



June 2016

ASEAN and South Asia

Ajay C Kanwal

Regional CEO, ASEAN and South Asia

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Forward looking statement

This document contains or incorporates by reference 'forward-looking statements' regarding the belief, assumptions or current expectations of the Company, the Directors and other members of its senior management about the Group's strategy, businesses, performance and the other matters described in this document. Generally, words such as "may", "should", "could", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions are intended to identify forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties. They are not guarantees of future performance and actual results could differ materially from those contained in the forward-looking statements. Forward-looking statements are based on current views, estimates and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Group and are difficult to predict. Such risks, factors and uncertainties may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks, factors and uncertainties include but are not limited to: changes in the credit quality and the recoverability of loans and amounts due from counterparties; changes in the Group's financial models incorporating assumptions, judgments and estimates which may change over time; risks relating to capital, capital management and liquidity; risks associated with implementation of Basel III and uncertainty over the timing and scope of regulatory changes in various jurisdictions in which the Group operates; risks arising out of legal and regulatory matters, investigations and proceedings; operational risks inherent in the Group's business; risks arising out of the Group's holding company structure; risks associated with the recruitment, retention and development of senior management and other skilled personnel; risks associated with business expansion and engaging in acquisitions; reputational risk; pension risk; global macroeconomic risks; risks arising out of the dispersion of the Group's operations, the locations of its businesses and the legal, political and economic environment in such jurisdictions; competition; risks associated with the UK Banking Act 2009 and other similar legislation or regulations; changes in the credit ratings or outlook for the Group; market, interest rate, commodity prices, equity price and other market risk; foreign exchange risk; financial market volatility; systemic risk in the banking industry and among other financial institutions or corporate borrowers; cross-border country risk; risks arising from operating in markets with less developed judicial and dispute resolution systems; risks arising out of regional hostilities, terrorist attacks, social unrest or natural disasters and failure to generate sufficient level of profits and cash flows to pay future dividends.

Any forward-looking statement contained in this document is based on past or current trends and/or activities of the Group and should not be taken as a representation that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Company and/or the Group for the current year or future years will necessarily match or exceed the historical or published earnings of the Company and/or the Group. Each forward-looking statement speaks only as of the date of the particular statement. Except as required by any applicable law or regulations, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Standard Chartered – the Group

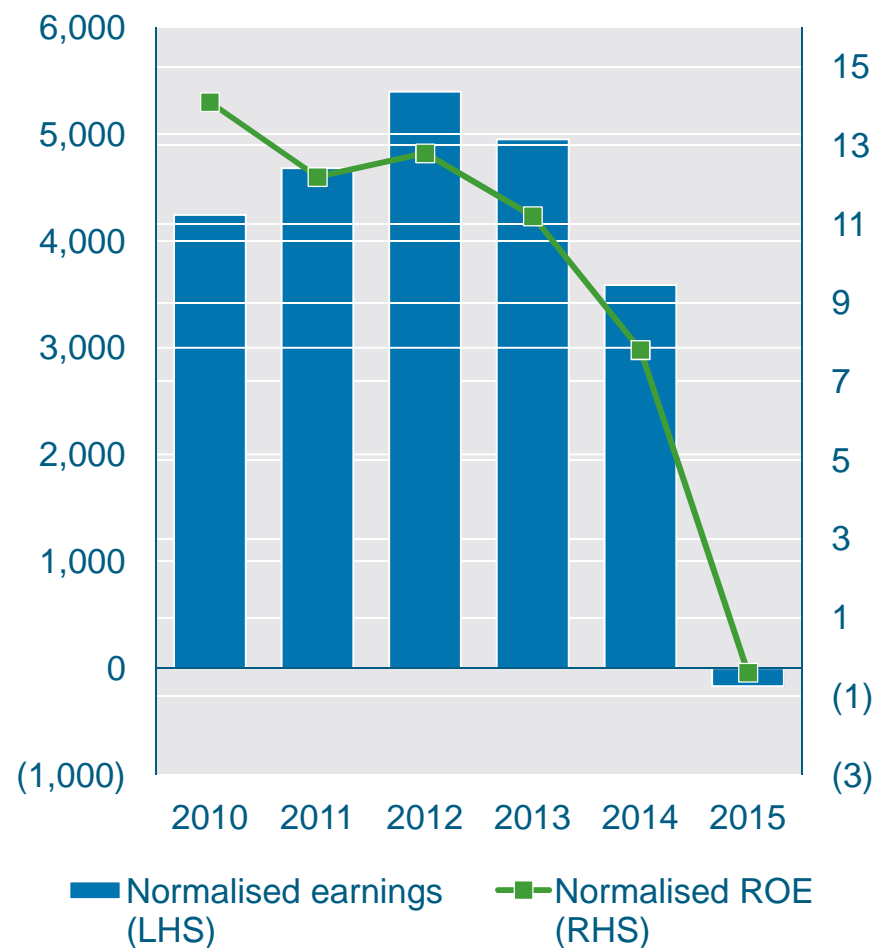
- Over 150 years of heritage
- Over 1,700 branches and offices
- Presence in approximately 70 markets
- Approximately 84,000 employees
- Listings in London, Hong Kong and Mumbai
- Credit ratings A/Aa3/A+ (S&P/Moody's/Fitch respectively)¹
- Around 90% of income from Asia, Africa and the Middle East
- Lead regulated by the UK Prudential Regulation Authority
- Market cap: US\$25bn (June 2016)

1) Standard Chartered Bank ratings as at 31 May 2016

Challenging recent Group performance

- Economic uncertainty
- Heightened near term risks
- Deteriorating financial performance
- Underperforming local and global peers
- Underinvested in systems
- Tighter capital and liquidity requirements
- Competition intensifying

Normalised earnings (US\$m) and RoE (%)



We are executing our new strategy which was designed for this challenging environment





ASEAN and South Asia (ASA)

ASEAN and South Asia (ASA) overview

1

Attractive region despite challenges

- **US\$2.7tn GDP and 2.1bn population** – attractive demographics; rising share of economic contribution
- **Increasing economic integration** – near-term headwinds, but collective growth ambition on the rise
- **Attractive banking sector** – impairment pressures, but still profitable; growth prospects remain intact

2

Deep and long presence across ASA

- **Pan-ASA presence** – 150 years of history; only international bank with presence in all ASA markets
- **2nd largest region for the Group** – contributing ~30% of income and customer loans
- **Poor recent performance** – impacted by commodities cycle, broader growth slowdown and deliberate management actions






3

Clear and actionable strategy – focus is on execution

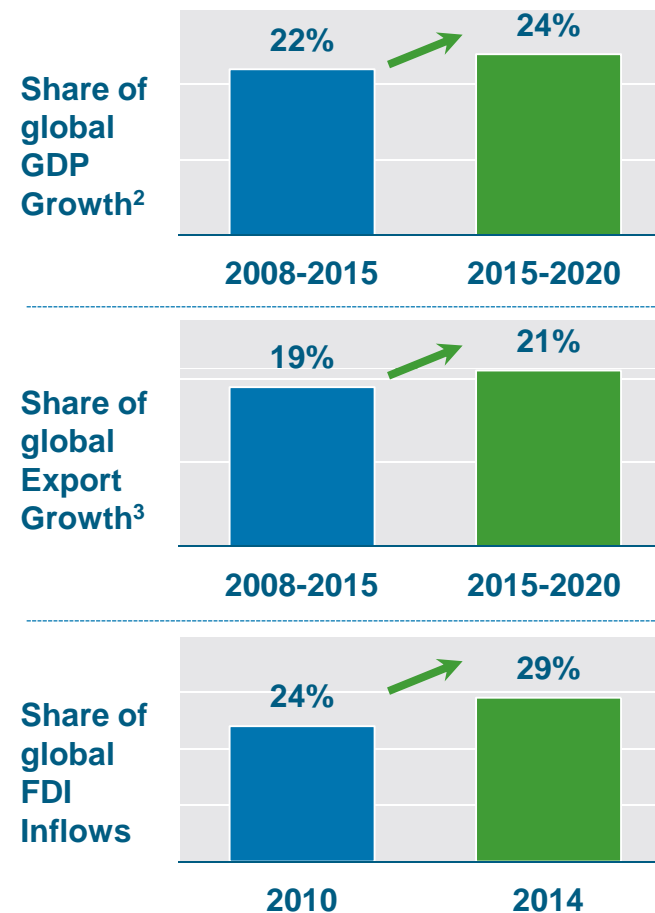
- **Clear actionable strategy** – reshape ROE drags and scale-up major markets to improve returns
- **Focus on execution** – executing on key priorities to build a strong foundation for future
- **Significant action already taken** – portfolio de-risking; cost actions; new regional Management Team

Region will continue to play a key role in global economy

Attractive demographics

	Population (million)		Mobile Penetration (2014) ¹	Nominal GDP per capita ('15 '20 CAGR)
	<35 years			
Singapore	 42%	6	147%	2%
India	 64%	1,311	74%	8%
Malaysia	 62%	30	149%	8%
Indonesia	 61%	258	129%	7%
Bangladesh	 66%	161	80%	8%

Growing footprint contribution



Near-term headwinds, but some tailwinds too

Near-term headwinds



Slowing China growth



Lower oil and commodity prices



Slowing trade growth



Currency depreciation and volatility



Rising corporate debt levels

Growing economic integration



ASEAN Economic Community



China's One Belt One Road initiative



India's Look East Policy



Singapore's ambition as a RMB, Commodities and Logistics hub

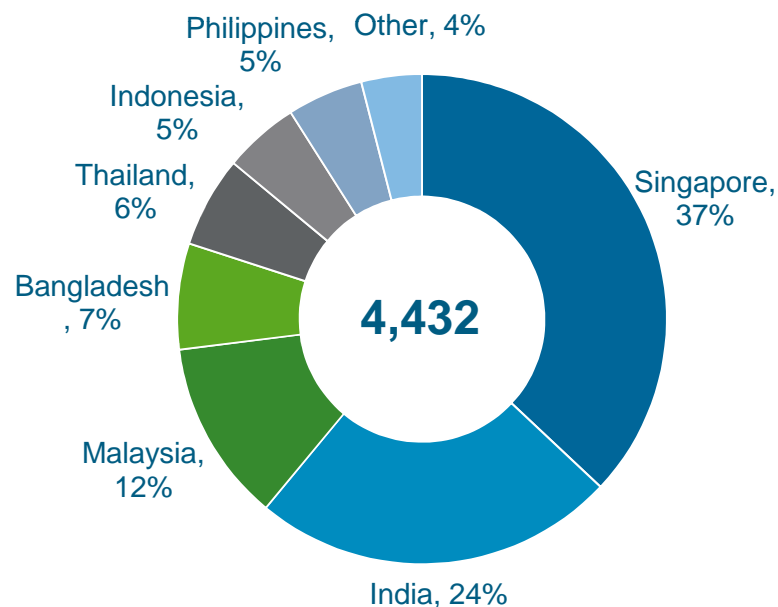


CLMV¹ cooperation and integration

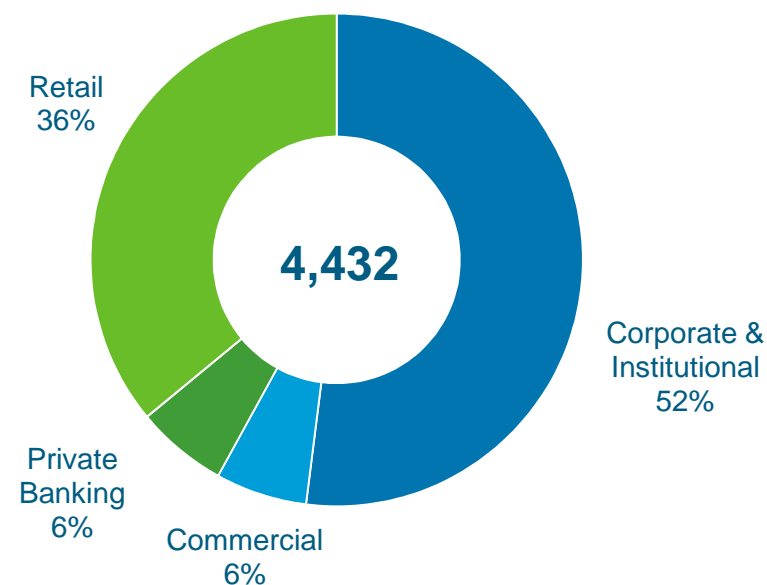
Opportunity to drive improved returns

ASA (US\$m)	FY 14	FY 15	Better / (Worse) %
Income	5,571	4,432	(20)
Expenses	(2,871)	(2,706)	6
Loan and other impairment	(1,040)	(1,980)	(90)
Adjusted Profit before tax¹	1,722	(238)	(114)

FY15 income by market (US\$m)



FY15 income by segment (US\$m)



Focused on strategy execution



Invest to build Retail Banking scale *in top five markets (Singapore, India, Malaysia, Bangladesh, Indonesia)*



Reshape CIB for better returns *by leveraging flow and network opportunity within Group's revised risk tolerance*



Selectively grow Commercial Banking *by leveraging our client eco-system and by delivering our full suite of product, platform and network capabilities*

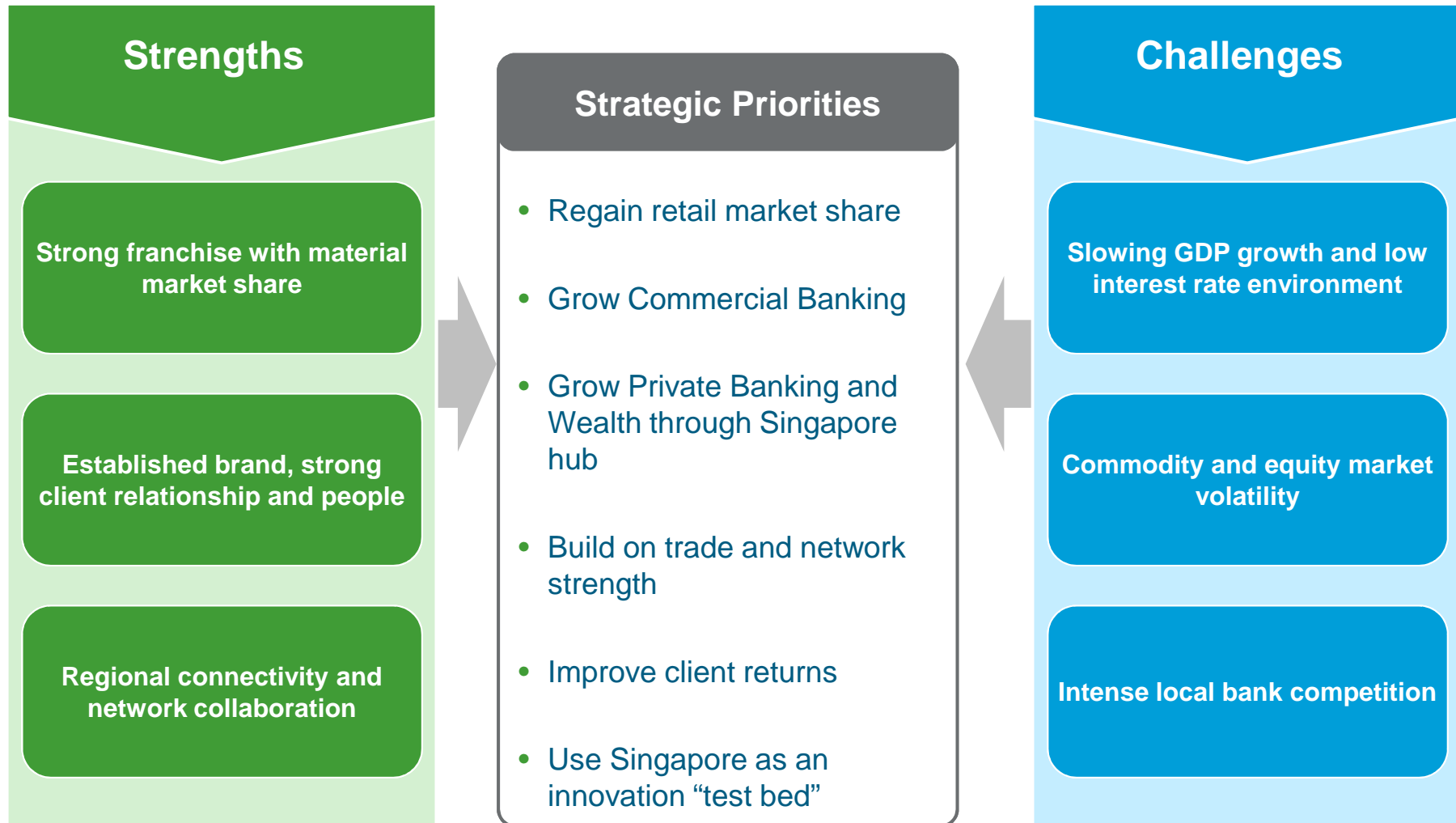


Grow Private Banking and Financial Markets *by leveraging Singapore as a Wealth and regional corporate hub*

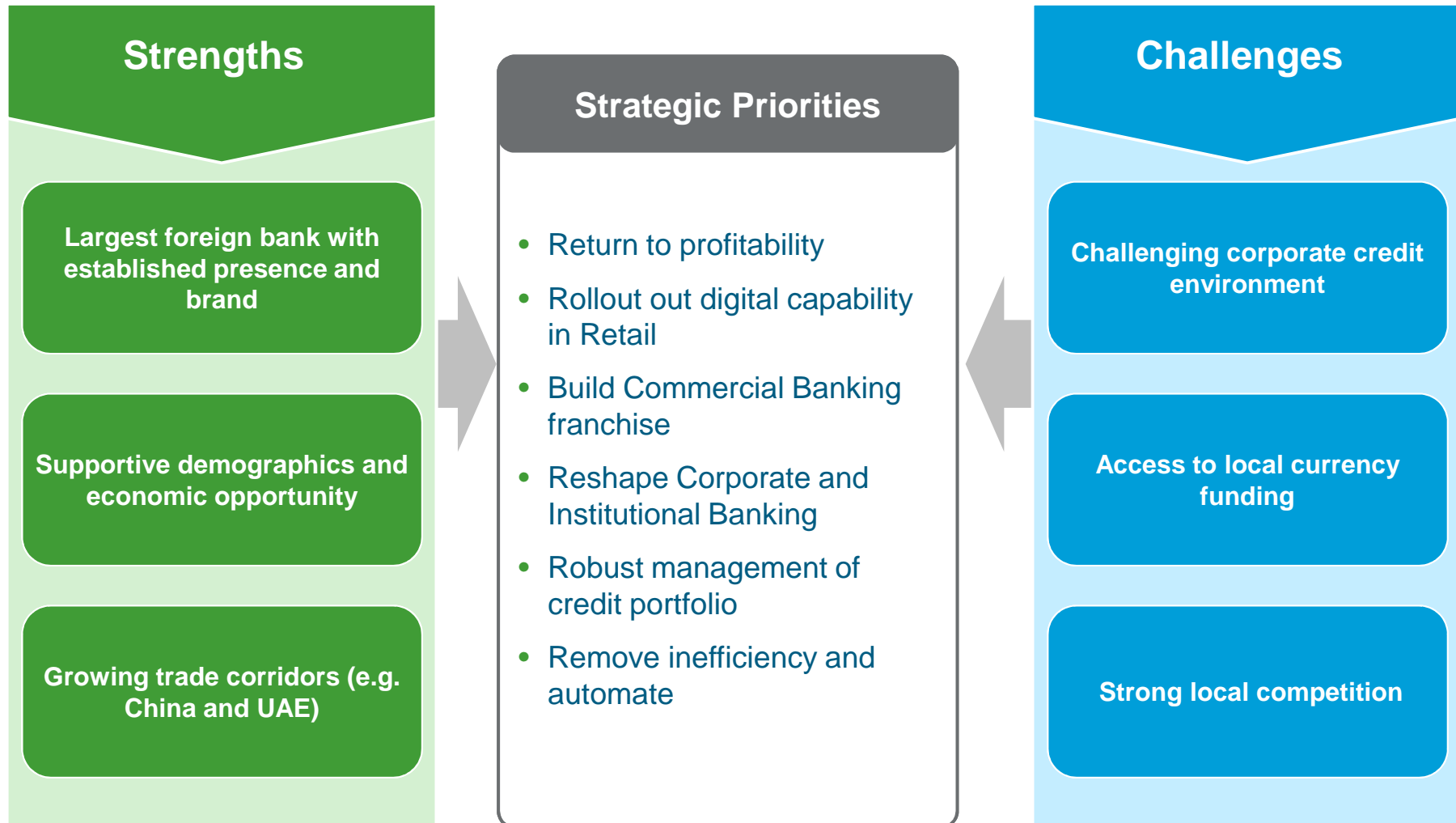


Deliver cost and balance sheet efficiency *to improve returns*

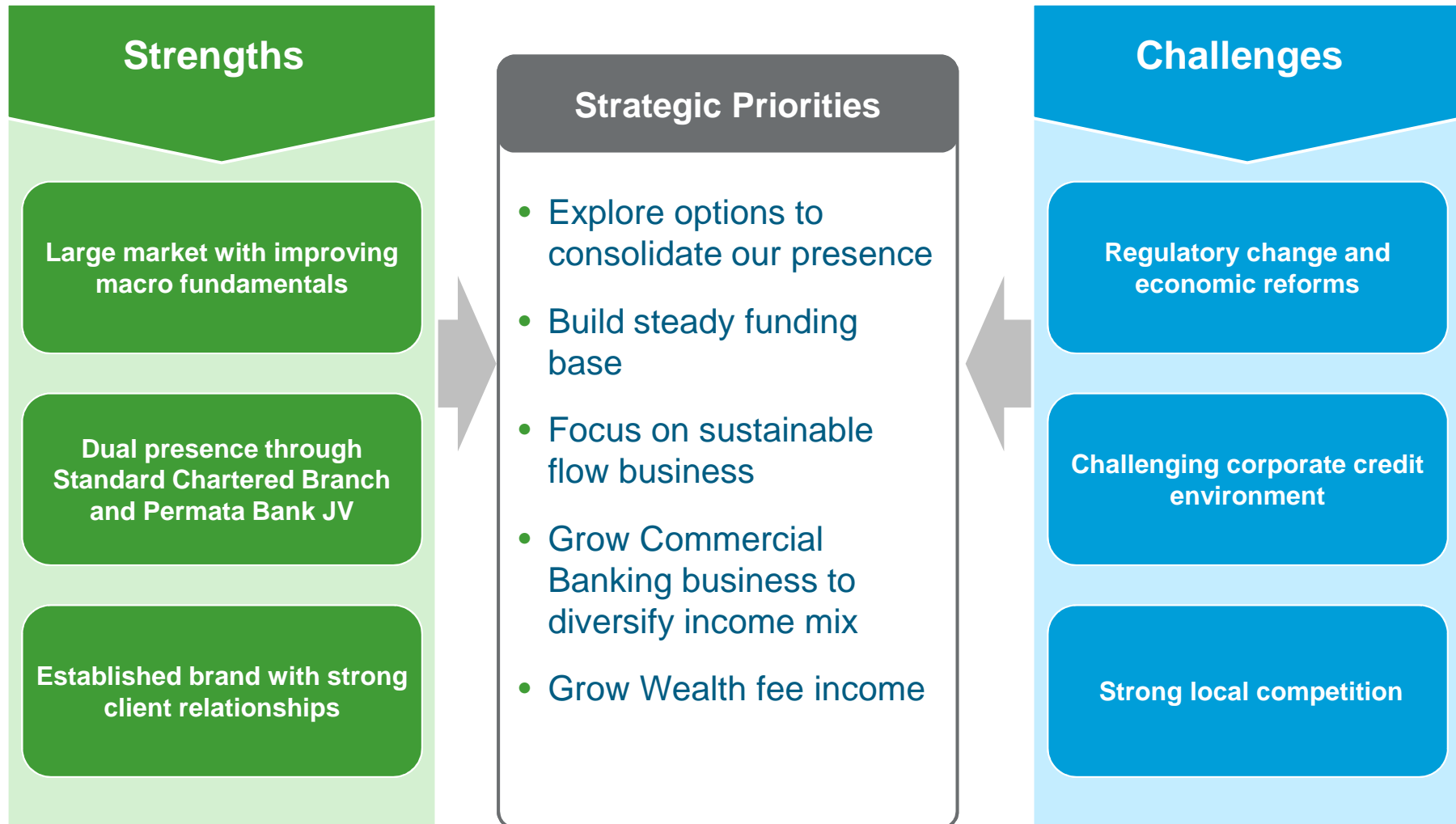
Singapore – regain confidence



India – a window of opportunity



Indonesia – redefine our presence



Summary

1

Attractive region despite current challenges

2



Q&A