Standard Chartered

Leading the way in Asia, Africa and the Middle East

Bank of America Merrill Lynch Conference 2013

Forward looking statement

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Leading the way in Asia, Africa and the Middle East

Richard Meddings
Group Finance Director

Who we are

Standard Chartered

- Over 150 year heritage
- Over 1,700 branches & offices
- Presence in 70 markets
- Over 88,000 employees
- Listings in London, Hong Kong & Mumbai

- Credit ratings AA- / A1 / AA- (S&P / Moody's / Fitch respectively)
- Around 90% of income from Asia, Africa and Middle East
- Lead regulated by the UK Prudential Regulation Authority
- Market cap: US$58bn (Sept 2013)

What we stand for

Standard Chartered

Our Strategic Intent

The world's best international bank

Leading the way in Asia, Africa and the Middle East

Our Brand Promise

Here for good

Our Values

Courageous	Responsive	International	Creative	Trustworthy
We take measured risks and stand up for what is right	We deliver relevant, timely solutions for clients and customers	We value diversity and work as One Bank	We innovate and adapt, continuously improving the way we work	We are reliable, open and honest

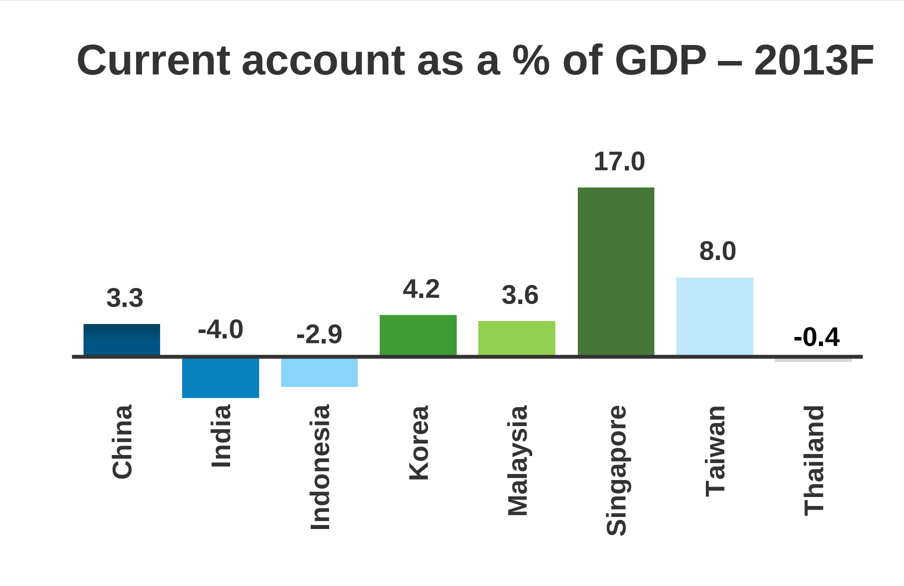
Our Distinctive Strengths

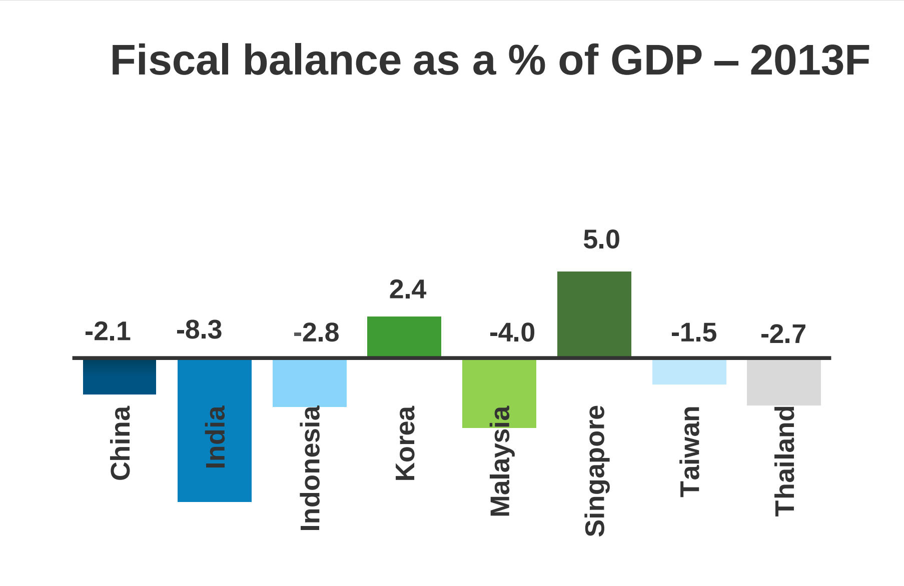
Collaborative Network	Clients and Customers	Disciplined Growth
Combining global capability and local knowledge	Building deep and long term relationships	Delivering results without compromising balance sheet strength or control of risks and costs

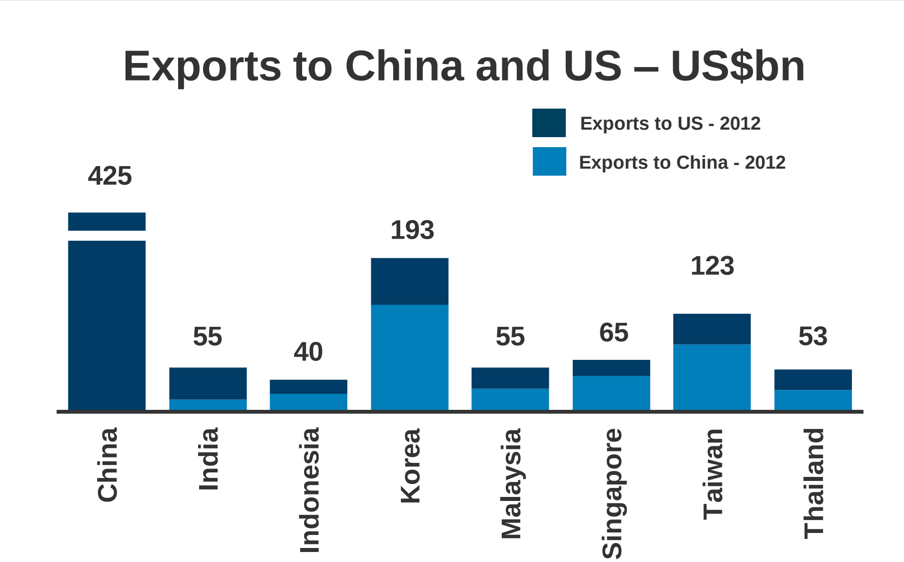
Our Commitments

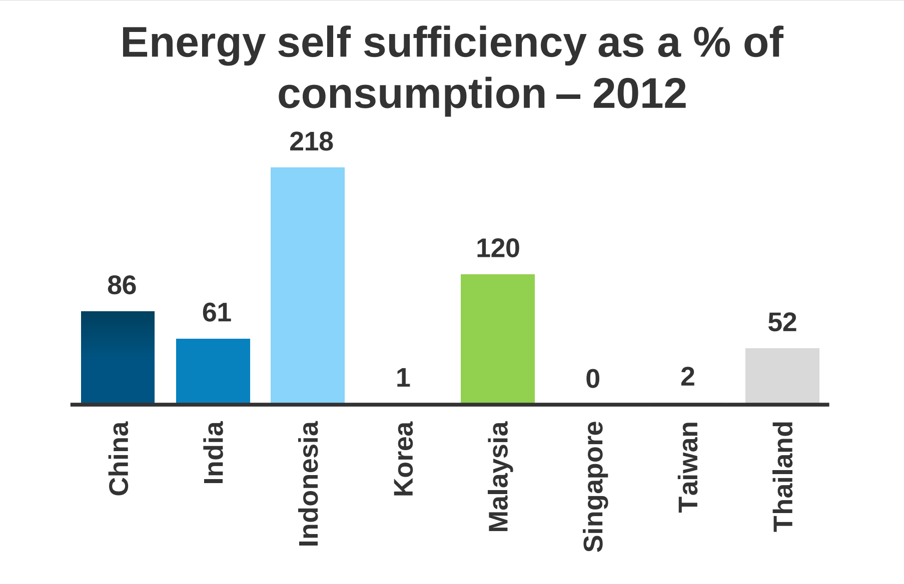
Colleagues	Society	Investors	Regulators
A great place to work, enabling individuals to grow and teams to win	A force for good, promoting sustainable economic and social development	A distinctive investment, delivering consistently superior performance	A responsible partner with exemplary governance and ethics

One region, many differences





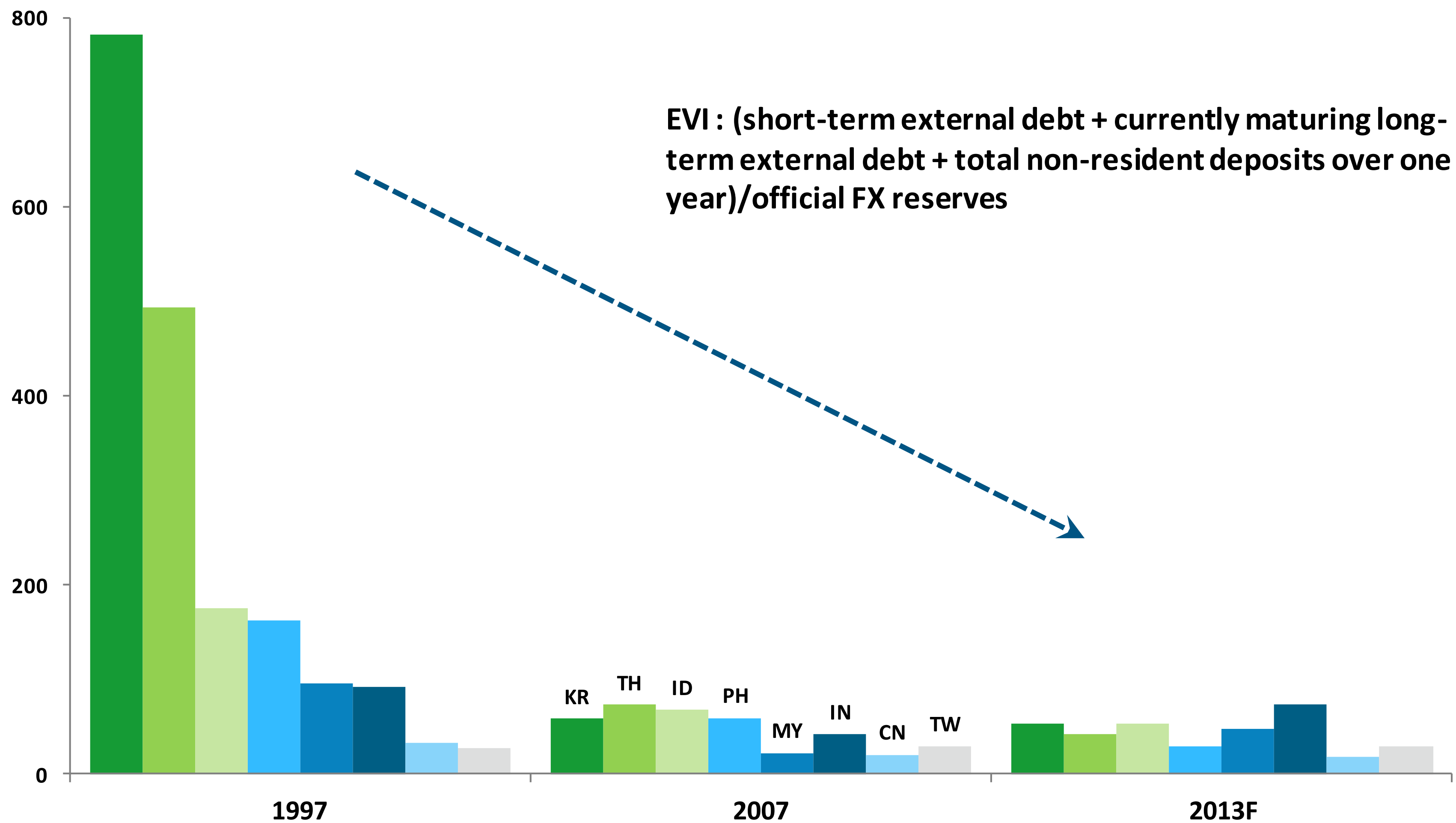




Sources: BP, IMF, Standard Chartered Research

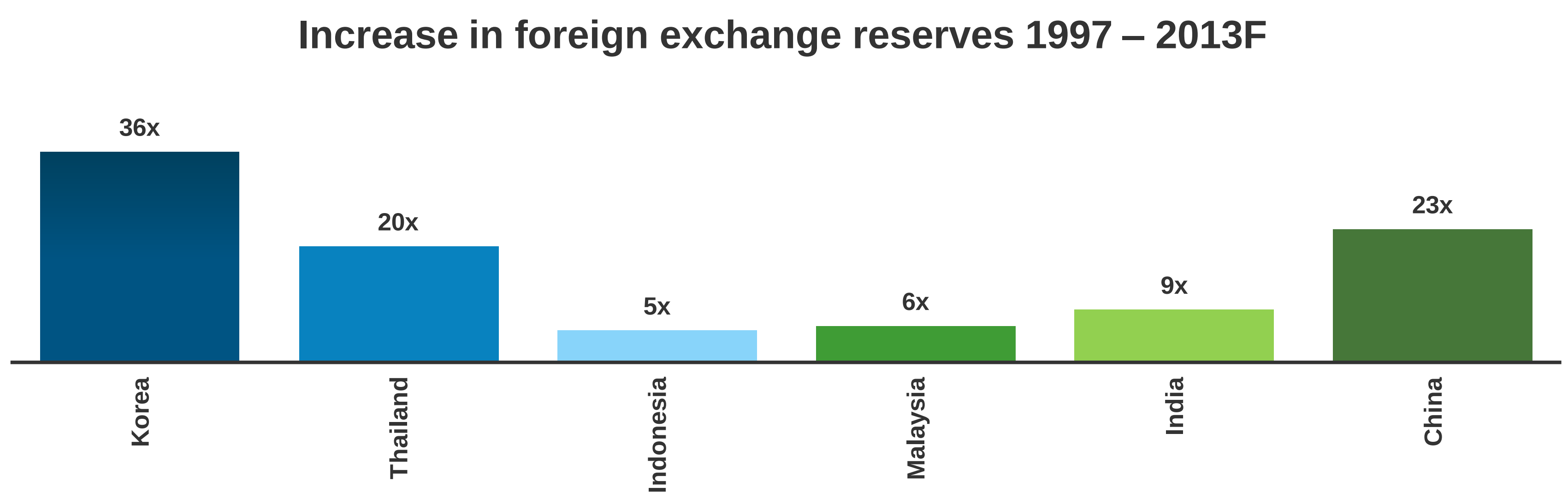
This cycle is different

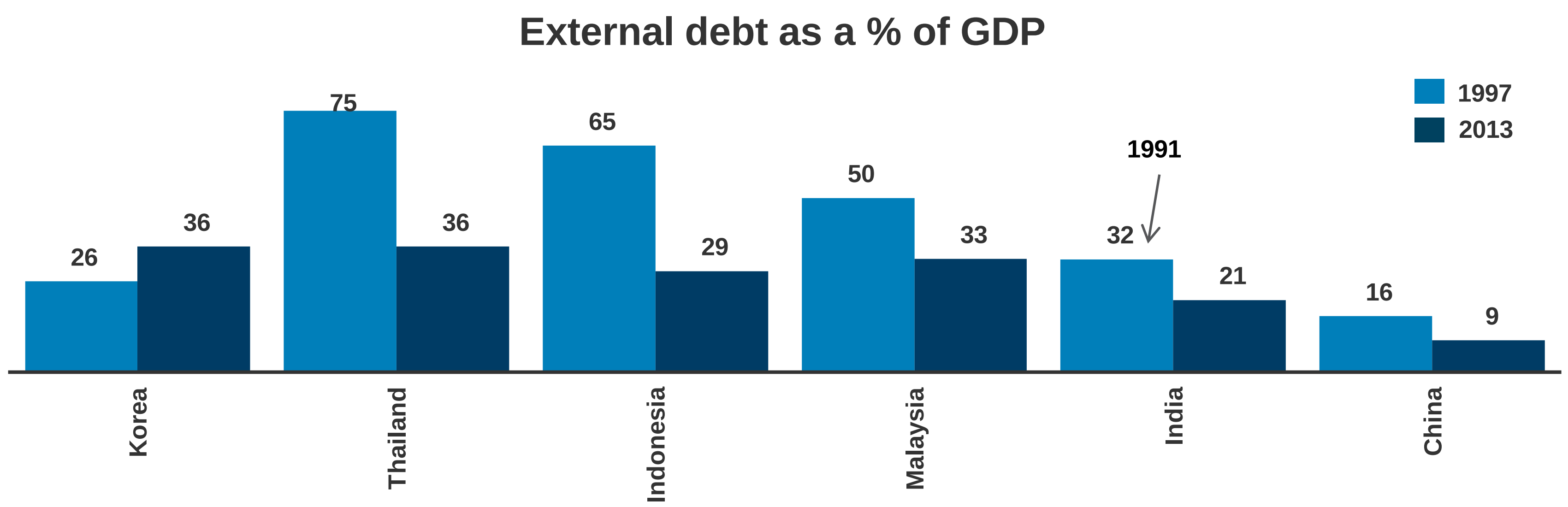
Moody's External Vulnerability Indicator (EVI)



Source: Moody's, Standard Chartered Research

Wiser, stronger and more resilient

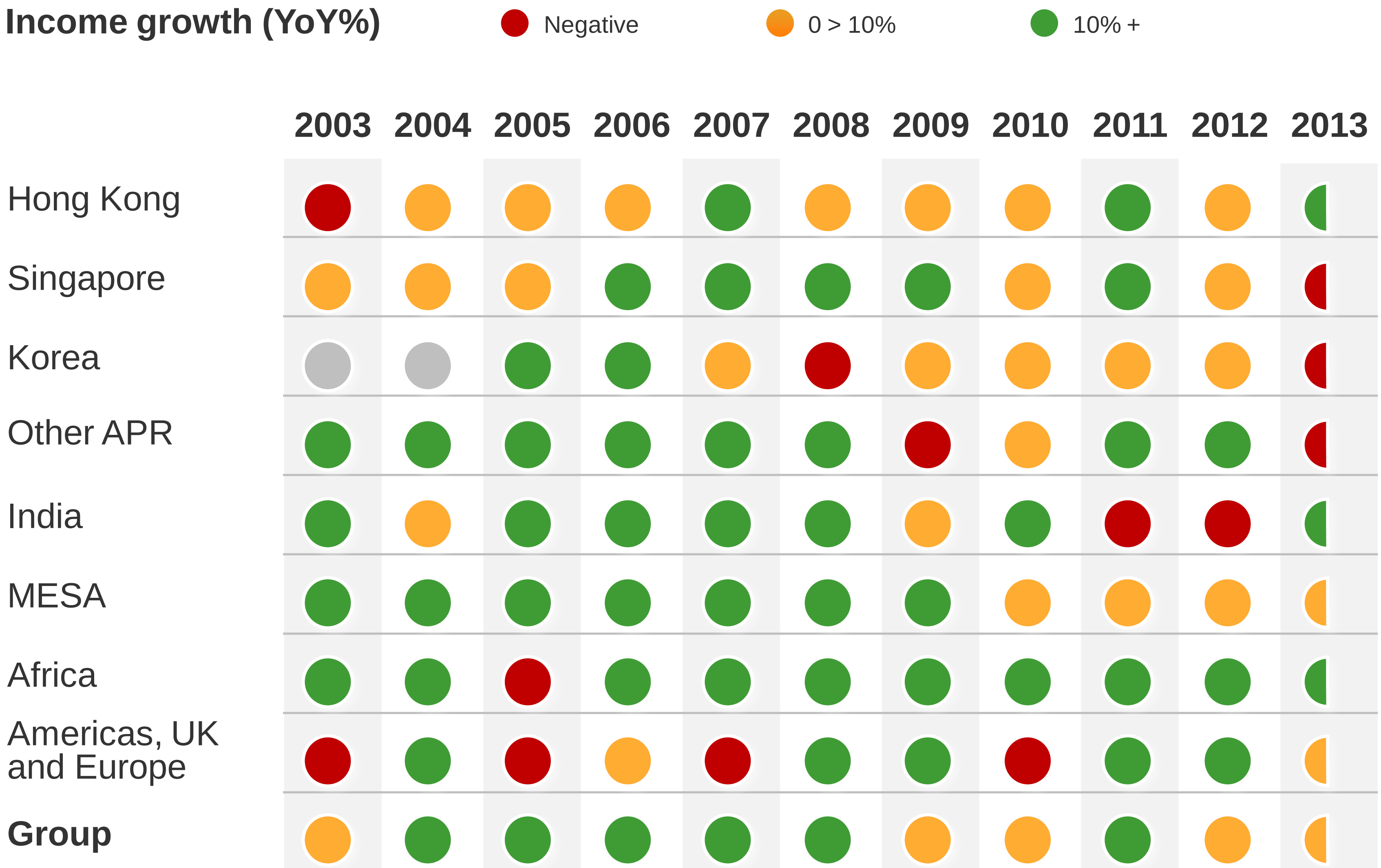




Source: Bloomberg, Moody's

Historical performance

Income growth (YoY%)



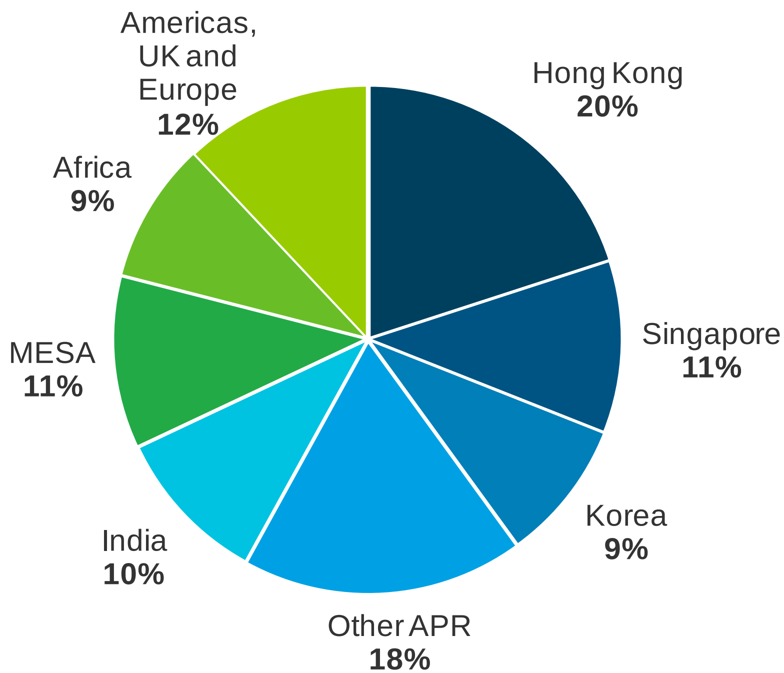
Performance highlights

	H1 13	YoY%	YoY% Normalised*
Income	US$10.0bn	7%	5%
Jaws	3%		
Normalised earnings	US$2.9bn		6%
Normalised return on equity	13.3%		
Dividend per share	28.8c	6%	

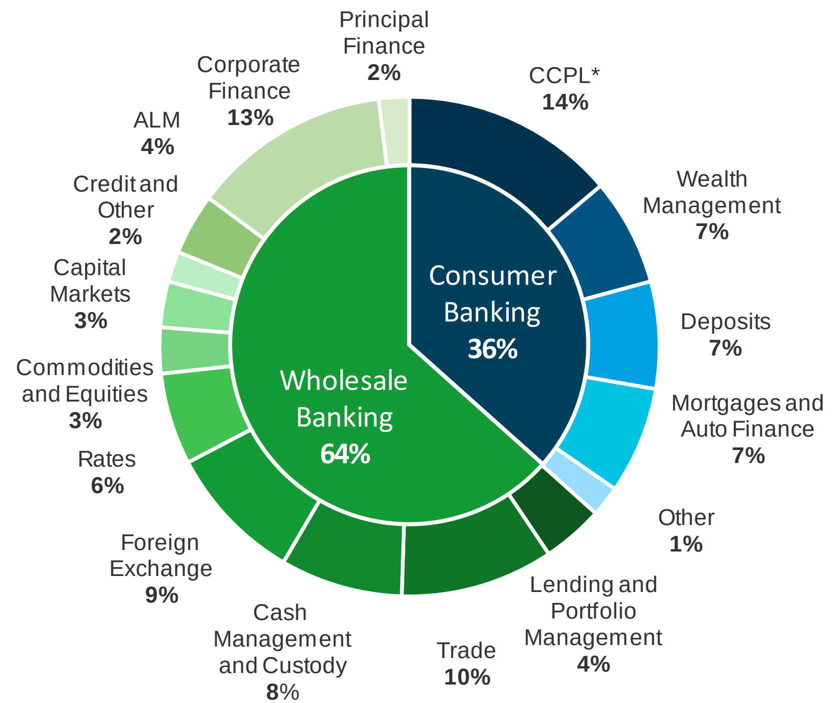
* *Normalised as per details on page 114 of the half year 2013 press release - Note: signage used throughout the presentation is Better / (Worse)*

Diversity a differentiator

Income by geography



Income by product



* *Credit Cards, Personal Loans and Unsecured Lending*

- Well diversified income by geography& product
- 17 markets with double digit growth
- 25 markets with income over US$50m
- In Africa, 7 markets with income > US$50m and 3 over US$100m
- 1HK client income and Hong Kong profits > US$1bn in a half for the first time

Consumer Banking performance

US$m	H1 12*	H2 12*	H1 13	YoY%
Income	3,429	3,592	3,683	7
Expenses	(2,246)	(2,350)	(2,340)	(4)
Operating profit before impairment	**1,183**	**1,242**	**1,343**	**14**
Loan impairment	(290)	(384)	(506)	(74)
Other impairment	(9)	(36)	0	100
Profit from associates	24	19	21	(13)
Operating profit	**908**	**841**	**858**	**(6)**

* *Prior periods have been restated for Permata (now equity accounted as per IFRS 11)*

Wholesale Banking performance

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US$m	H1 12*	H2 12*	H1 13	YoY%
Income	5,942	5,730	6,305	6
Income (ex. OCA)	**5,942**	**5,730**	**6,068**	**2**
Expenses	(2,633)	(3,319)	(2,694)	(2)
Loan impairment	(285)	(237)	(224)	21
Other impairment	(65)	(86)	(11)	83
Profit from associates	69	70	91	30
Operating profit	**3,028**	**2,158**	**3,467**	**14**
Operating profit (ex.OCA)	**3,028**	**2,158**	**3,230**	**7**

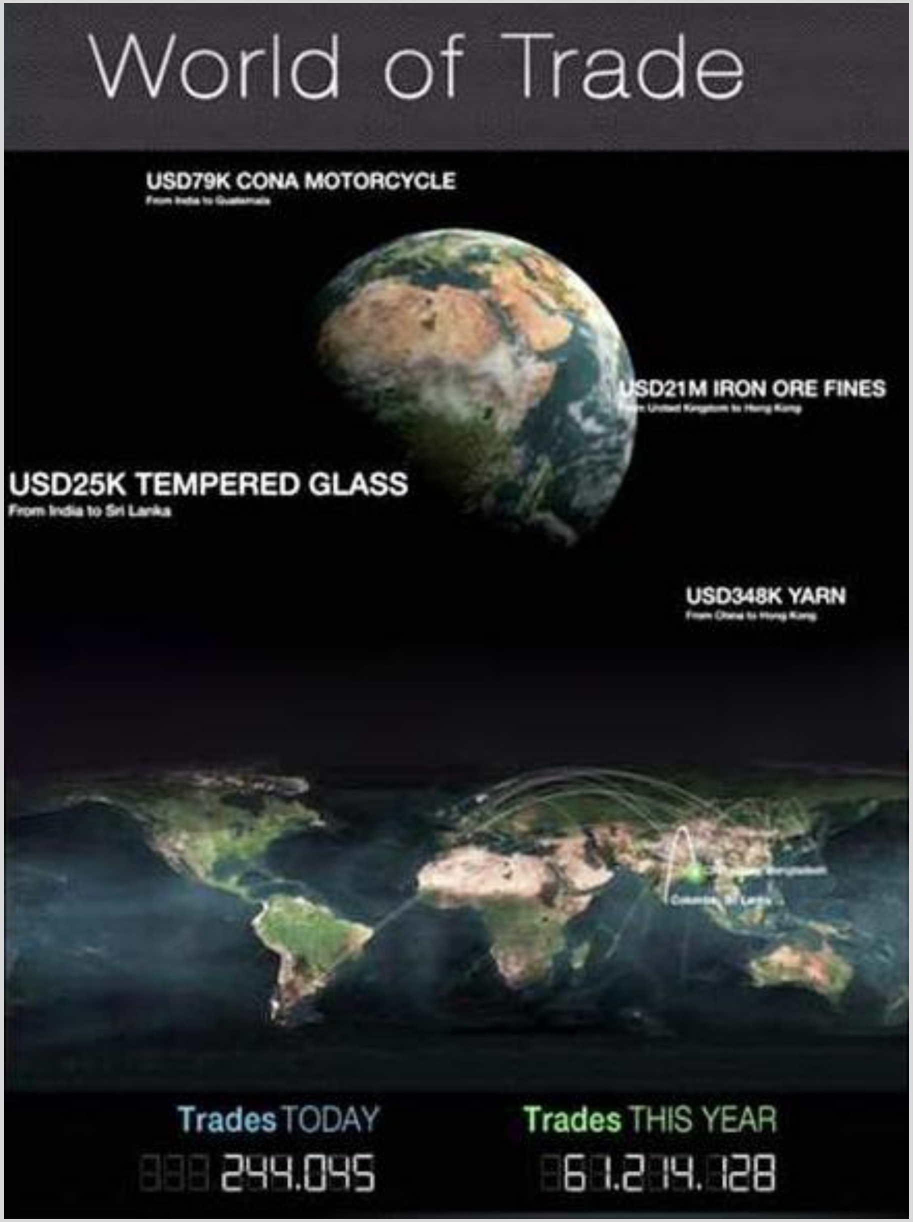
** Prior periods have been restated for Permata (now equity accounted as per IFRS 11)*

Relationship leader in Transaction Banking

Standard Chartered

- Primary transaction banker to 197 or 21% of Asian institutions
- Leader for wallet capture as primary banker at 72% of transaction volume
- Share of primary/secondary banker grown by 2.9% from 31% to 33.9% in last 4 years
- Leader in client satisfaction: lead for 5 of the top 10 satisfaction drivers across Sales, Service & Operations

Source: East & Partners Asian Institutions Transaction Banking Study, May 13

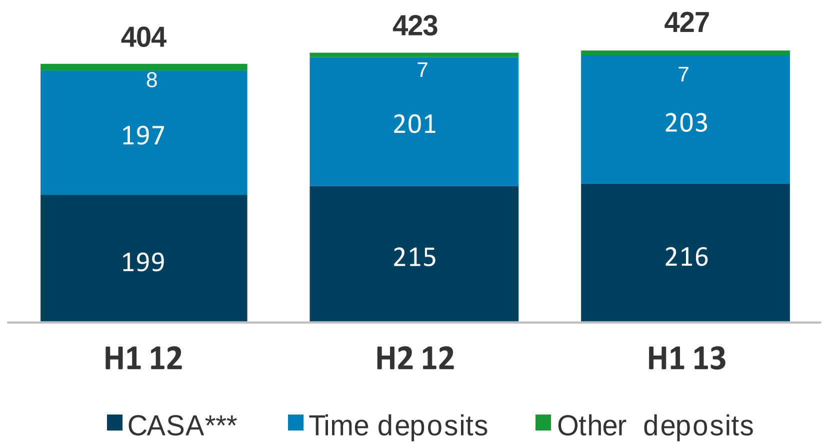


Group balance sheet

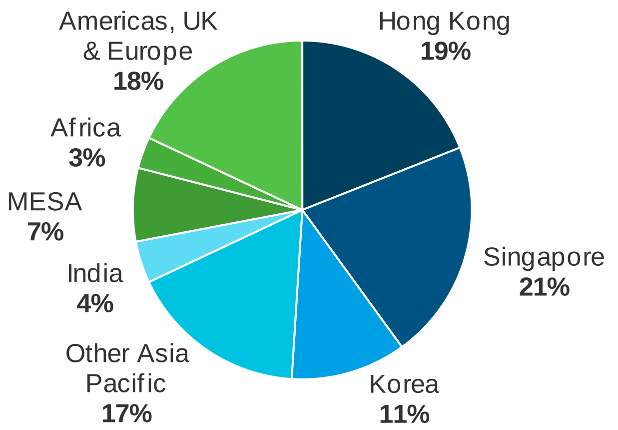
- Customer deposit funded franchise
- Liquid asset ratio of 28.3% and US$184bn of liquid assets
- Minimal refinancing requirements
- Basel III NSFR* and LCR** requirements already met
- No direct sovereign exposure to Greece, Ireland, Italy, Portugal or Spain

* Net stable funding ratio
** Liquidity coverage ratio
*** Current account and savings account

Total deposits US$bn



Customer loans and advances by geography



Risk management

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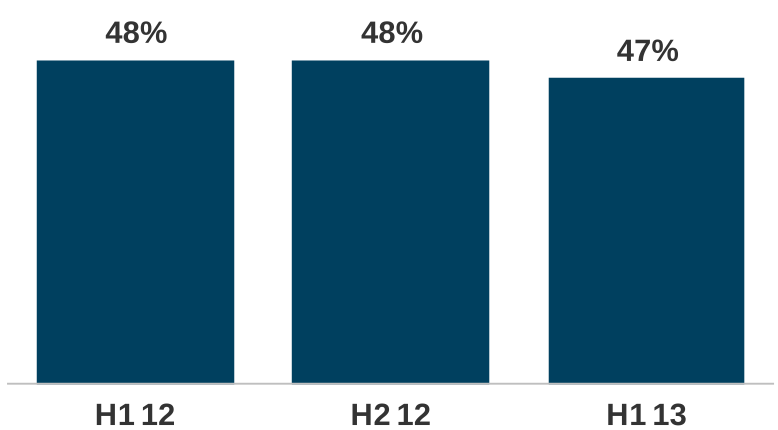
Consumer Banking

- 81% of Consumer Banking portfolio is fully or partially secured
- Only 11% of the SME portfolio is unsecured
- Average LTV on mortgage portfolio of 47%

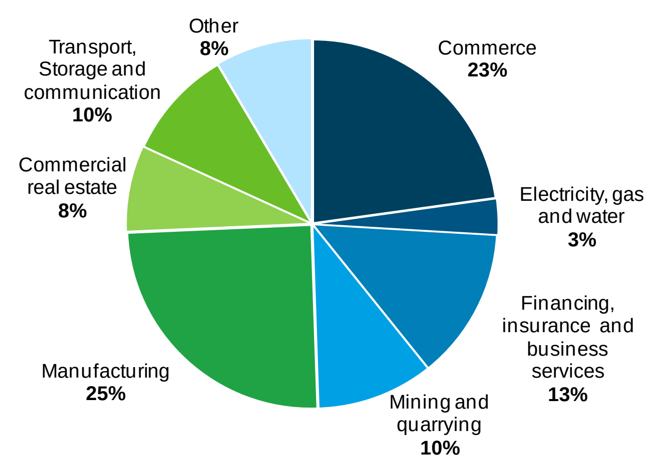
Average LTV on mortgage portfolio (%)



Wholesale Banking

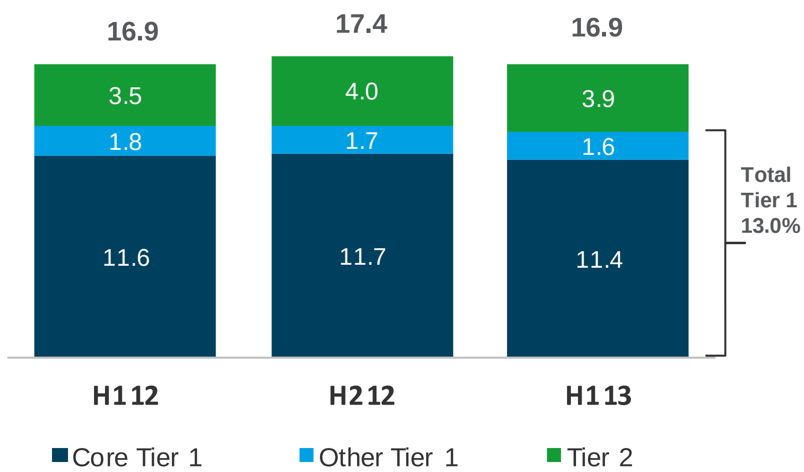
- 65% of Wholesale Banking loans less than 1 year maturity
- Continue to distribute assets
- Well diversified book by geography and industry

Wholesale Banking Loans and advances to customers

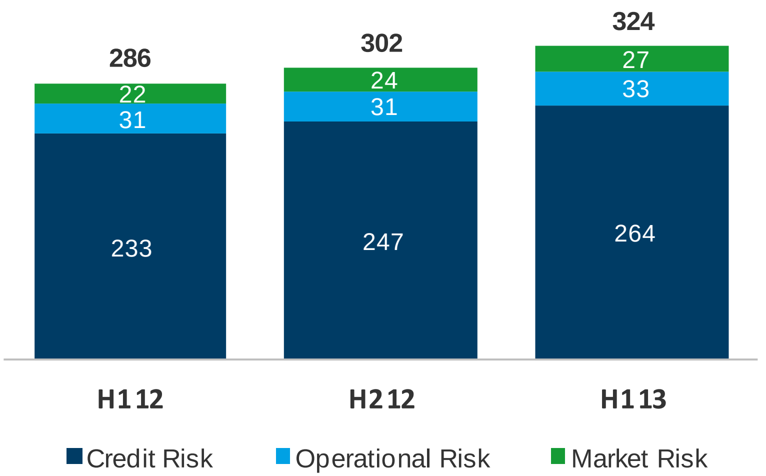


Capital generation

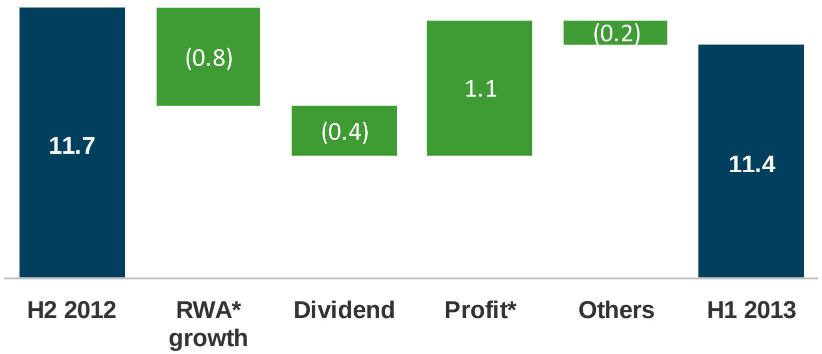
Capital ratios %



Risk weighted assets US$bn

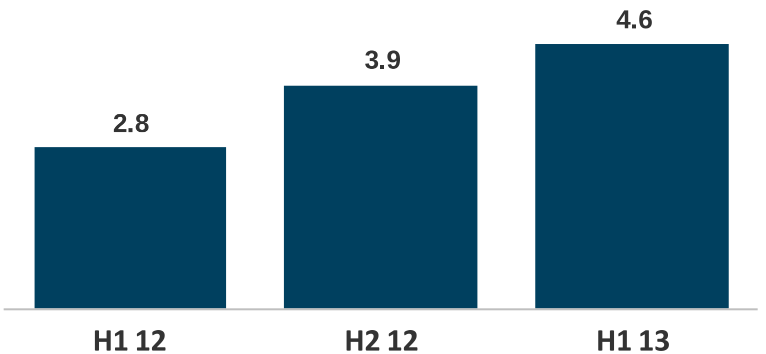


Core Tier 1 capital reconciliation %



* *Pre goodwill profit*

Debt and capital issuance US$bn



Outlook

- We have good momentum and our clients remain highly active
- We remain focused on balance sheet foundations and supporting our customers and clients
- Our markets continue to grow and we continue to gain share in multiple products