

Interim Results 2008

Leading the way
in Asia, Africa and the Middle East



Leading the way

in Asia, Africa and the Middle East

Mervyn Davies
Chairman

Performance highlights

Income

US\$6.99bn



33%

Operating profit before tax

US\$2.59bn



31%

Normalised EPS

120.4c



20%

Dividend (per share)

25.67c



11%

A different bank

- Strong and sustainable business
- Clear and consistent strategy
- Resilient in difficult times



Summary



Leading the way in Asia, Africa and the Middle East

Richard Meddings
Group Finance Director

Group performance

US\$m	H1 2007	H2 2007	H1 2008	YOY %
Income	5,263	5,804	6,987	33
Expenses	(2,918)	(3,297)	(3,900)	34
Operating profit before provisions	2,345	2,507	3,087	32
Loan impairment	(361)	(400)	(465)	29
Other impairment	(3)	(54)	(26)	
(Loss)/profit from associates	(1)	2	(10)	
Profit before tax	1,980	2,055	2,586	31
Profit attributable to ordinary shareholders	1,370	1,443	1,785	30

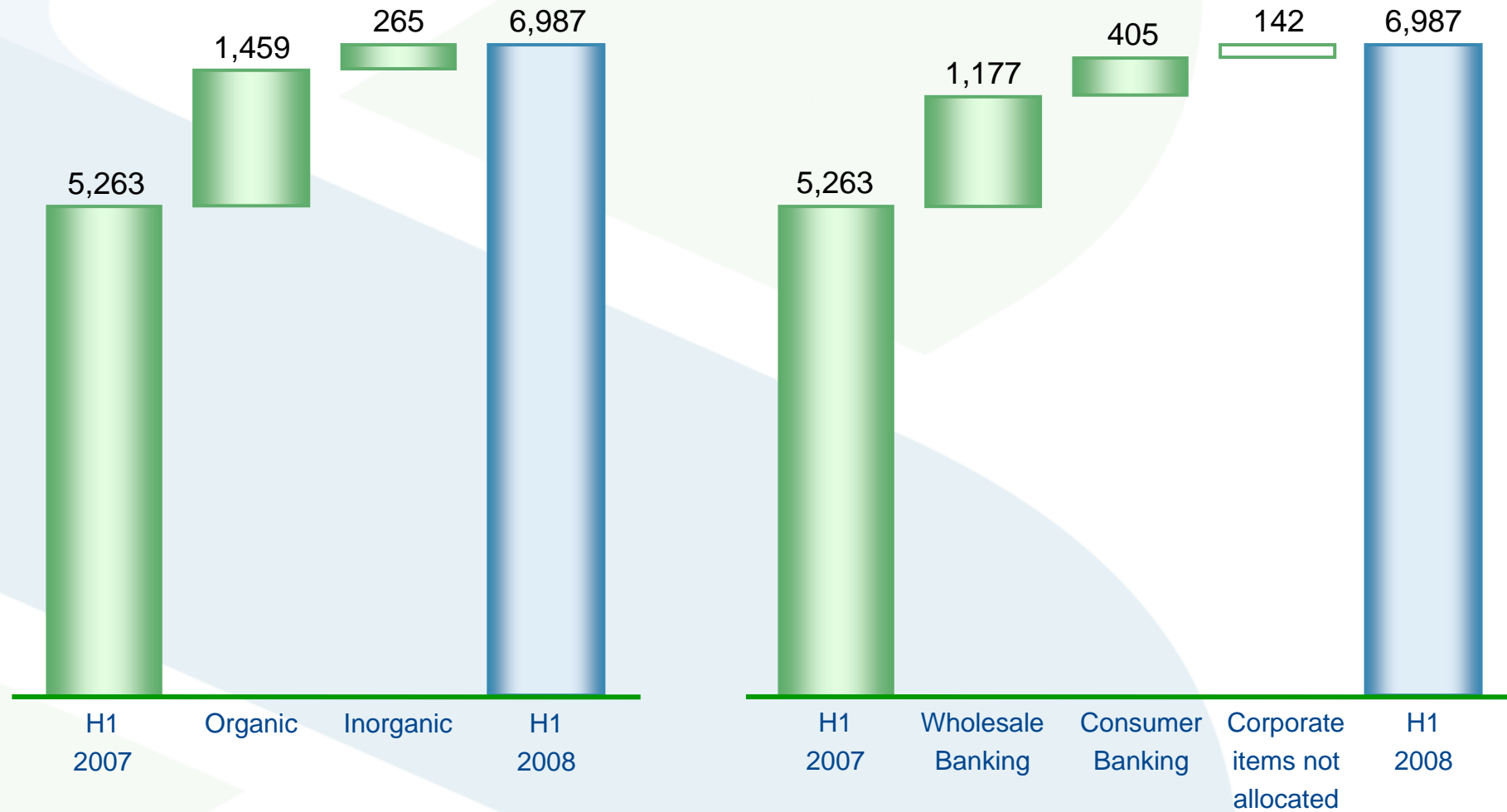
Underlying Group performance*

US\$m	H1 2007	H2 2007	H1 2008	YOY %
Income	5,263	5,804	6,722	28
Expenses	(2,918)	(3,297)	(3,637)	25
Operating profit before provisions	2,345	2,507	3,085	32
Loan impairment	(361)	(400)	(454)	26
Other impairment and losses	(4)	(52)	(31)	
Operating profit before tax	1,980	2,055	2,600	31
Normalised cost income ratio (%)	54.7%	57.3%	56.4%	

*excludes American Express Bank

Sources of income growth

US\$m



Performance by geography

Profit before tax US\$m

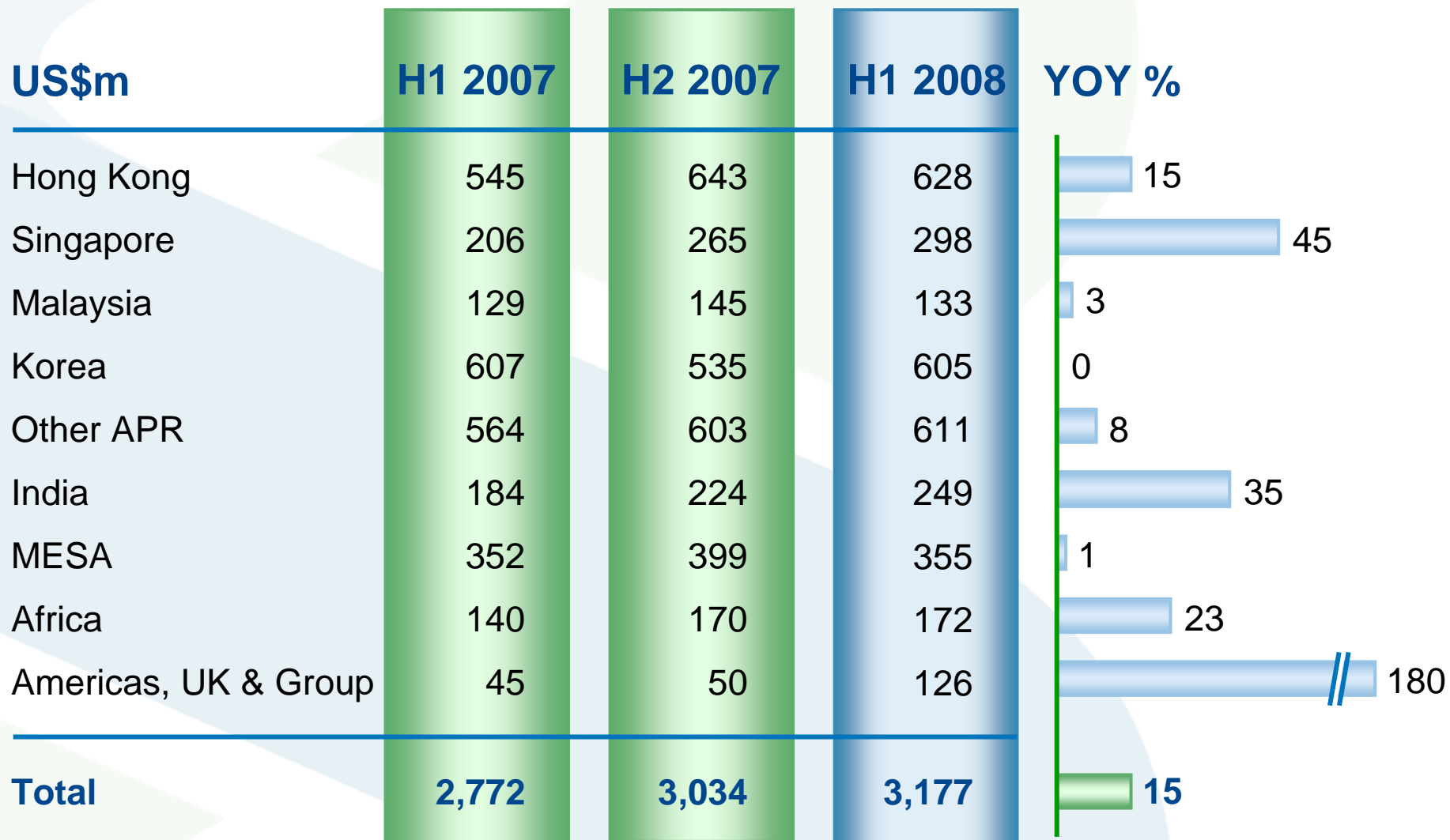
	H1 2007	H2 2007	H1 2008	YOY %
Hong Kong	514	679	656	28
Singapore	205	241	317	55
Malaysia	97	139	152	57
Korea	195	129	209	7
Other APR	281	291	353	26
India	320	370	606	89
MESA	289	302	386	34
Africa	111	187	157	41
Americas, UK & Group	(32)	(283)	(250)	nm
Total	1,980	2,055	2,586	31

Consumer Banking performance

US\$m	H1 2007	H1 2008	YOY %	Underlying YOY %*
Income	2,772	3,177	15	10
Expenses	(1,612)	(1,961)	22	12
Operating profit before impairment	1,160	1,216	5	7
Loan impairment	(372)	(412)	11	8
Other impairment	0	(2)		
Operating profit	788	802	2	7

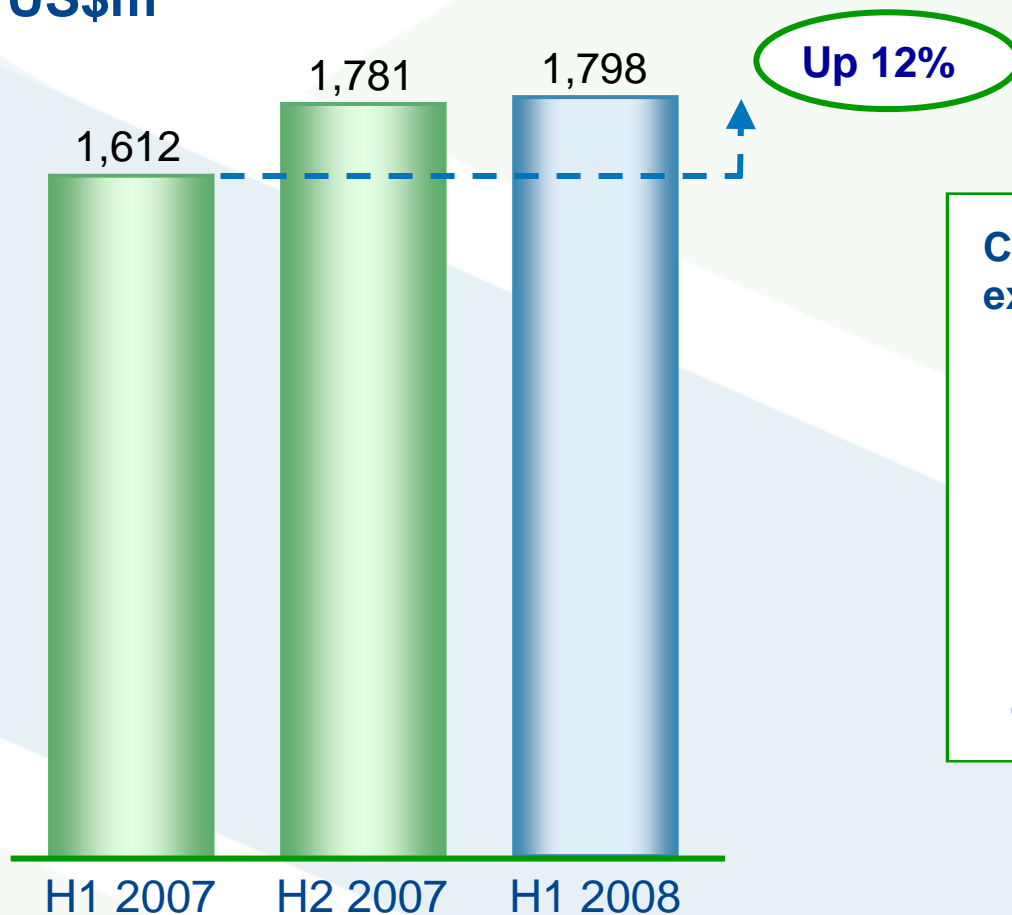
*excludes American Express Bank

Consumer Banking income



Underlying Consumer Banking expenses*

US\$m



Components of expense growth (%)

- 8 Investment for future growth
- 3 Regulatory/Control
- 1 BAU/Volume

12

*excludes American Express Bank

Consumer Banking loan impairment

US\$m	H1 2007	H2 2007	H1 2008	YOY %
Individual impairment provision	(396)	(381)	(416)	5
Portfolio impairment provision	24	17	4	(83)
Total impairment charge	(372)	(364)	(412)	11
Loans and advances to customers (US\$bn)	79.5	82.3	84.4	6

Wholesale Banking performance

US\$m	H1 2007	H1 2008	YOY %	Underlying YOY %*
Income	2,487	3,664	47	42
Expenses	(1,298)	(1,939)	49	42
Operating profit before impairment	1,189	1,725	45	43
Loan impairment	11	(53)		
Other impairment	(3)	(24)		
Operating profit	1,197	1,648	38	35

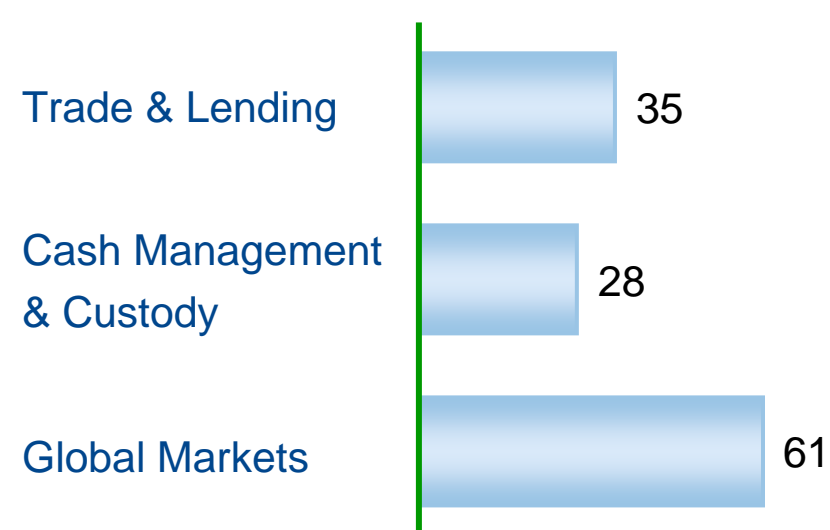
*excludes American Express Bank

Wholesale Banking income

Client income growth by segment (%)

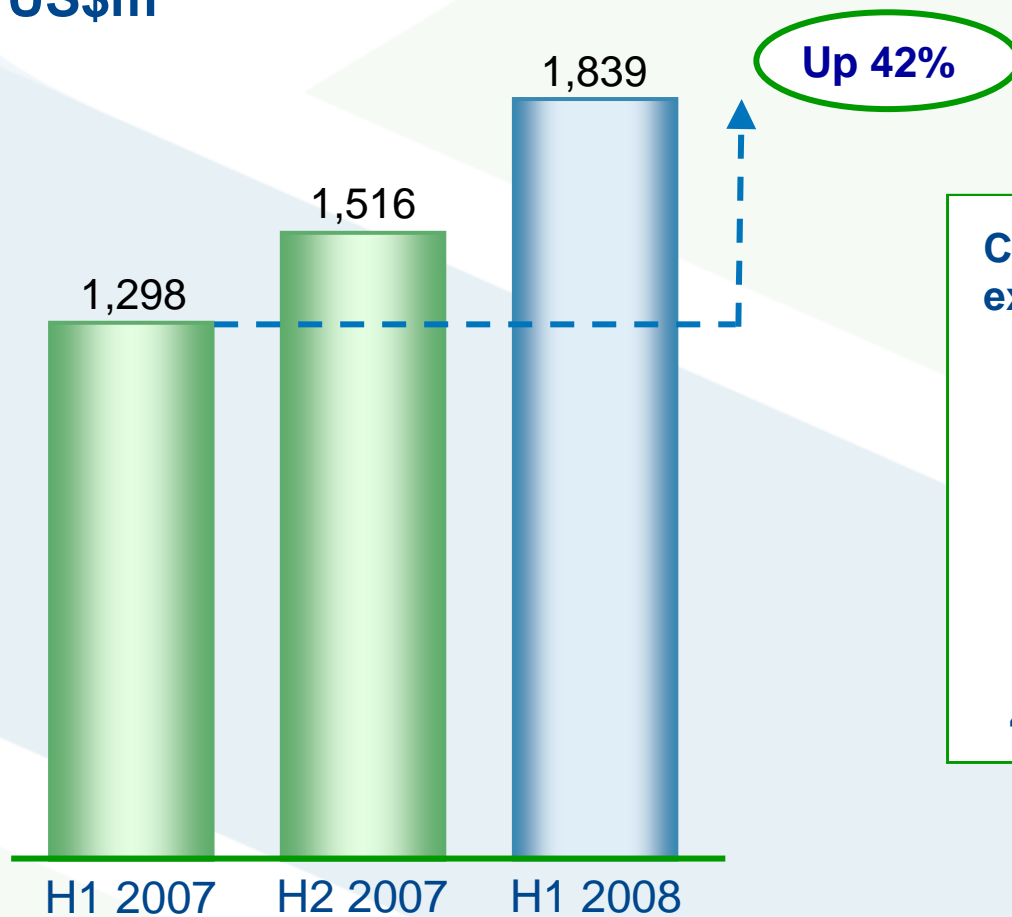


Income growth by product (%)



Underlying Wholesale Banking expenses*

US\$m



Components of expense growth (%)

- 2 Investment for future growth
- 6 Regulatory/Control
- 34 BAU/Volume

42

*excludes American Express Bank

Wholesale Banking loan impairment

US\$m	H1 2007	H2 2007	H1 2008	YOY %
Specific impairment provisions	(38)	(56)	(63)	66
Recoveries	55	40	32	(42)
Portfolio impairment provisions	(6)	(20)	(22)	
Total net release/(charge)	11	(36)	(53)	
Loans and advances to customers (US\$bn)*	73.8	75.3	93.4	27

*before portfolio impairment provision

US\$m	H1 2007	H1 2008	YOY%	constant currency YOY%
Income	801	867	8	14
Expenses	(560)	(568)	1	7
Loan impairment	(46)	(90)	96	107
Operating profit before tax	195	209	7	13

H1 2008 Performance* US\$m	CB	WB	Total
Income	135	130	265
Expenses	(123)	(75)	(198)
Loan/other impairment	(13)	(3)	(16)
Profit pre integration expense	(1)	52	51
Integration Expense	(40)	(25)	(65)
Profit before tax	(41)	27	(14)

*Performance reflects ownership of American Express Bank from 29 February 2008

Group balance sheet

US\$bn	H1 2007	H2 2007	H1 2008	YOY %
Customer loans	151.9	154.3	174.7	15
Customer deposits	160.2	179.8	205.5	28
Customer loans to deposits %	95	86	85	

Exposure to Asset Backed Securities

US\$ m	Notional Dec 2007	Notional Jun 2008	Carrying Value Jun 2008
RMBS			
US Sub-prime	0	0	0
US Alt A	96	89	59
US Prime	2	2	2
UK/Other	1,825	1,562	1,499
CDOs			
ABS	291	264	79
Other CDOs	418	394	335
CMBS			
US CMBS	159	150	132
Other CMBS	980	904	796
Other ABS	2,085	2,221	2,059
Total	5,856	5,586	4,961
Charge to AFS reserve	83	186	
Charge to P&L	282*	130	

*Includes US\$116m loss incurred on the exchange of capital notes held Whistlejacket

Risk Weighted Assets

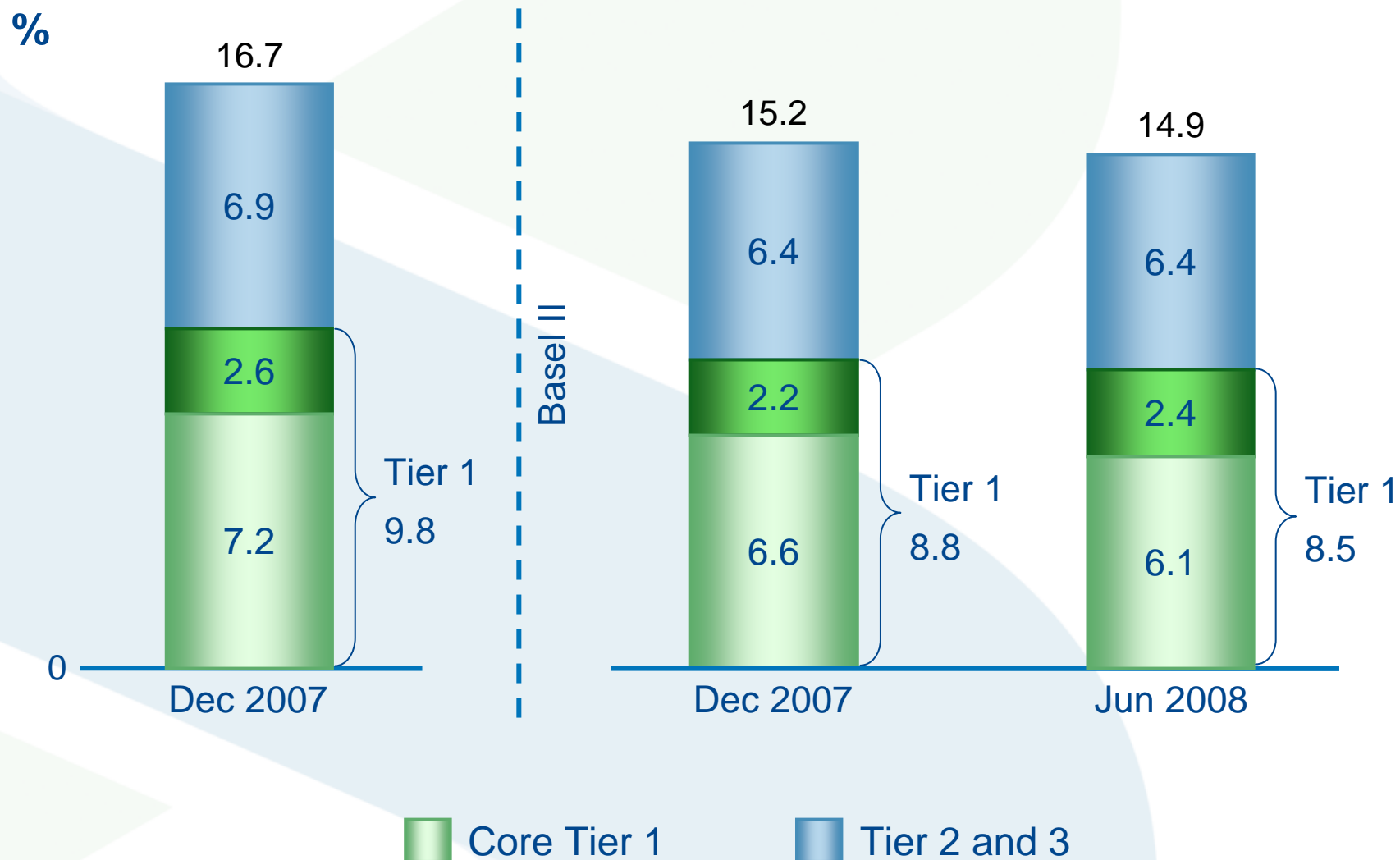
US\$ bn



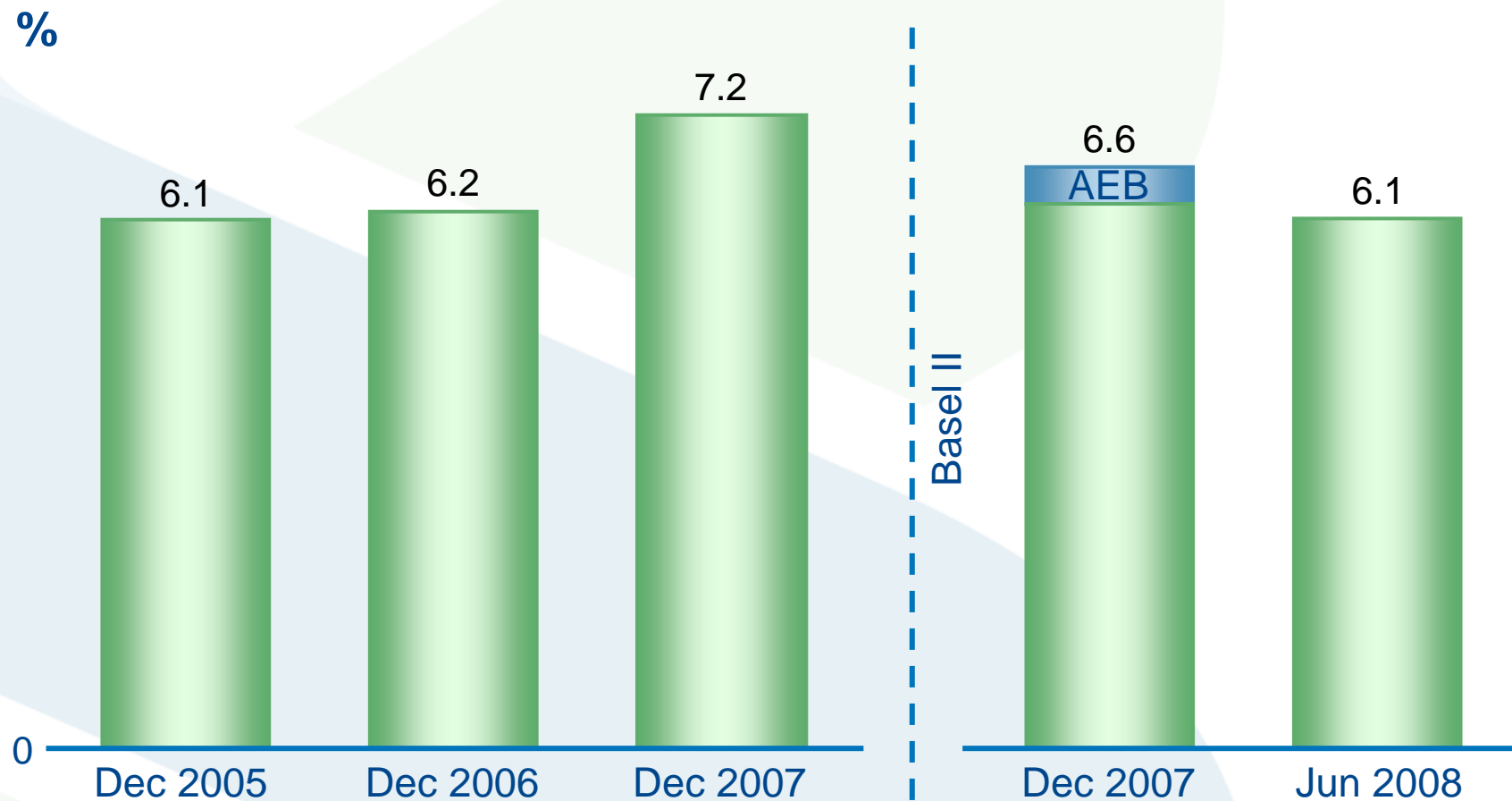
US\$ bn



Capital management



Core Tier 1



Outlook for 2008

- Excellent momentum across multiple businesses and geographies
- Outlook remains uncertain
- Well positioned to capture opportunities

Leading the way in Asia, Africa and the Middle East

Peter Sands
Group Chief Executive

Growth foundations

- Clear consistent strategy
- Focus on the basics - liquidity, capital, risks and costs
- Distinctive culture and values



External environment

Inflation %	2008F*	2009F*
China	6.5	3.0
India	10.9	3.6
Korea	4.7	3.1
Hong Kong	5.2	2.9
Singapore	6.2	4.0
Malaysia	4.5	4.0
Indonesia	9.3	7.8
Vietnam	23.0	9.5
Taiwan	2.9	2.5
Thailand	6.4	3.8
US	2.0	1.8
UK	3.1	2.3
Eurozone	3.4	2.4
Japan	1.2	0.9

Source: *Standard Chartered forecasts July 2008



Asian growth forecast

GDP %	2007	2008F*	2009F*
China	11.9	9.9	8.6
India	9.0	7.4	8.5
Korea	5.0	4.5	5.0
Hong Kong	6.4	4.6	5.0
Singapore	7.7	3.5	4.0
Malaysia	6.3	4.8	4.0
Indonesia	6.3	6.0	6.2
Vietnam	8.5	6.7	6.0
Taiwan	5.7	3.5	4.8
Thailand	4.8	4.7	4.5
UAE	7.4	6.5	6.0
Nigeria	6.5	9.5	10.0
US	2.2	1.2	1.0
UK	3.0	1.2	0.8
Eurozone	2.6	1.8	1.4

Source: *Standard Chartered forecasts July 2008

- Investing for future growth
- Reinvesting returns, accelerating revenue growth
- Pacing investment in line with income growth



Wholesale Banking

As usual, we're open for business.

At Standard Chartered Bank, we know that sustainable business success results from the right partnerships and alliances, especially in challenging economic times. With our proven track record of innovative, award-winning solutions and in-depth local knowledge of over 70 markets worldwide, you can count on our continued commitment to meet your growing needs.

Let our ability to deliver power your ambition.

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Summary

