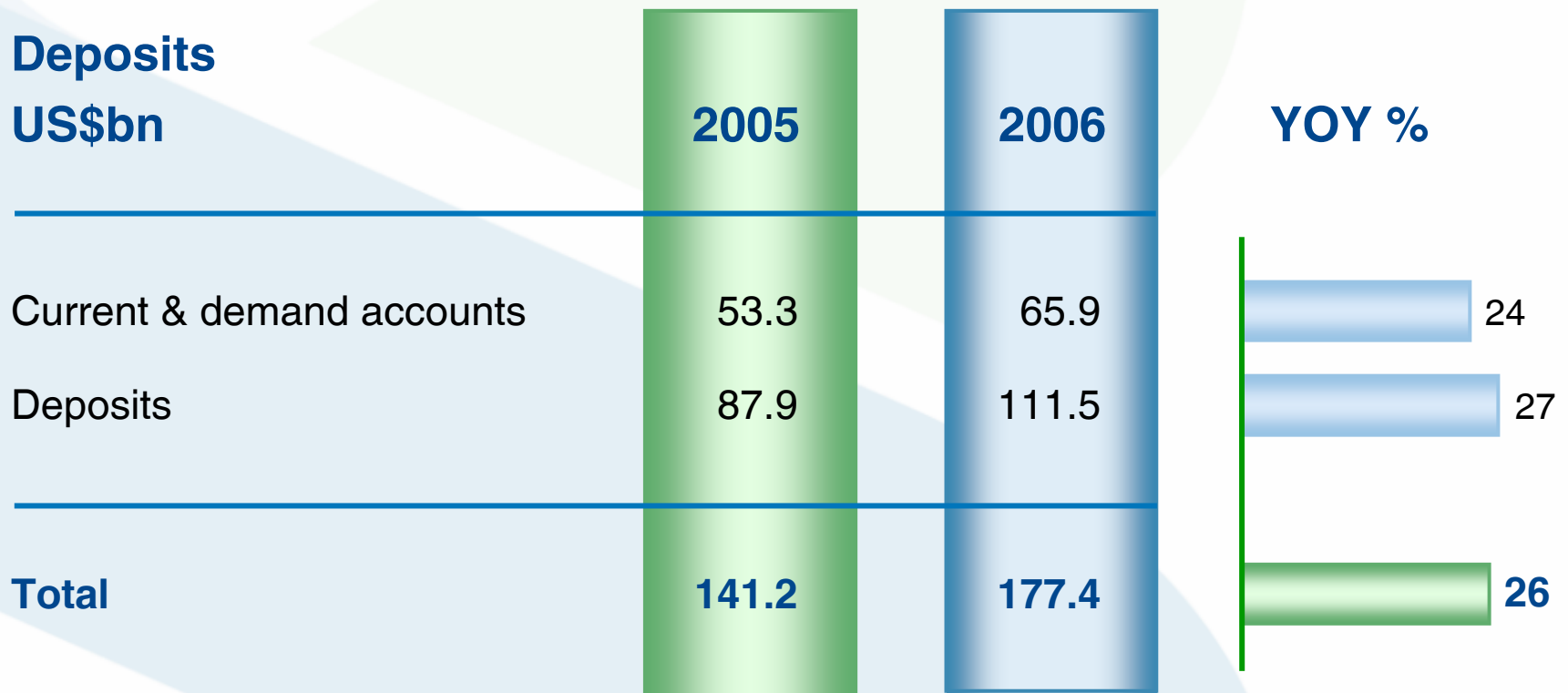
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NOTE: Ownership of Hsinchu from 19 October 2006 and Union from 5 September 2006



Group balance sheet – liabilities



Group balance sheet – assets

Loans to customers US\$bn

Consumer Banking

Mortgages

44.1

49.8

13

Other

14.6

17.4

19

SME

9.5

12.3

29

Total Consumer Banking

68.2

79.5

17

Wholesale Banking

44.4

61.7

39

Total Loans to customers*

112.6

141.2

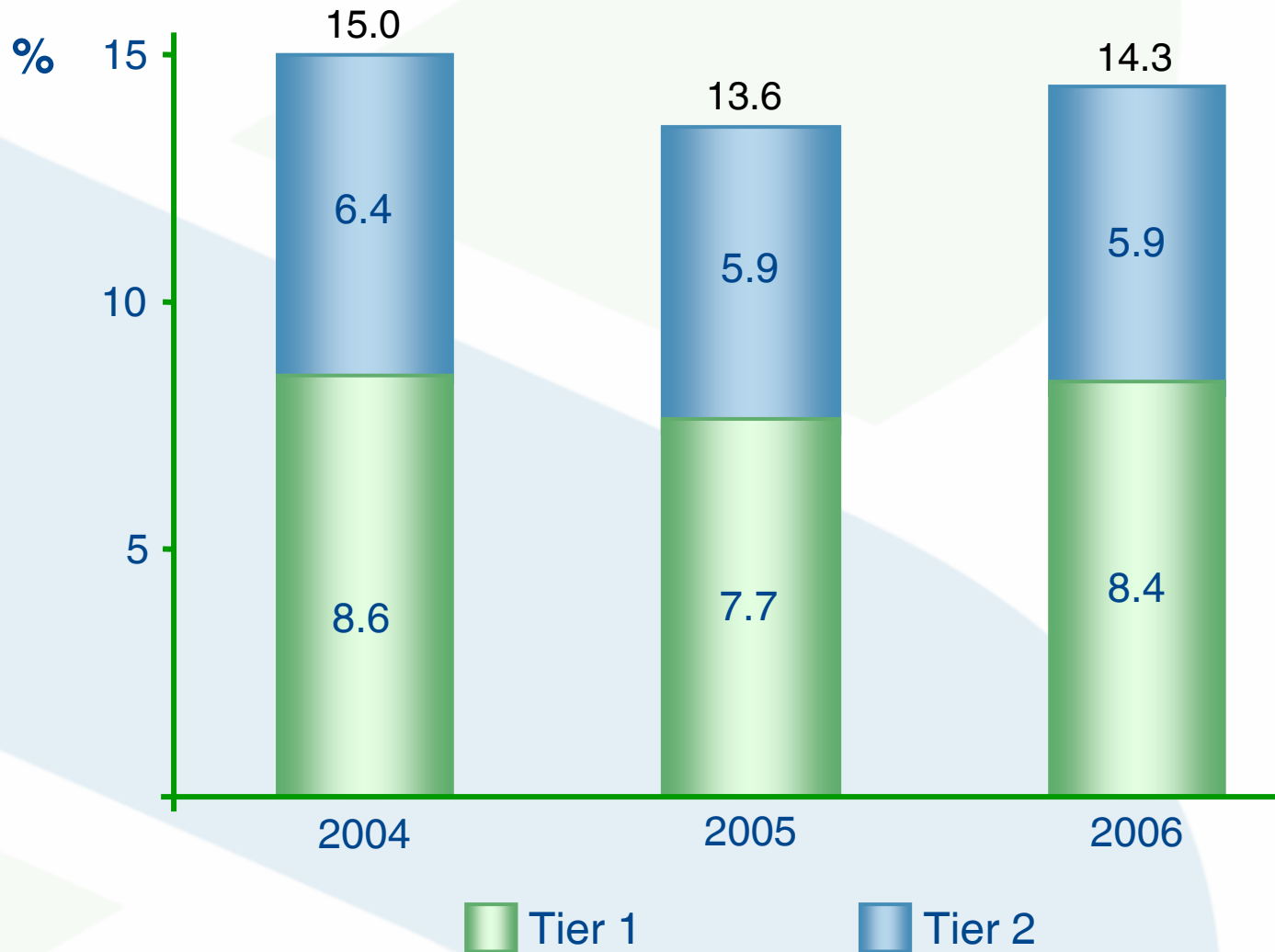
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YOY %

* Before portfolio impairment provision



Capital management





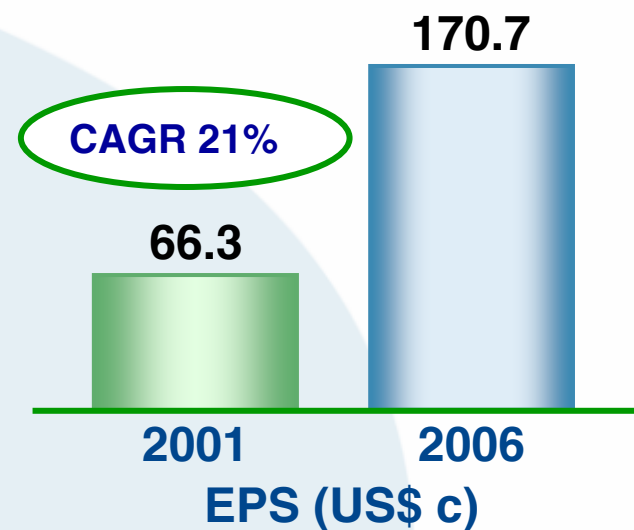
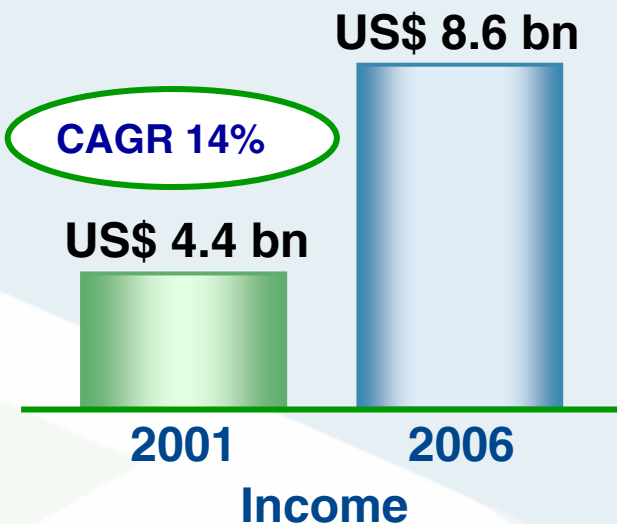
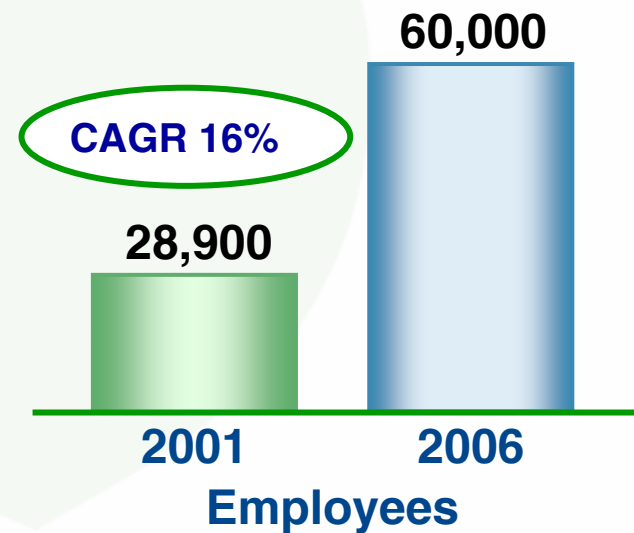
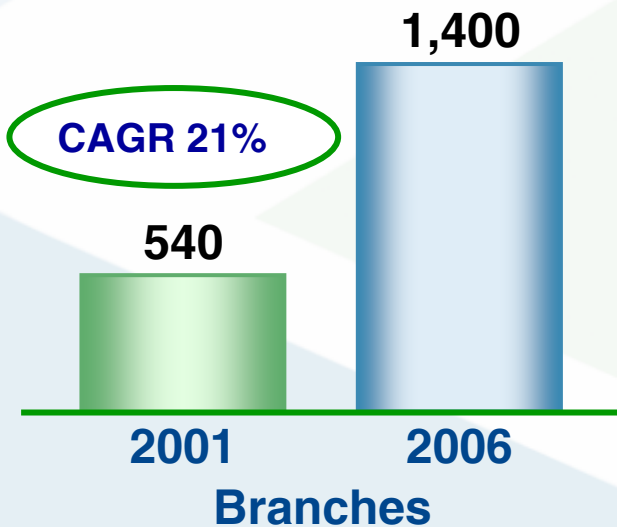
- Good income momentum
- Accelerated investment, improved productivity
- Tight management of risk

Leading the way in Asia, Africa and the Middle East

Peter Sands
Group Chief Executive



Five year performance





2006 highlights





Strategic intent

The world's best international bank

Leading the way in Asia, Africa and the Middle East

brand promise

The Right Partner – Leading by Example

values

Responsive ♦ Trustworthy ♦ Creative ♦ International ♦ Courageous

approach

Participation

Focusing on attractive, growing markets where we can leverage our customer relationships and expertise

Competitive Positioning

Combining global capability, deep local knowledge and creativity to outperform our competitors

Management Discipline

Continuously improving the way we work; balancing the pursuit of growth with firm control of costs and risks

commitment to stakeholders

Customers

Passionate about our customers' success, delighting them with the quality of our service

Our people

Helping our people to grow, enabling individuals to make a difference and teams to win

Communities

Trusted and caring, dedicated to making a difference

Investors

A distinctive investment delivering outstanding performance and superior returns

Regulators

Exemplary governance and ethics wherever we are



2007 agenda

- Accelerate organic growth
- Deliver on acquisitions
- Continuous improvement
- Building leadership
- Reinforce the brand





China





India





Middle East





Private Bank



The Standard Chartered
Private Bank

INDIA



TATA Steel Limited

US\$2.5 Billion

Acquisition of Corus Group

**Lead Arranger of Acquisition
Finance - Ongoing**

SINGAPORE/AUSTRALIA



Toll Holdings

SGD1,357 Million

Acquisition of and General Offer for
Sembcorp Logistics Limited

Sole Buy-Side Financial Advisor

MALAYSIA/ INDIA



Maxis Communications Berhad

US\$1.08 Billion

Acquisition of Aircel Limited, India

Sole Buy-Side Financial Advisor

SOUTH AFRICA/ UAE



MTN Group

US\$3,850 Million

Acquisition of Investcom, LLC

Joint Lead Acquisition Finance Provider



INDIA



Reliance Petroleum Limited

US\$2 Billion

Project Financing

Mandated Lead Arranger

CHINA



China National Chemical Corporation

EUR400 Million

Acquisition of the Global Silicones
Business of Rhodia S.A.

Sole Buy-Side Financial Advisor

PAKISTAN



Warid Telecom (Pvt.) Limited

US\$500 Million

EKN Buyer Credit Facility

Joint Lead Arranger

SAUDI ARABIA



Shuaibah IWPP

US\$2.5 Billion

Project Financing

**Financial Advisor and Mandated
Lead Arranger**



Acquisitions



Standard Chartered Bank invested Rs 30 billion in Pakistan's economy for the acquisition of Union Bank; the largest ever investment in Pakistan's Banking industry.

Standard Chartered Bank has had a presence in Pakistan since 1863. Our historic investment in acquiring Union Bank is a proof of our commitment and confidence in Pakistan and in you, our valued customer.

We are true to our vision for Pakistan where the well being of the citizens of Pakistan based on a thriving economy is paramount. Our 115 branches in 22 cities of Pakistan let us proudly wear the badge of "the best and largest locally embedded international bank".



www.standardchartered.com.pk

Welcome to Standard Chartered Bank
Together, we will be the leading bank in Taiwan



- With Hsinchu, Taiwan will be our fourth largest market.
- A workforce of over 4,000 talented Mandarin-speakers.
- Extensive customer base of close to 3 million retail accounts and over 117,000 corporate and SME accounts.
- A total of 86 branches in Taiwan.
- Market leader in two of the wealthiest regions in Taiwan – Hsinchu and Taoyuan.
- Significant opportunities in our Greater China network.

加油!
JiaYo!





Continuous improvement





Building leadership



Reinforce the brand





Summary





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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