

Investor trip 2012

Asia Day

Leading the way
in Asia, Africa and the Middle East



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 the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Standard Chartered undertakes no obligation to revise or update any forward looking statement contained within this presentation, regardless of whether those statements are affected as a result of new information, future events or otherwise.

- Resilient and true to strategy with focus on foundations of banking
- Our markets still offer significant growth opportunity without the need to increase our risk appetite
- Governance and business model that leverages the potential of our network
- Strong culture and values underpin ongoing growth

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Asia Strategy

Leading the way
in Asia, Africa and the Middle East



Leading the way

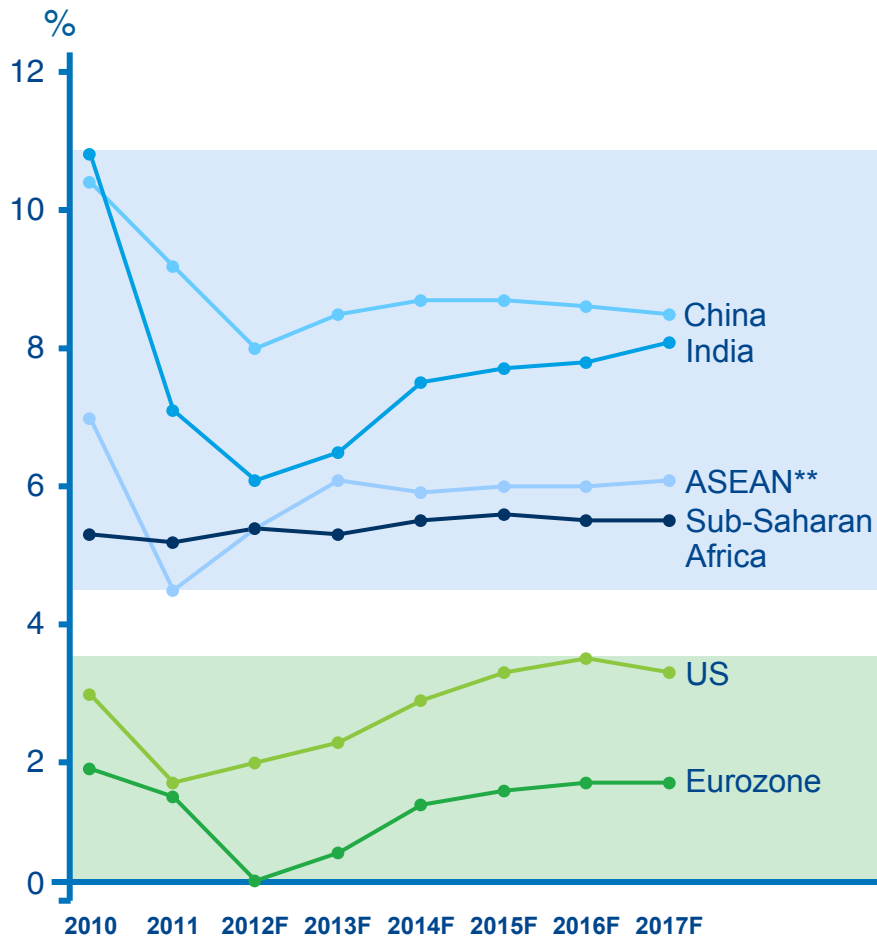
in Asia, Africa and the Middle East

Jaspal Bindra

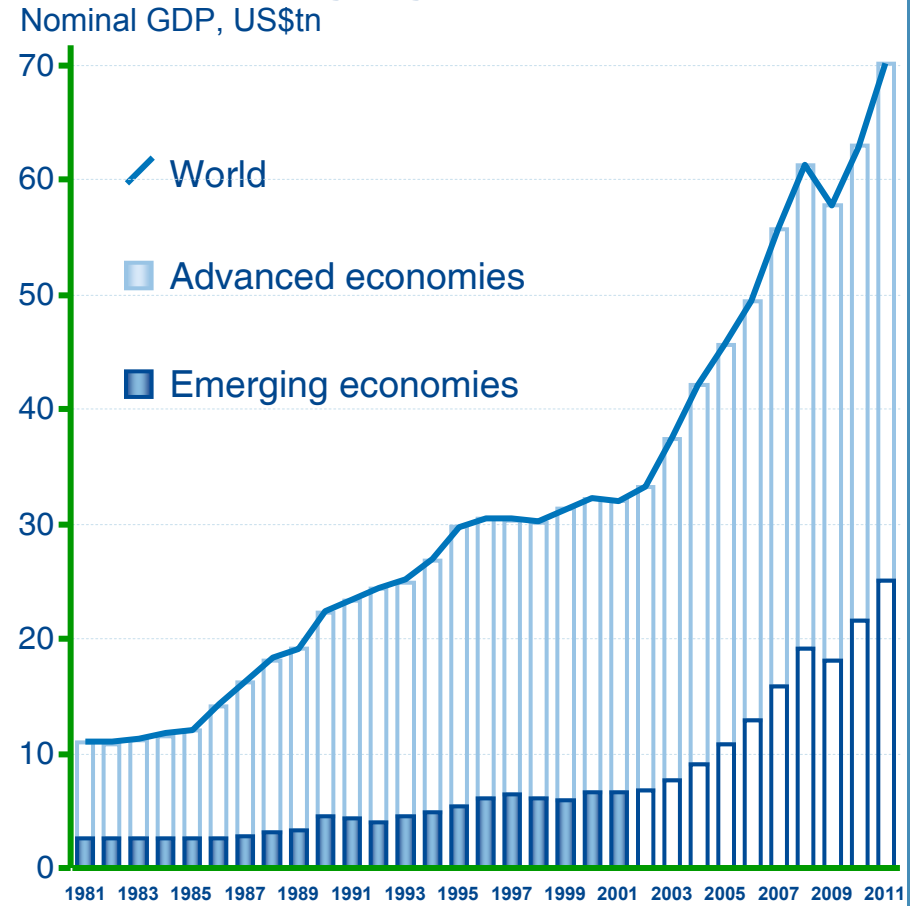
Group Executive Director and
Chief Executive Officer, Asia

- Asia to remain a global growth leader
- Geographically diverse franchise powered by multiple growth engines
- Prudent portfolio risk management
- Strong performance and consistent delivery

GDP* growth



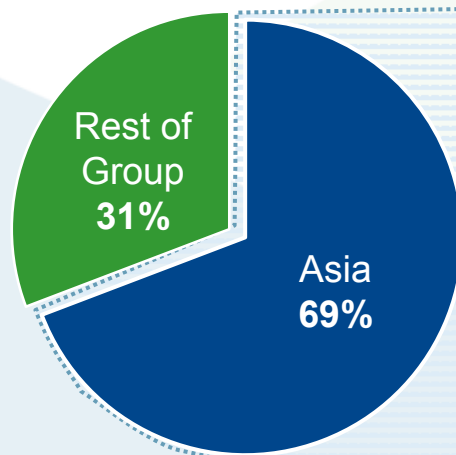
The growing share of the emerging economies



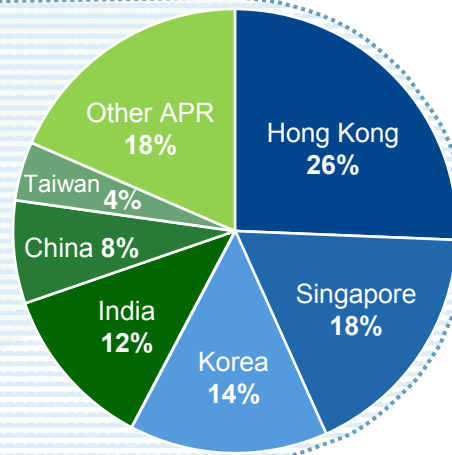
Source: IMF, July 2012; *GDP - Gross Domestic Product;
**Association of South East Asian Nations

Sources: Standard Chartered Research, Global Focus - 2012

H1 12 Group income US\$9.5bn



H1 12 Asia income* US\$6.6bn

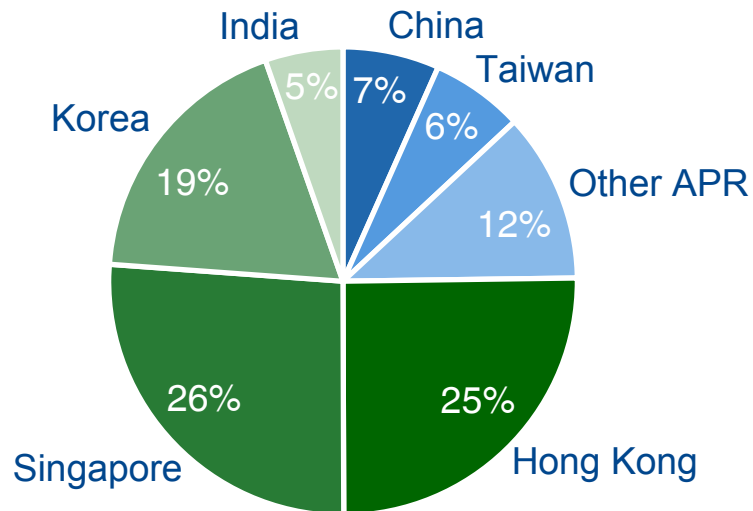


Key highlights by region	North East Asia	South East Asia	South Asia	Total
Staff	24,965	21,519	21,263	67,747
Branches	603	410	162	1,175
ATMs	3,363	1,100	483	4,946
Income (US\$bn)	3.5	2.3	0.8	6.6
Profit before tax (US\$bn)	1.4	1.1	0.3	2.8

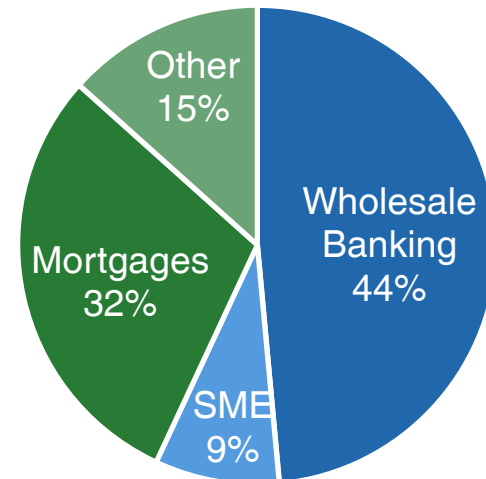
- Exposures diversified across geographies, industries and segments

Asia loans and advances to customers*

By geography



By segment

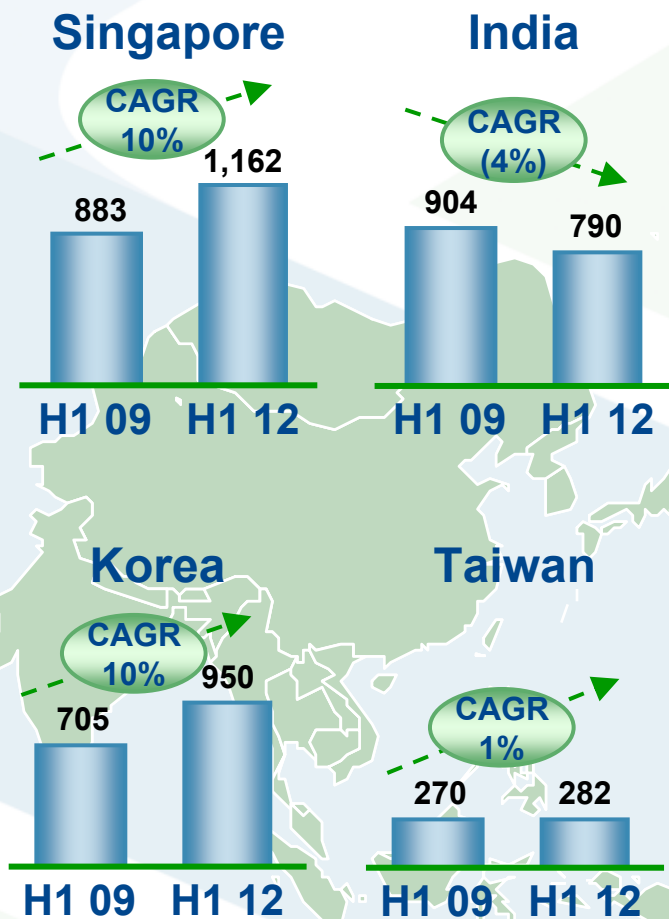


*As at 30 June 2012 ; Asia loans and advances to customers – excludes Bangladesh and Sri Lanka

- Loan impairment in both businesses at low levels and forward looking risk indicators broadly stable
- Macro economic headwinds
 - DEFCON level of India and Malaysia downgraded in 2012
- No new material provisions in Wholesale Banking in Q3 12
 - Limited top-up provisions on a small number of existing exposures in India
- Some localised pressure in Consumer Banking portfolios:
 - Step-up in PDRS filings in Korea
 - Increase in loss rates in unsecured retail portfolio in Singapore driven by “Cash One”

- Growth in Asia has moderated further
- Inflation has decreased or remained within comfort zones
- Central Bank policy has supported domestic demand and private sector credit growth
- Capital flows have resumed in developing Asian countries
- Asia will remain a global growth leader, expanding 2% faster than the world average

Diverse geographic presence in Asia



H1 12	Singapore	Korea	India	Taiwan
Income (US\$m)	1,162	950	790	282
% of Group income	12	10	8	3
Wholesale Banking income , H1 09-H1 12 CAGR (%)	6	9	(6)	0
Consumer Banking income - H1 09-H1 12 CAGR (%)	17	12	2	2
Profit before tax (US\$m)	546	303	311	105
% of Group profit before tax	14	8	8	3
Loans and advances to customers (US\$bn)	54	38	11	13
% of Group loans and advances to customers	19	14	4	5

Diversity across our businesses in Asia gives us real resilience

- Global economic outlook remains uncertain
- Tight US\$ liquidity
- Increasingly more stringent regulatory environment
- Increased competition from local and regional banks
- Fierce competition for local talent

- Exemplary corporate governance standards are a core aspect of the Group's strategic intent
- Continued vigilance regarding the prevailing external conditions and the potential impact on our strategy and business models
- Maintain the right balance in pursuing growth opportunities in line with appropriate governance, systems, controls, processes and information flows
- Nurture the Group's corporate culture, values and our Here for good brand promise as the Group continues to grow

- Asia to remain a global growth leader
- Geographically diverse franchise powered by multiple growth engines
- Prudent portfolio risk management
- Strong performance and consistent delivery

Investor trip 2012

Global Macro Outlook

Leading the way
in Asia, Africa and the Middle East



Leading the way

in Asia, Africa and the Middle East

Marios Maratheftis

Global Head of Regional Research

The West

- US - fiscal cliff
- Eurozone - framing the challenge

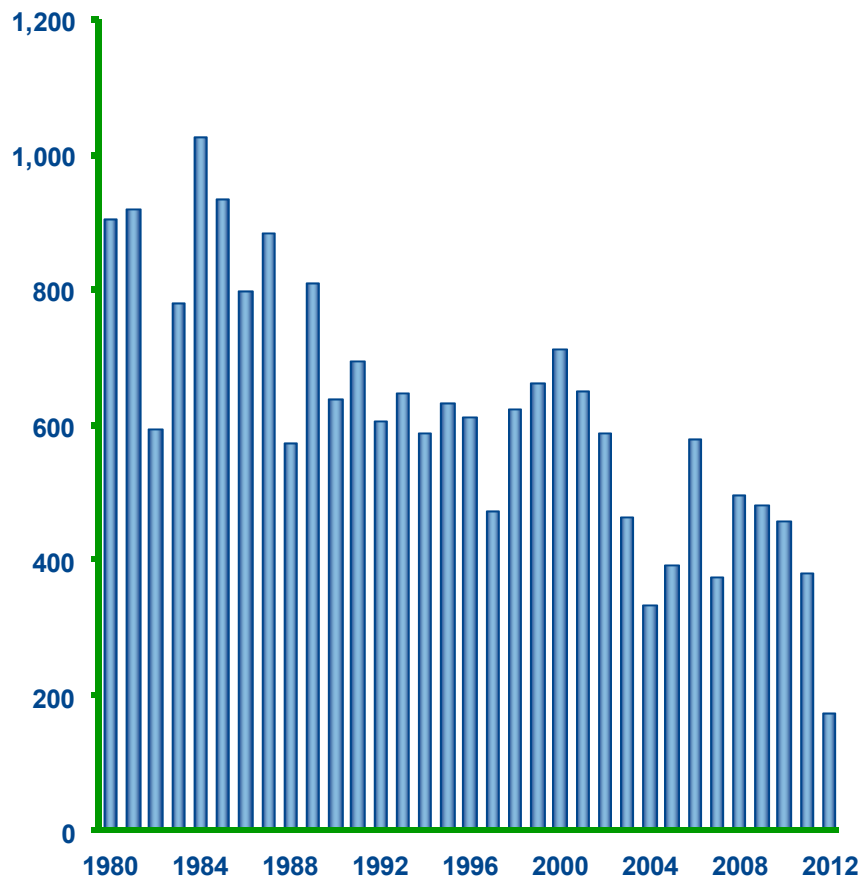
The East

- China - rebalancing
- South East Asia - local drivers
- Indonesia - continuous improvement

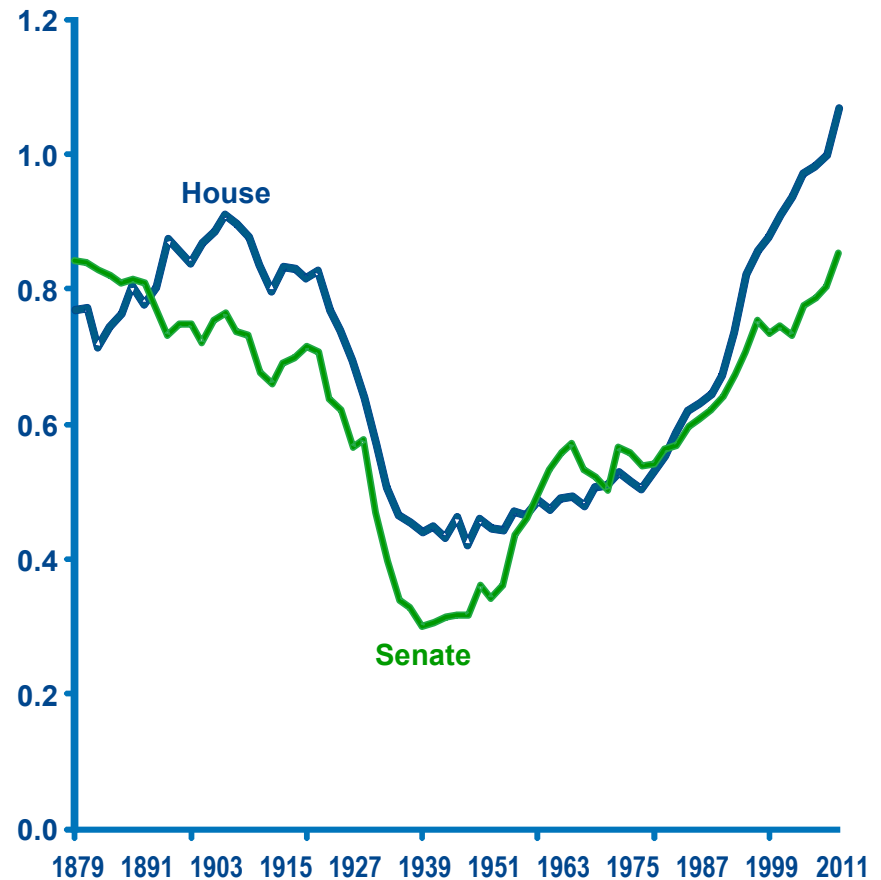
The West

US - political polarisation and the fiscal cliff

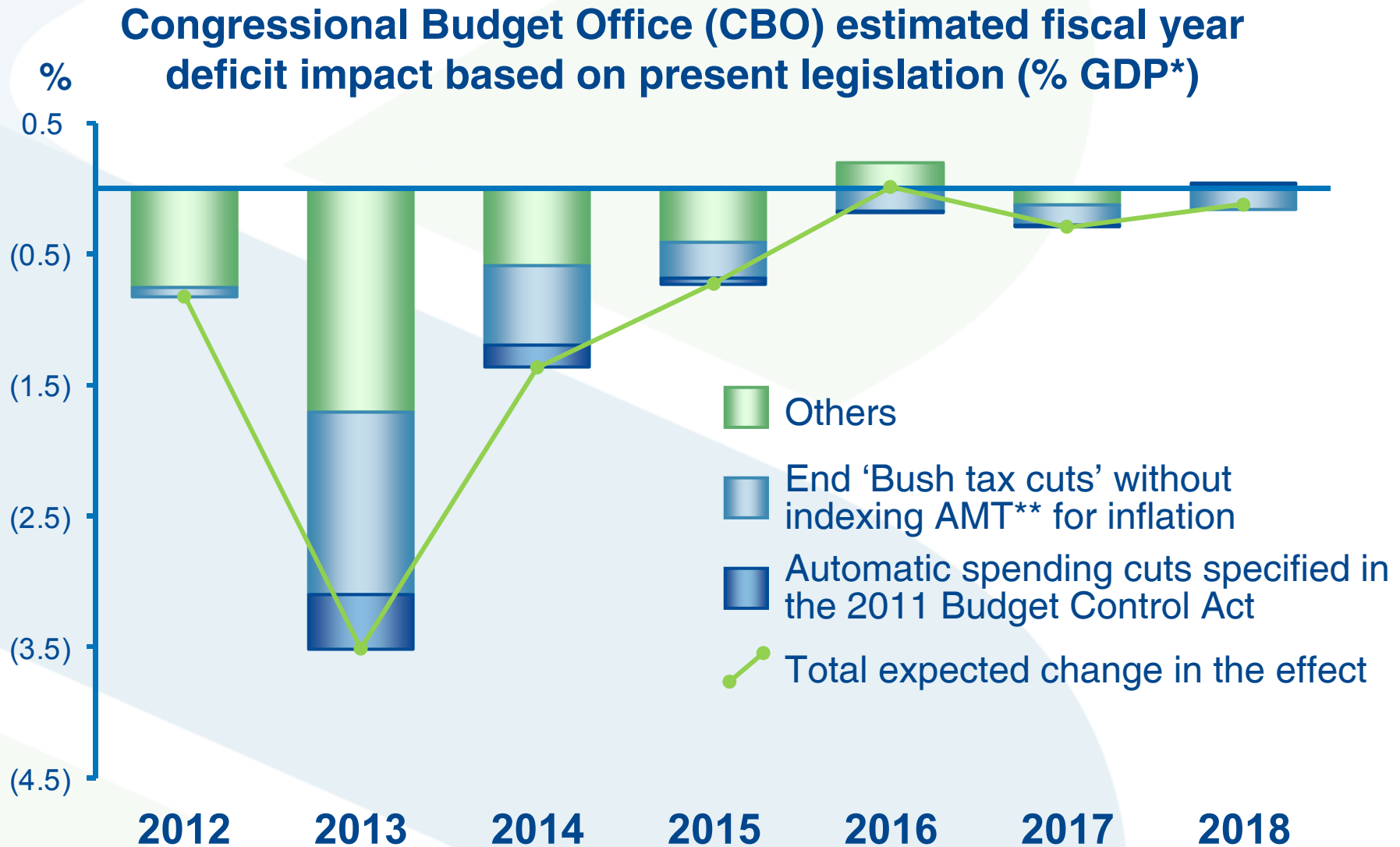
The lowest number of public bills enacted into law since the 80th congressional session



Political divisions have not been so high since the reconstruction period after the civil war



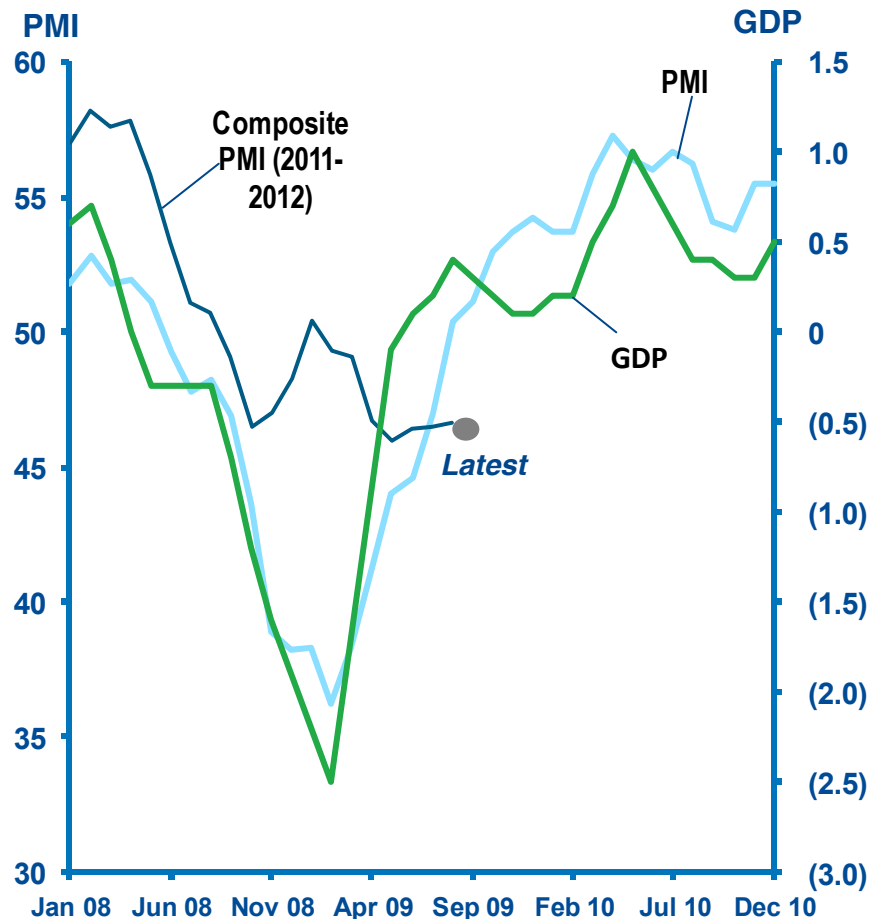
US - huge fiscal drag potential in 2013



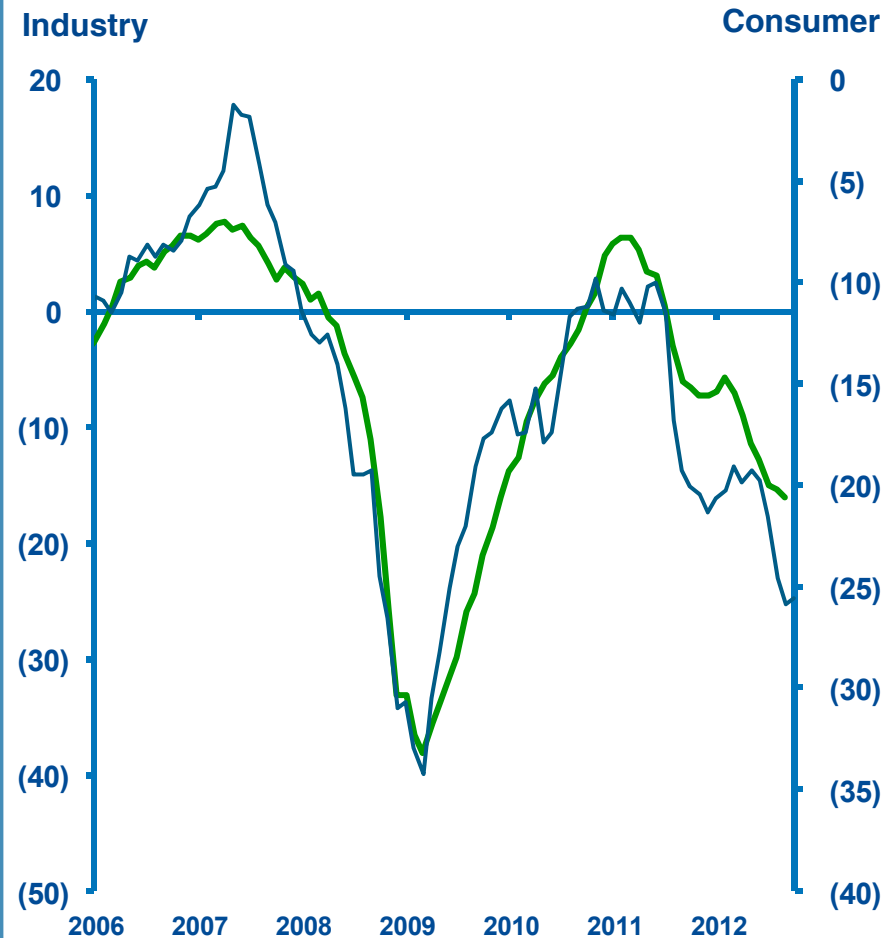
Sources: CBO, Standard Chartered Research; *GDP – Gross Domestic Product; ** AMT – Alternative minimum tax rate

GDP growth likely to remain under high pressure in the coming months

Euro-area composite Purchasing Managers' Index (PMI) and GDP growth, % QoQ



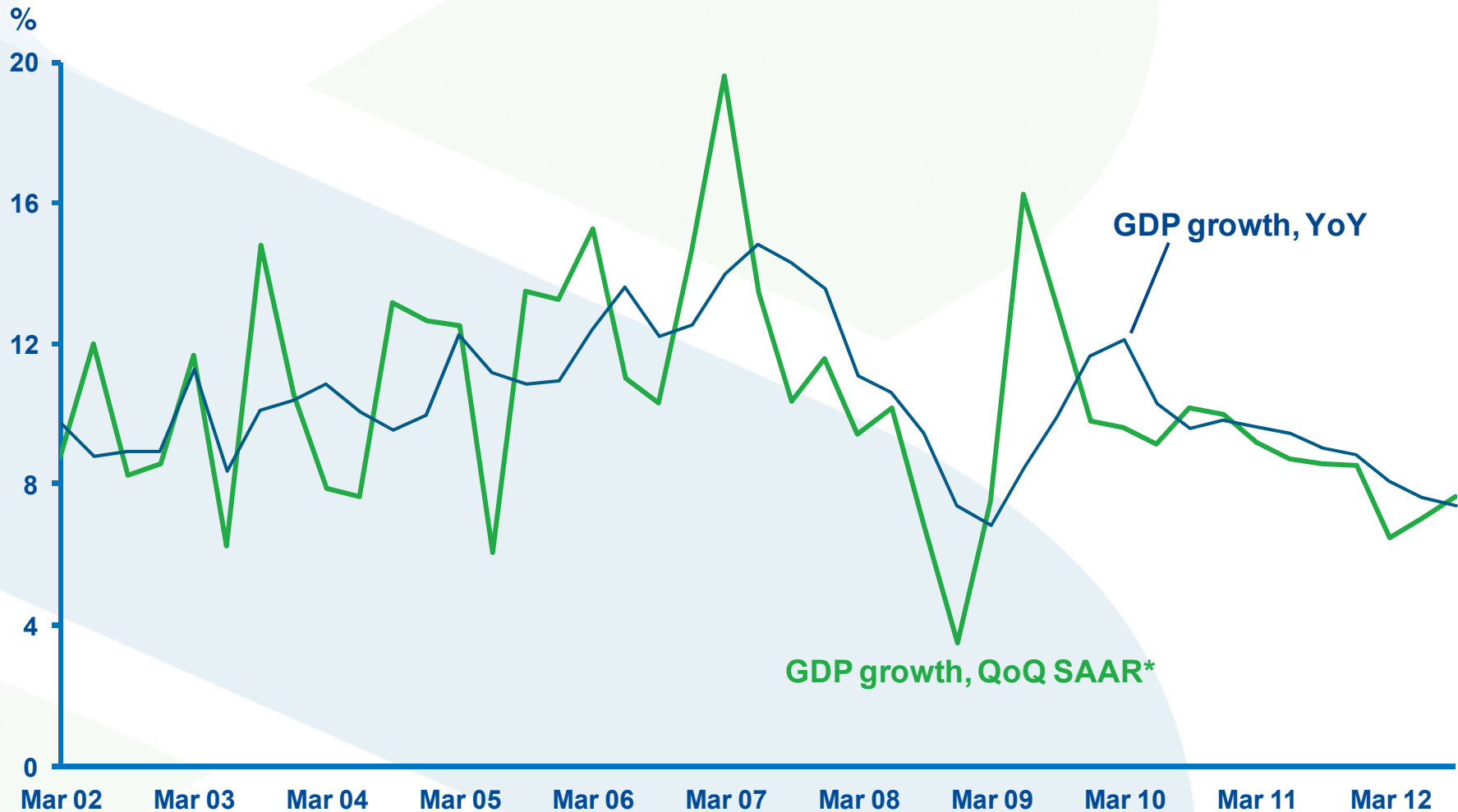
Eurostat sentiment surveys



The East

China – GDP growth starting to turn

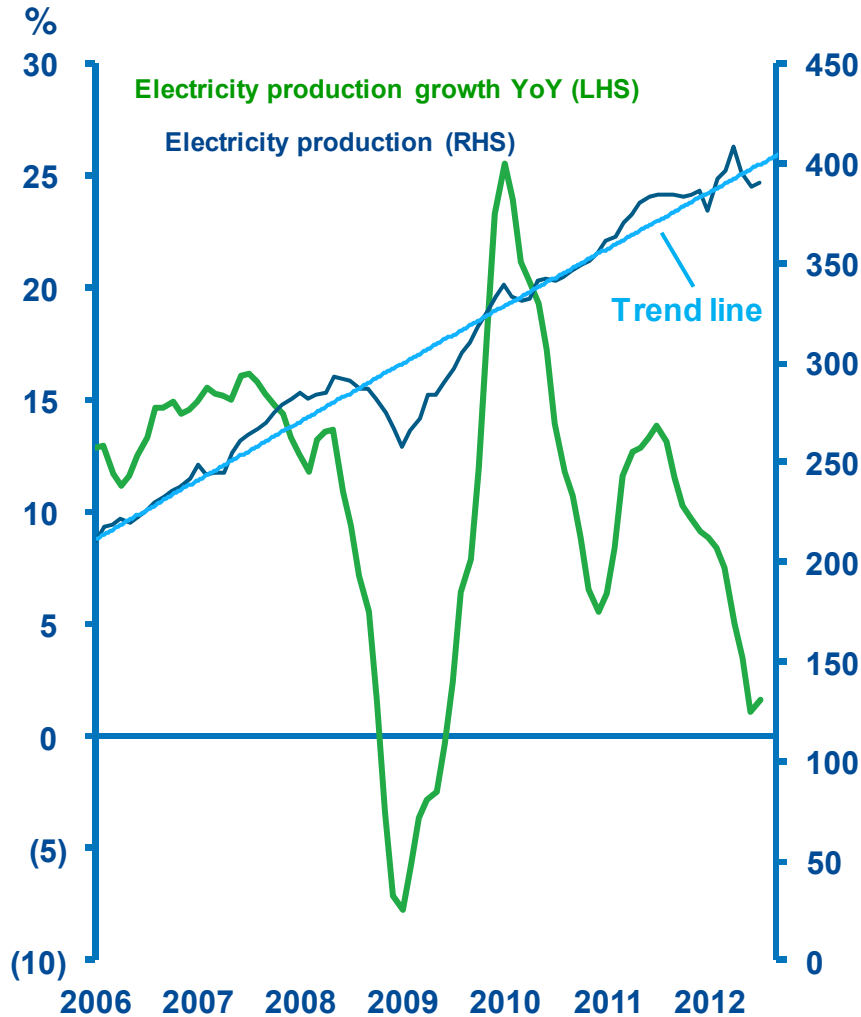
QoQ GDP growth improved mildly, according to our calculation



Sources: National Bureau of Statistics (NBS), Standard Chartered Research; *SAAR – Seasonally Adjusted Annual Rate

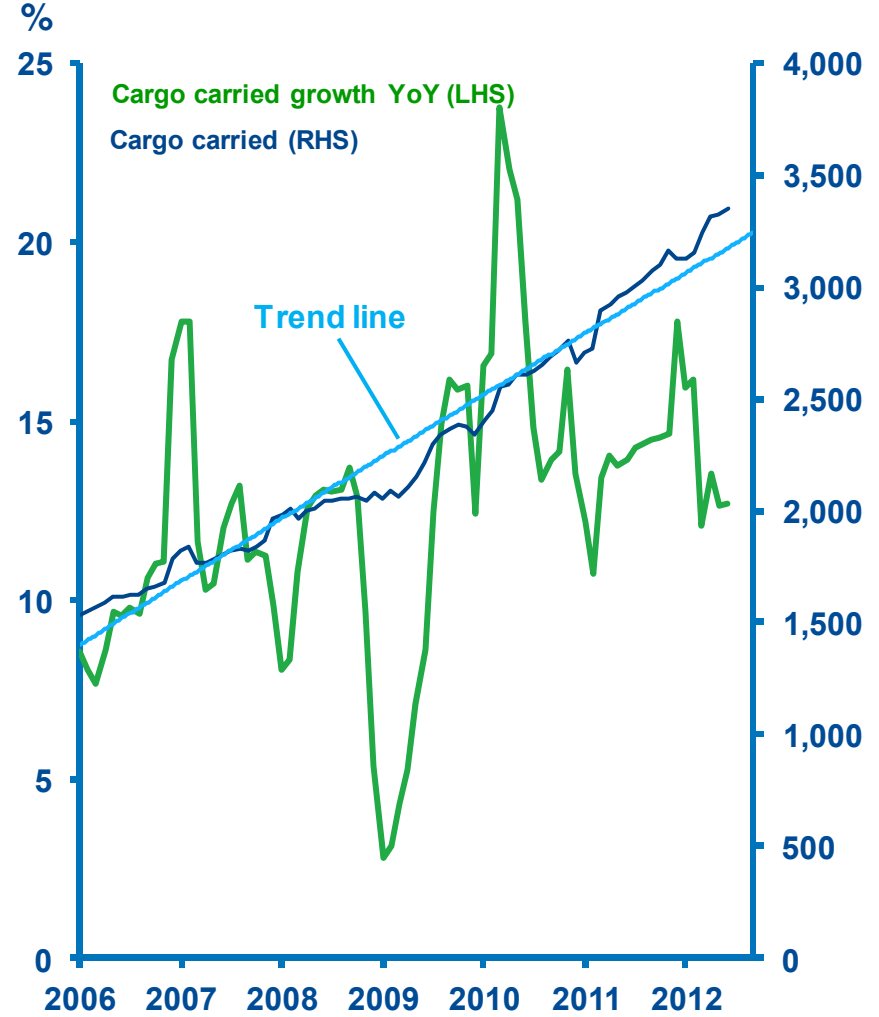
Electricity production,

kWh bn, seasonally adjusted, 3 month moving average



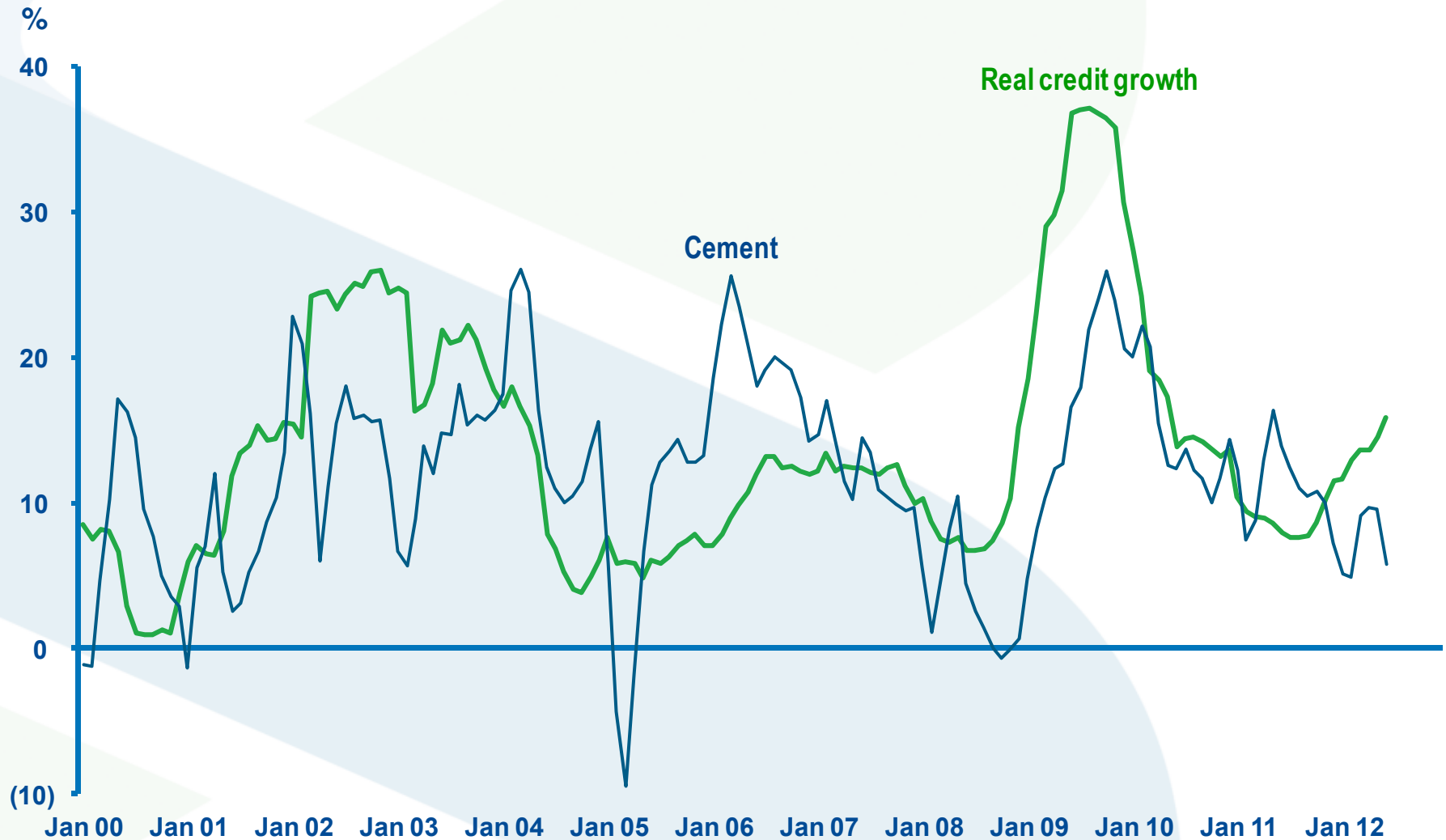
Cargo carried,

ton m, seasonally adjusted, 3 month moving average



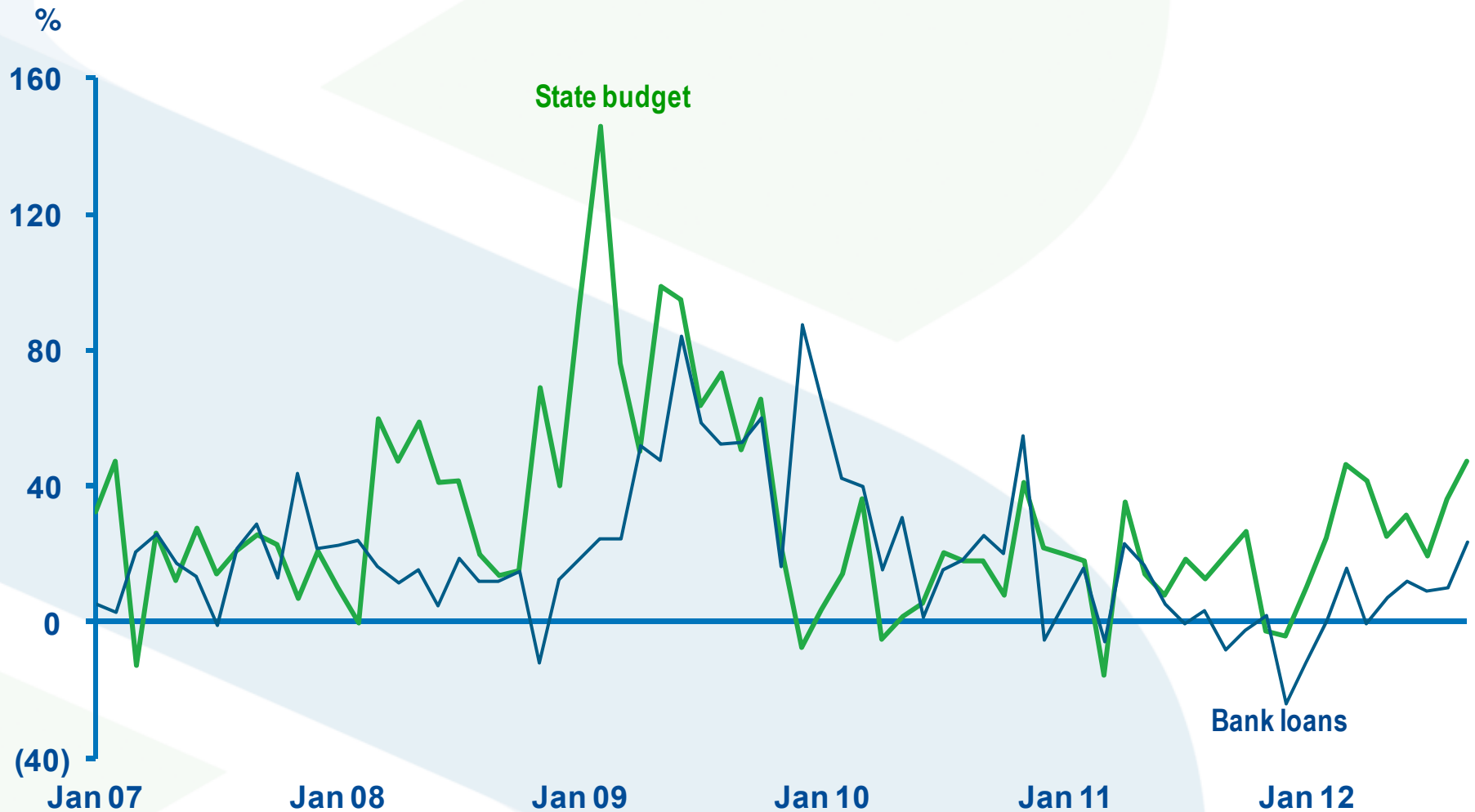


Cement production and real credit growth, YoY



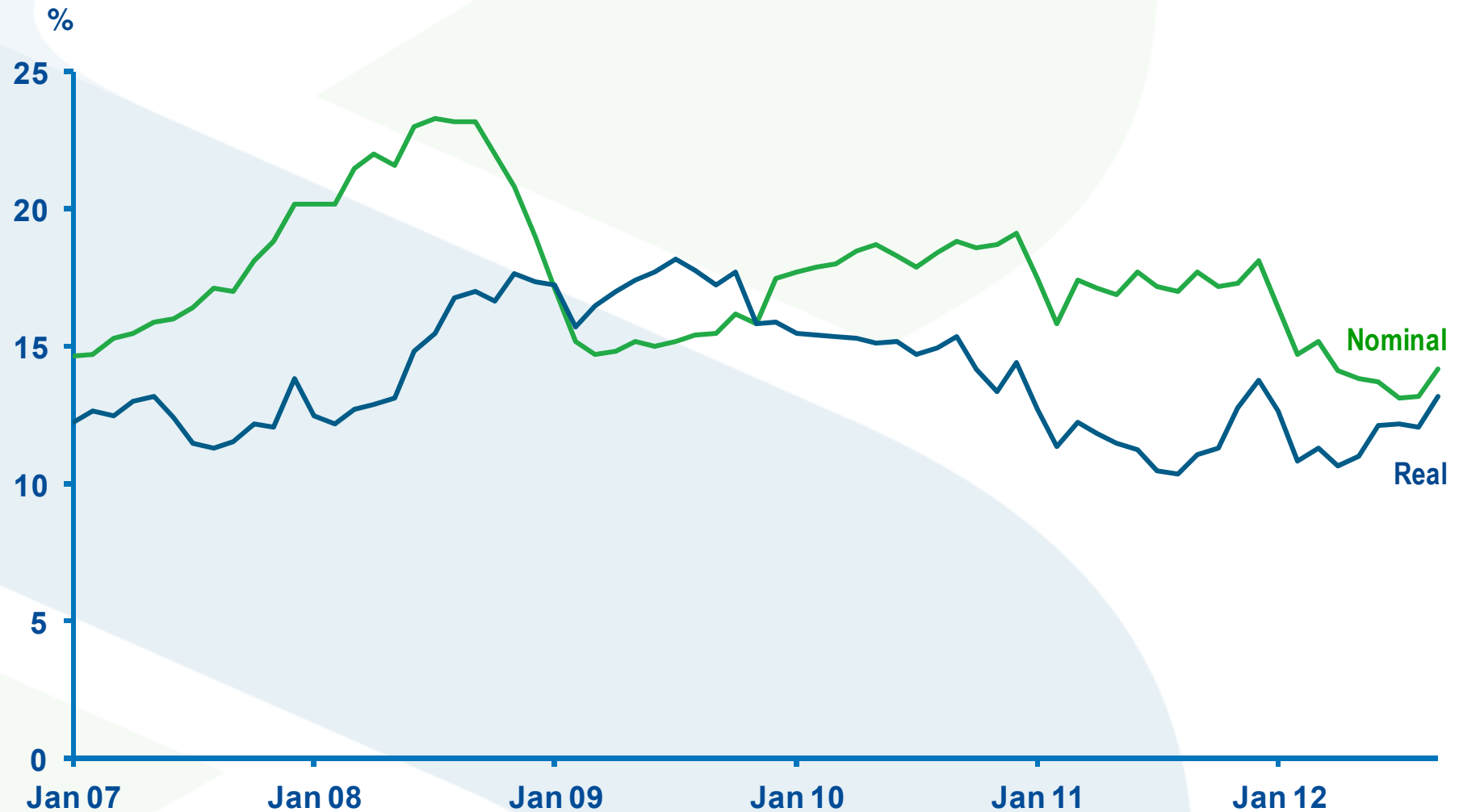
Money is not a problem

Financing for fixed asset investment from state budget and bank loans, YoY



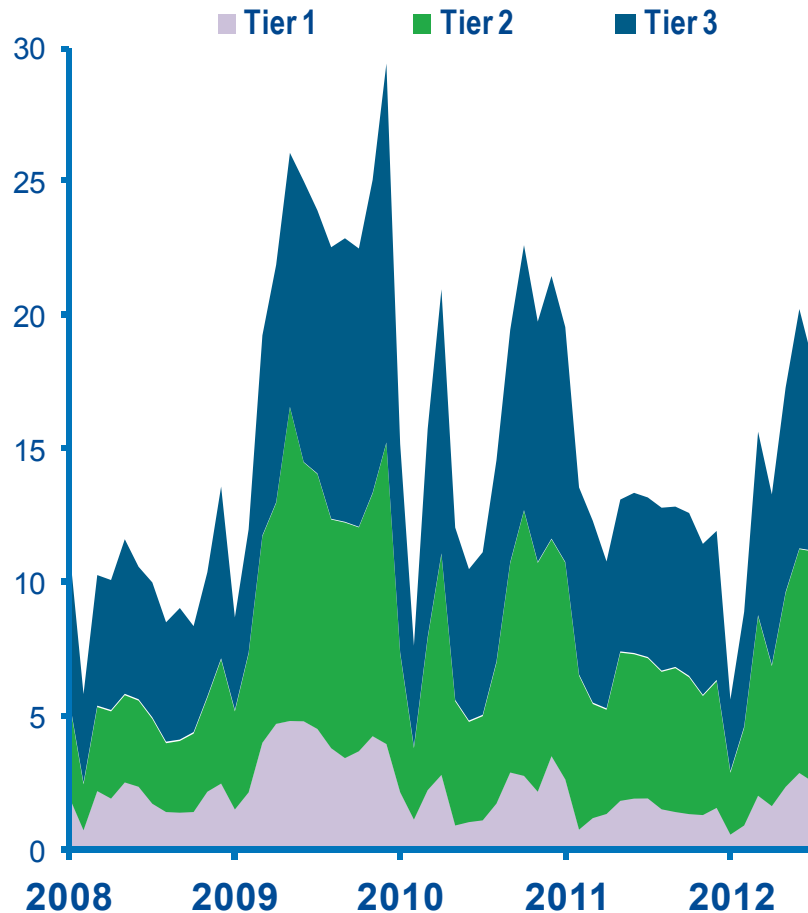
Consumer spending accelerated in September 2012

Retail sales, YoY, nominal and real



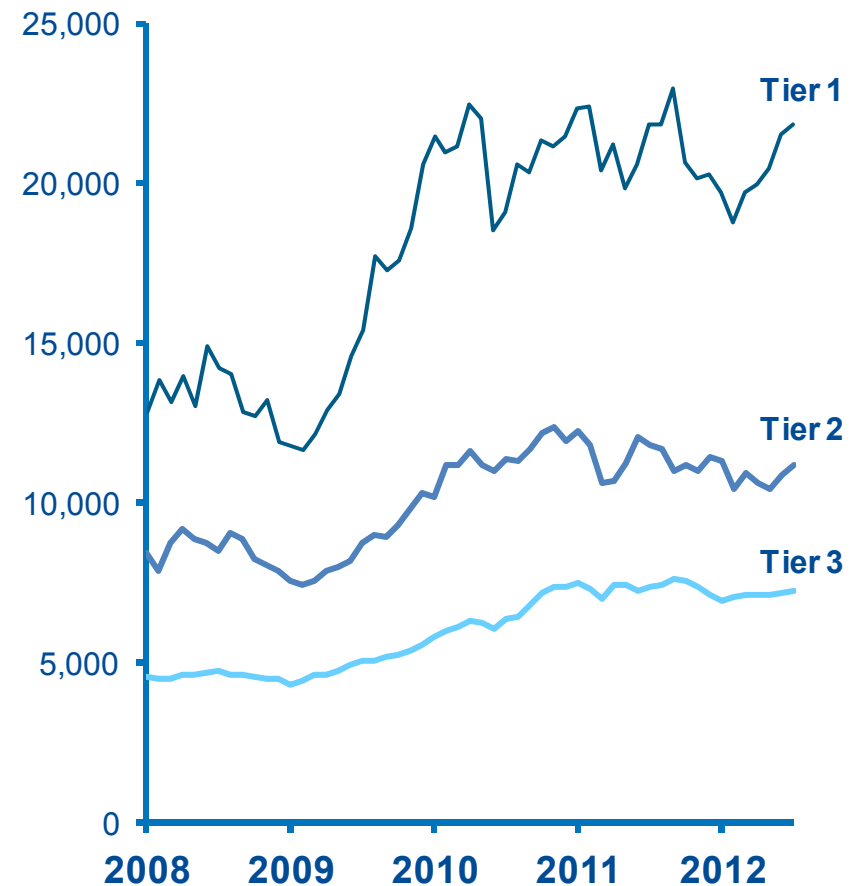
Housing transaction volumes

31 cities' primary sales,
million square metres of floor space sold



Housing prices

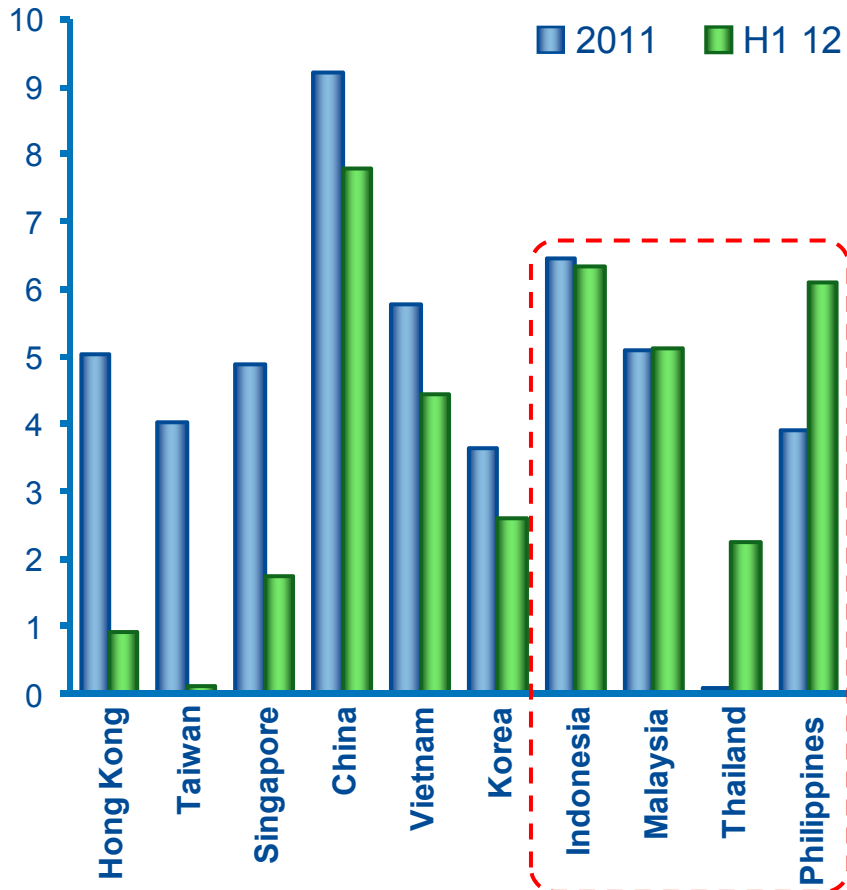
31 cities' average selling prices,
CNY / square meters



South East Asia - outperforms

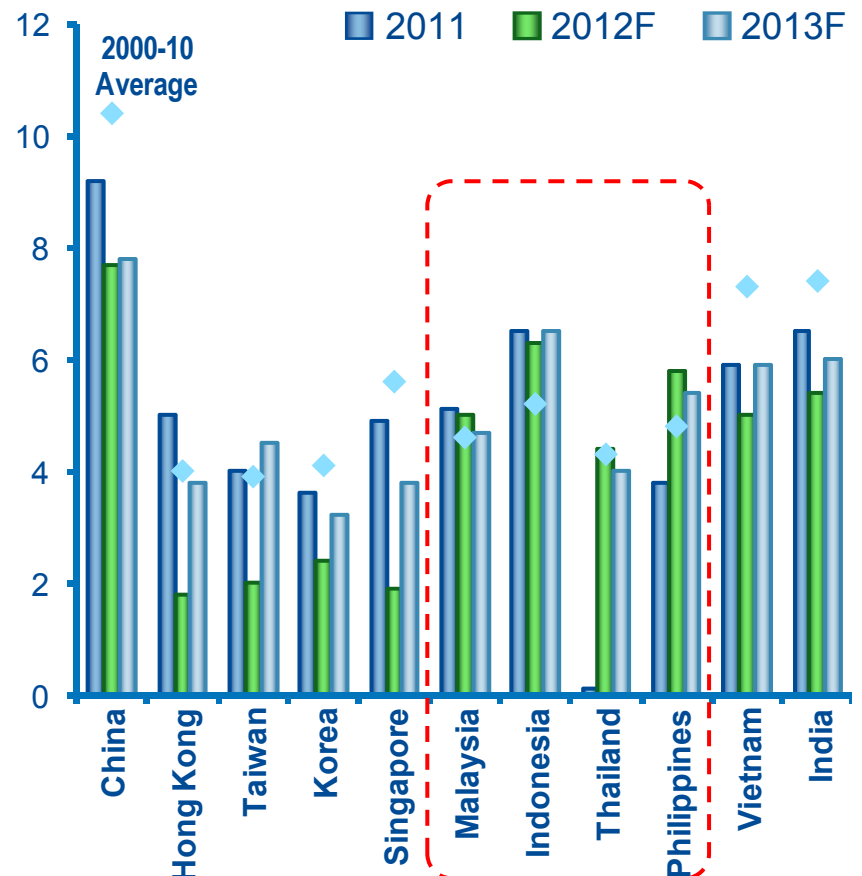
Domestic demand shielded South East Asia this year

Real GDP growth (%)



South East Asia mostly to grow near trend in 2013

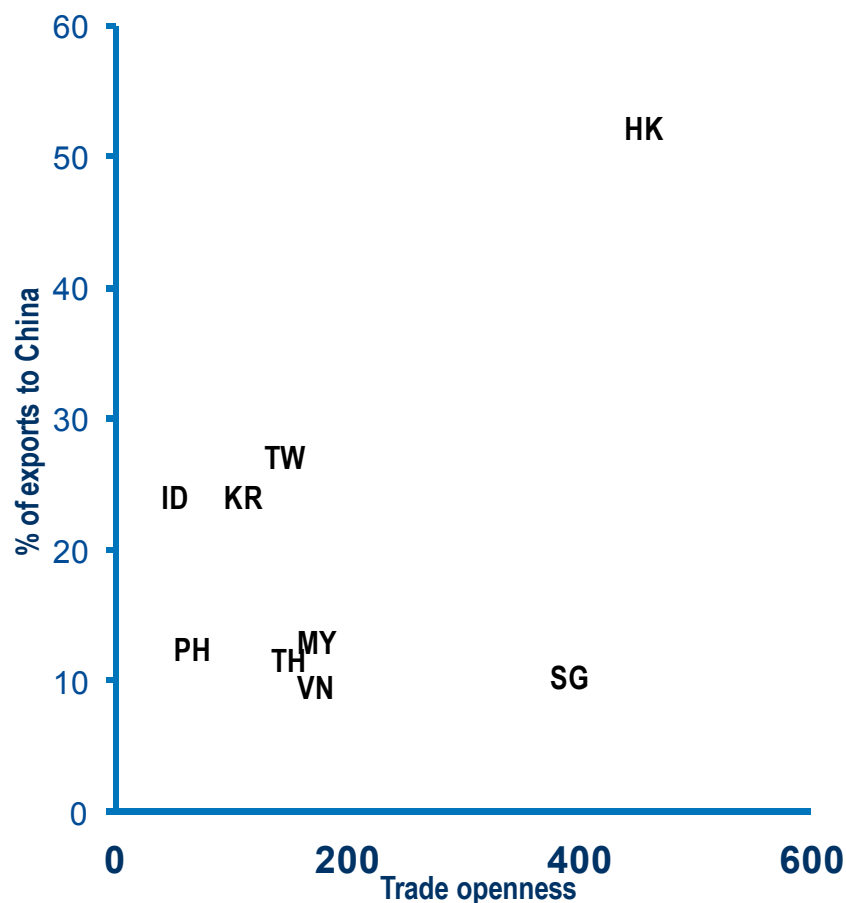
Real GDP growth (%)



South East Asia - intra-regional trade is a buffer

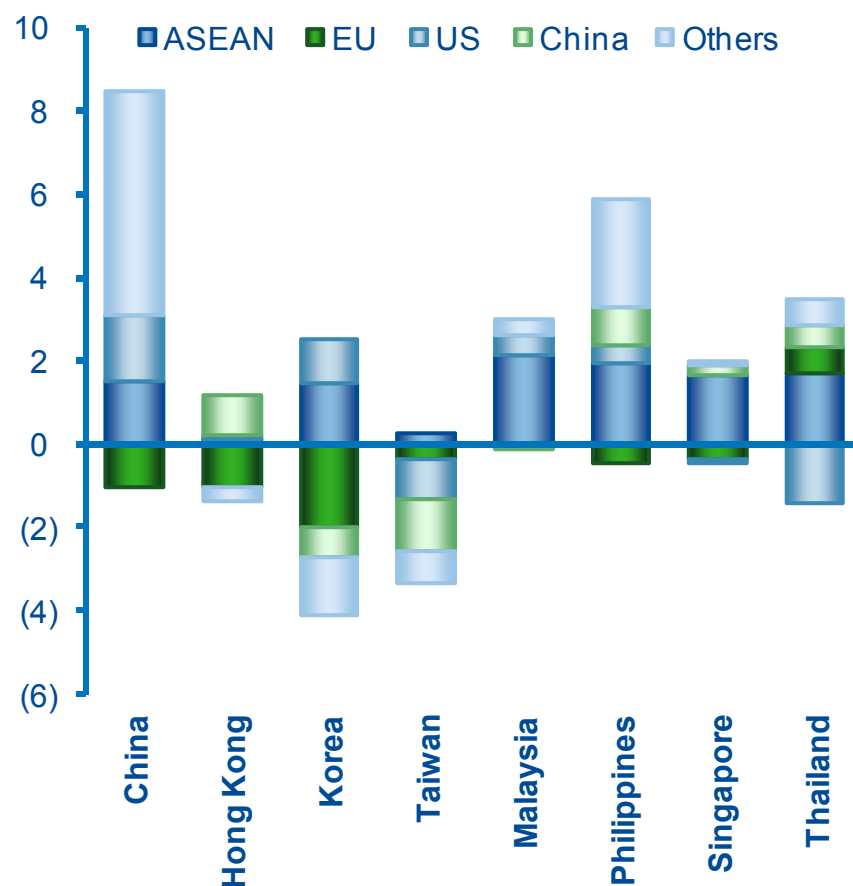
South East Asia's lower exposure to China helped this year

Trade openness (exports + imports) / GDP



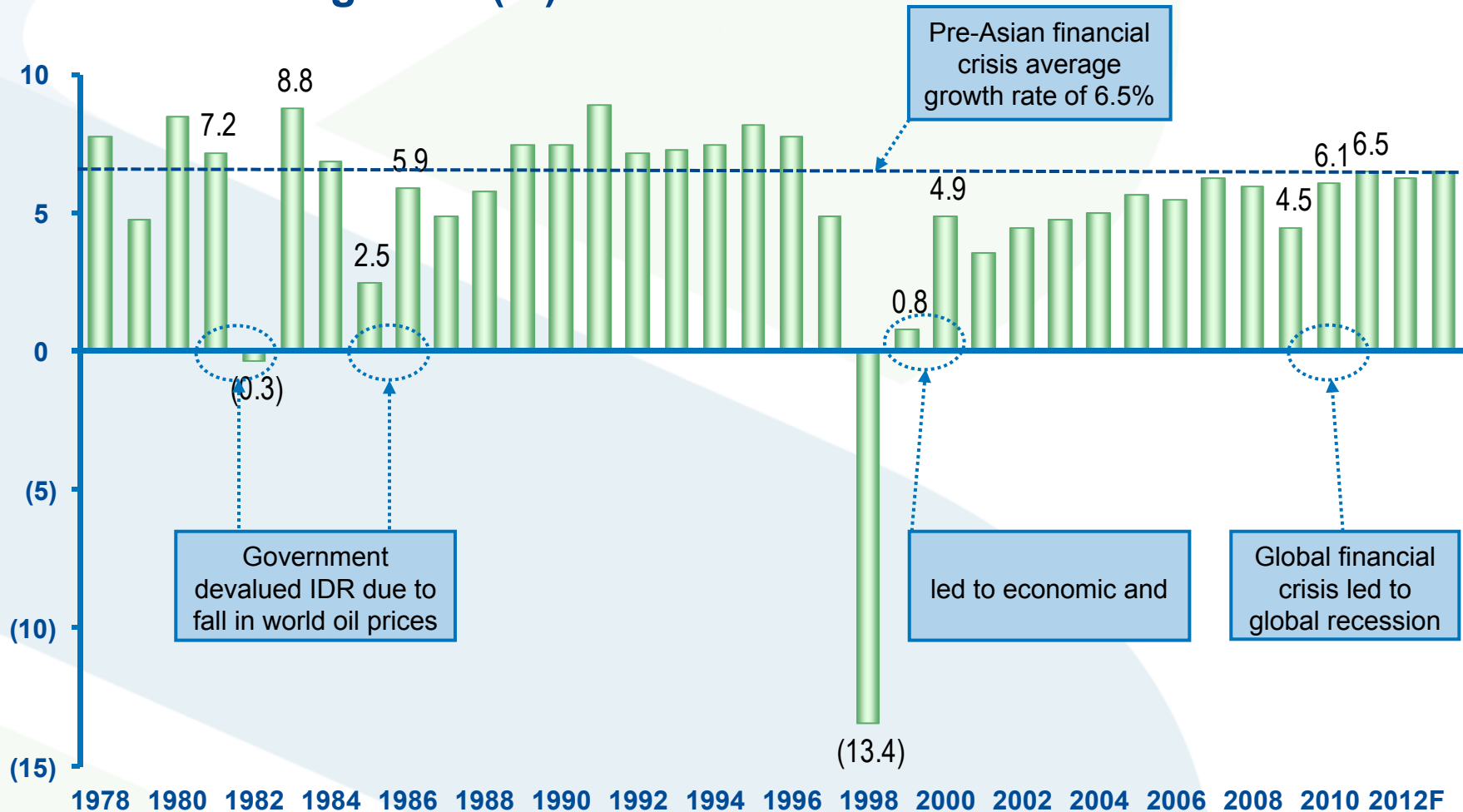
Intra-regional ASEAN* trade supported growth

Contribution to export growth (ppt; 2012 YTD**)



Indonesia - GDP at pre-Asian crisis average

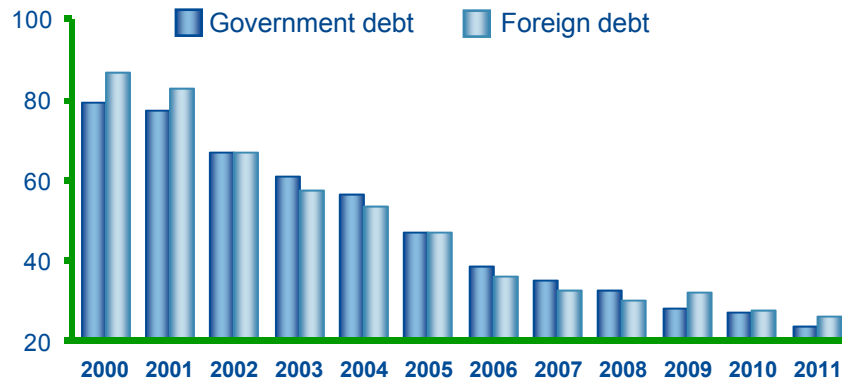
Historical GDP growth (%)



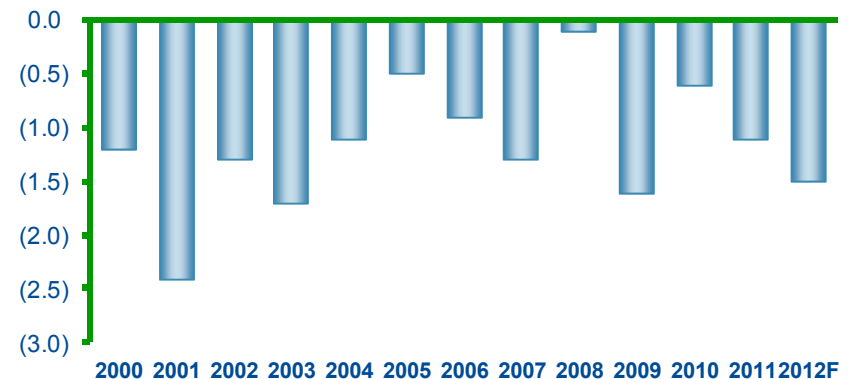
Indonesia - “healthy structural factors”

Most of Indonesia's country risk indicators have been improving over last 10 years

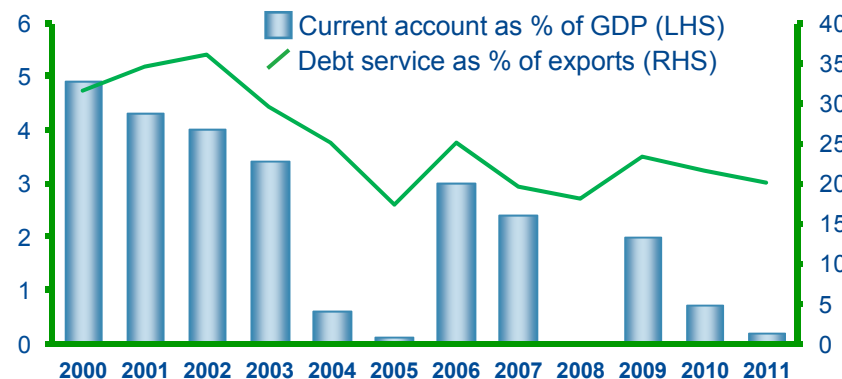
Gross debt as % of GDP



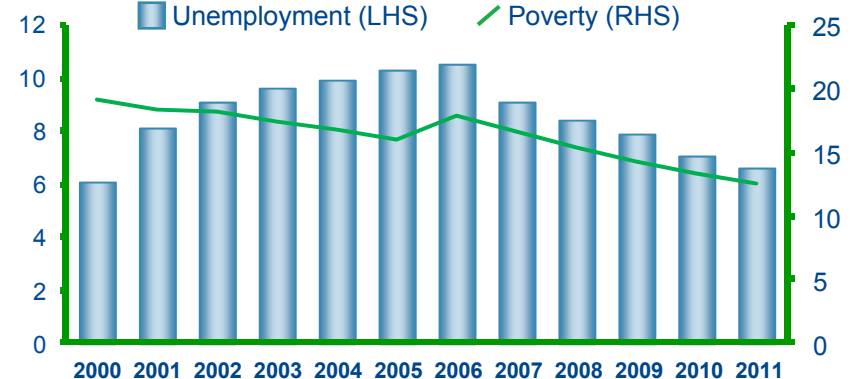
Fiscal balance as % of GDP



Balance of payments ratios



Poverty and unemployment rate (%)



- Asia is continuing to outperform driven by the shift in the balance of power from the West to the East
- China is rebalancing with focus on quality not quantity of growth, with the authorities willing and able to boost the economy if the global environment deteriorates
- South East Asia is growing strongly boosted by the pickup in intra-ASEAN* trade

Investor trip 2012

Greater China

Leading the way
in Asia, Africa and the Middle East



Leading the way

in Asia, Africa and the Middle East

Katherine Tsang

Chairperson, Greater China

- Greater China offers attractive growth opportunities and is strategically important
- Well positioned in this fast growing region
- Clear and consistent strategy, investing for long term growth
- Vigilant of near term risk and challenges

Greater China: Attractive market with sizable opportunity

Key market indicators

Population	1,378m
GDP*	US\$8,029bn
GDP* growth (07-11 CAGR)	14%
Per capita GDP*	US\$5,827
Reserves	US\$3,852bn
FDI** into Greater China	US\$205bn
FDI** stock	US\$1,906bn
Total trade	US\$5,144bn
Exports	US\$2,636bn
Imports	US\$2,508bn

Topping the world league table

Economy

- Contributes 11% of world GDP
- Largest foreign exchange reserves
- 2nd largest world economy (*China*)

Consumption and wealth

- One fifth of world population
- 2nd most number of billionaires (*China*)

Trade and business

- Biggest car market (*China*)
- Largest export market (*China*)
- Top 10 Forbes largest global companies
(*ICBC and PetroChina*)

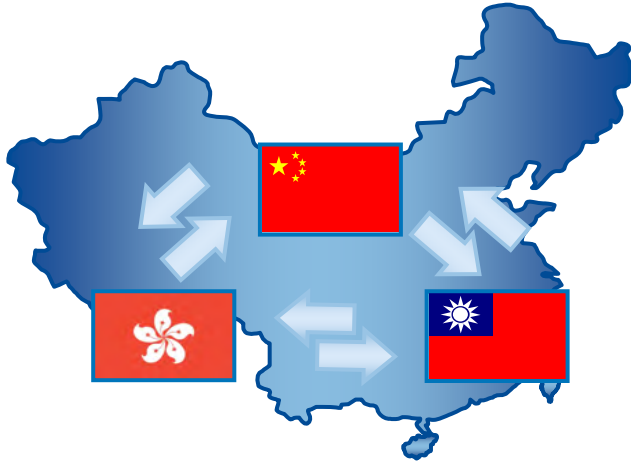
Financial industry

- Top 10 financial centres
(*3rd Hong Kong, 8th Shanghai*)
- Top 10 exchanges by capital raised
(*2nd Shenzhen, 3rd Hong Kong, 4th Shanghai*)

Information as at 2011, unless otherwise stated; * GDP - Gross Domestic Product; ** FDI - Foreign Direct Investment

Source: CEIC, Standard Chartered Research, World Bank, UNCTAD, Statistical Yearbook of Republic of China, HKMA, PBOC, CBC, CIA Factbook, Global Financial Centre Index 11 Mar 2012 by Z/Yen Group, Forbes, Global IPO Trends 2012 by Ernest & Young

Regional connectivity



RMB internationalisation

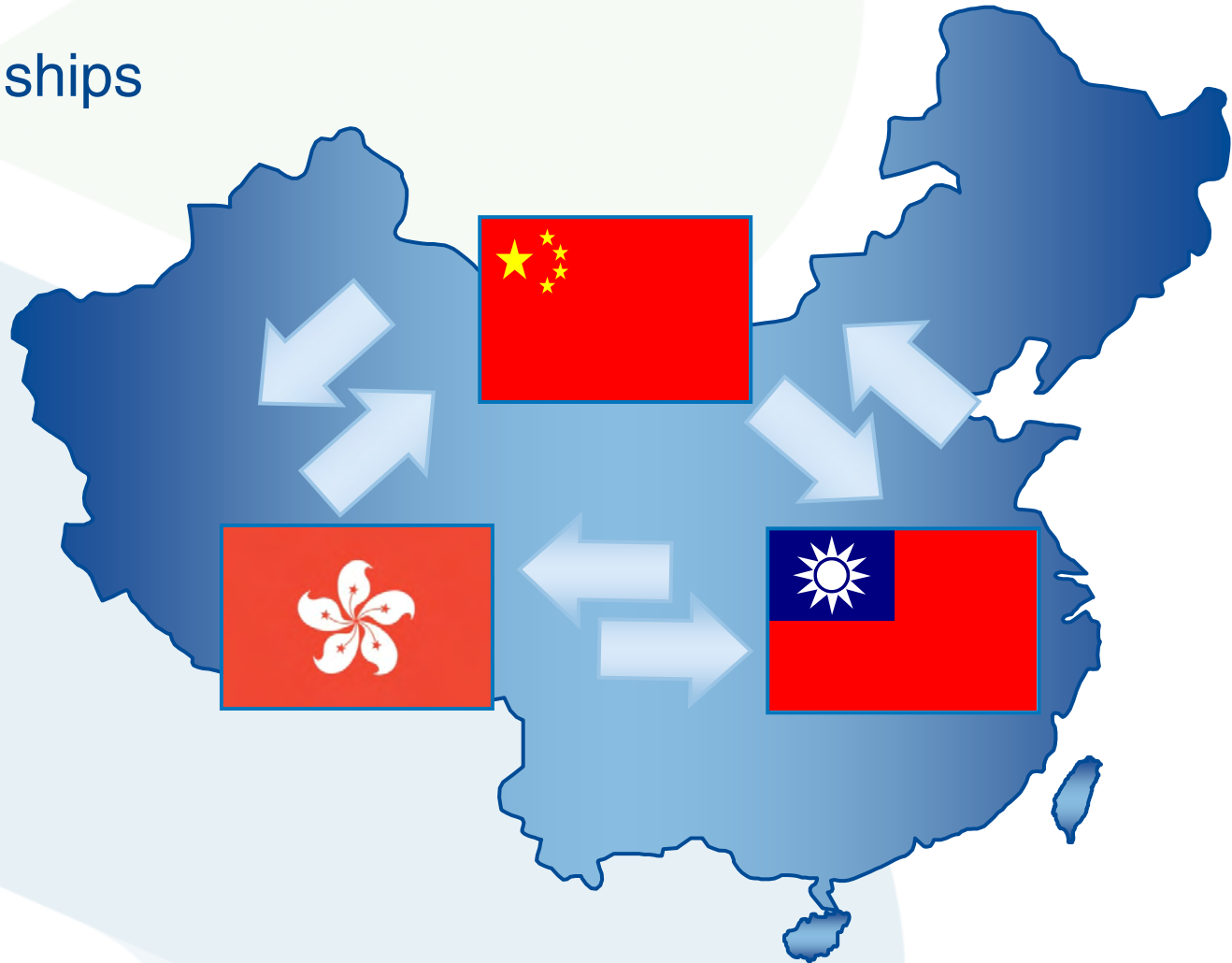


Economic strength



Changing landscape

- Political relationships
- Regional trade
- Investment



Wealth

Millionaires

3rd

China

1,432,000 households

8th

Taiwan

246,000 households

9th

Hong Kong

212,000 households

Billionaire countries

2nd

China

95 billionaires

Trade

US\$288bn



CHINA

Greater China to the world

US\$4,047bn



TAIWAN

Total intra-region trade

US\$1,098bn

US\$726bn

US\$84bn



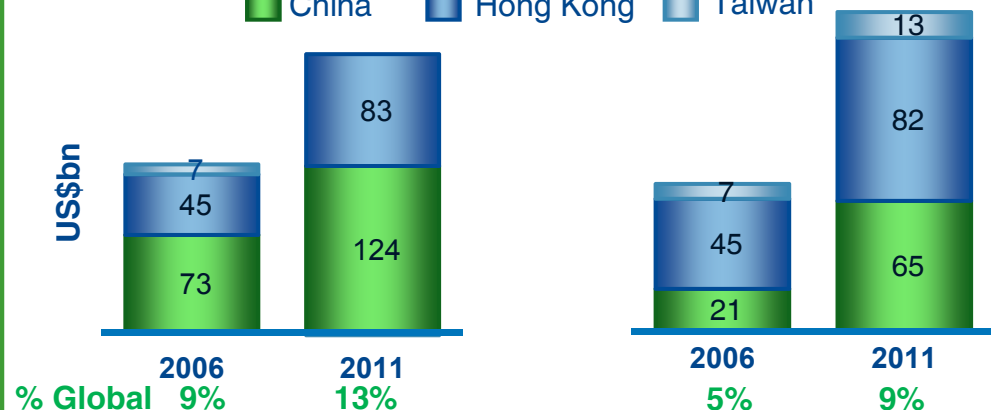
HONG KONG

Investment

Inbound FDI

Outbound FDI

■ China ■ Hong Kong ■ Taiwan





RMB services available today



Greater China:

Strong contribution to Group performance



Greater China

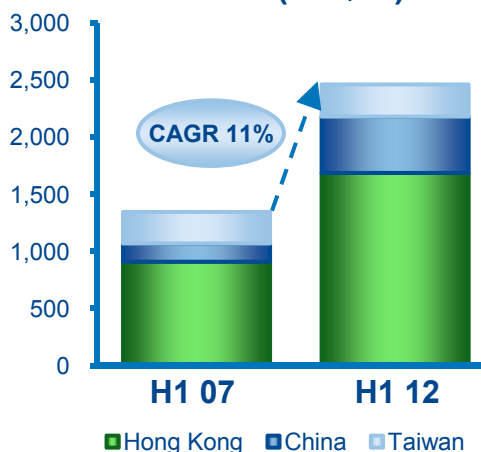
Total income	US\$2,464m
Wholesale Banking income	US\$1,450m
Consumer Banking income	US\$1,014m
Profit before tax	US\$1,103m
Total loans*	US\$78bn
Staff	16,500
Outlets	251

% of Group

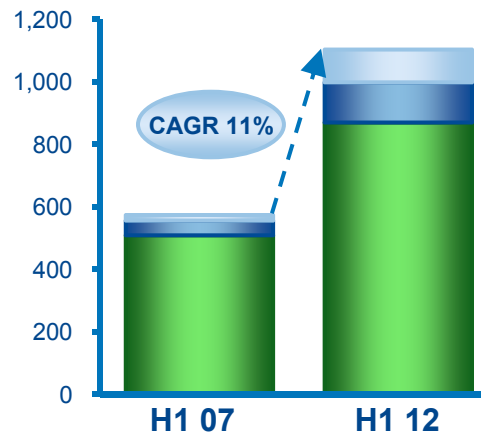
Customer loans	28%
Income	26%
Profit before tax	28%
Staff	19%

Financial

Income (US\$m)

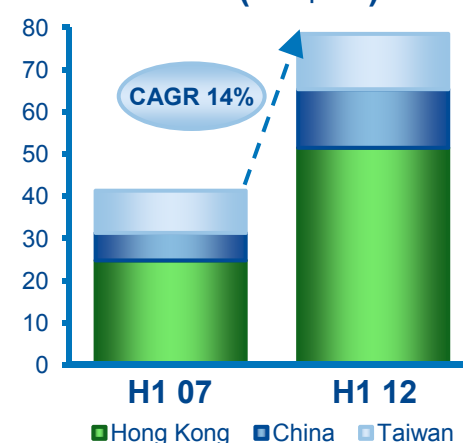


Profit before tax (US\$m)

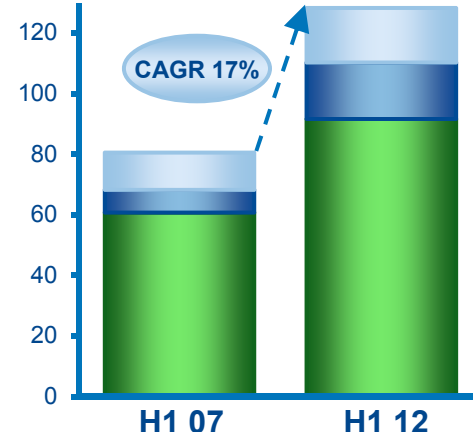


Balance sheet

Loans* (US\$bn)



Customer deposits (US\$bn)



Aspiration to be the best international bank for Greater China corporates and high net worth individuals

- Continue leading in RMB internationalisation
- Support cross border business and trade flows
- Capture Mainland China wealth opportunity
- Expand distribution through targeted investment
- Grow and invest in the talent base
- Navigate regulatory headwinds
- Leverage strategic partnerships

- Well positioned in Greater China
- Resilient with a clear and consistent strategy
- Continue prudent investment for long term growth
- Vigilant of near term risks and challenges

Investor trip 2012

China Strategy

Leading the way
in Asia, Africa and the Middle East



Leading the way

in Asia, Africa and the Middle East

Lim Cheng Teck

Chief Executive Officer, China



- Managed slowdown - China's growth story intact
- Further market liberalisation offers opportunities
- Connecting China to our network
- Continued investment to build scale
- Well placed to capture opportunity; on track for market share gain





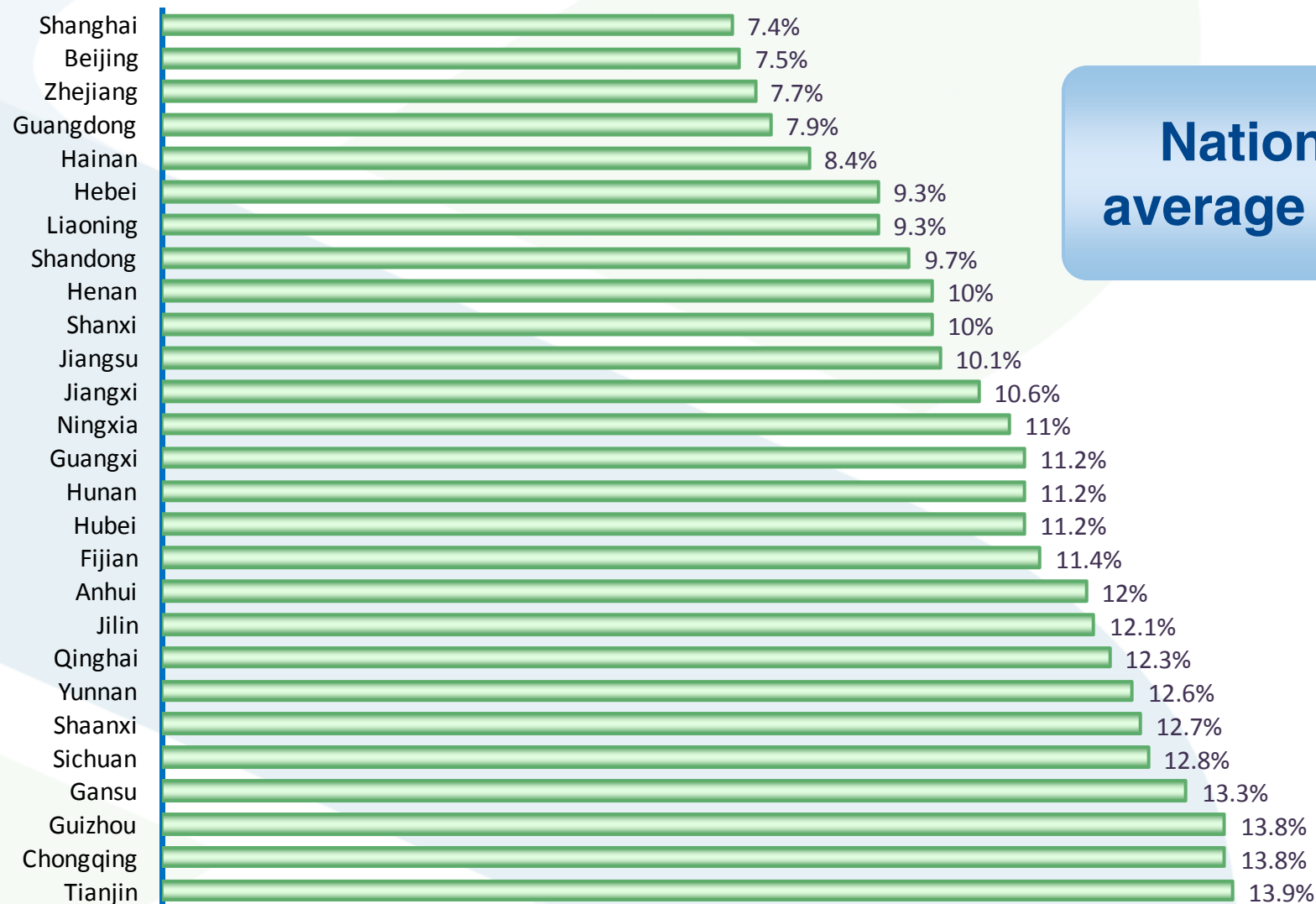
- World's second largest economy; GDP US\$7.3tn
- 12th five year plan targets sustainable growth of 7%
- Domestic consumption as new engine of growth
- Continued investment in infrastructure



- Signs of sectorial credit deterioration but overall non performing loans are low
- Long term trend intact
- Ability to ease policies, if needed
- Transition to quality, sustainable growth

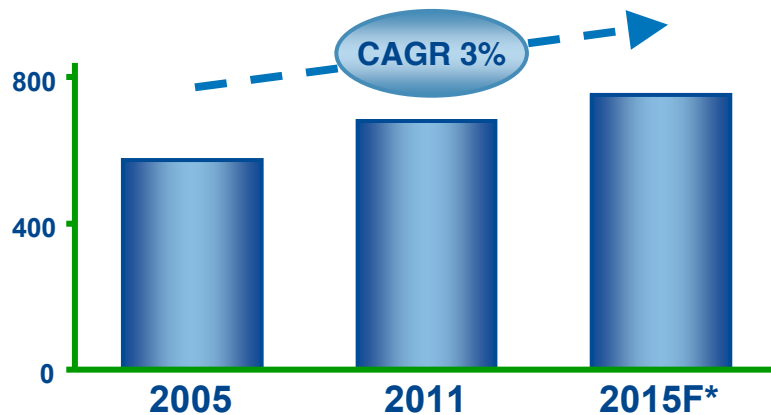
GDP growth in 24 regions beats national average

GDP growth % in first three quarters



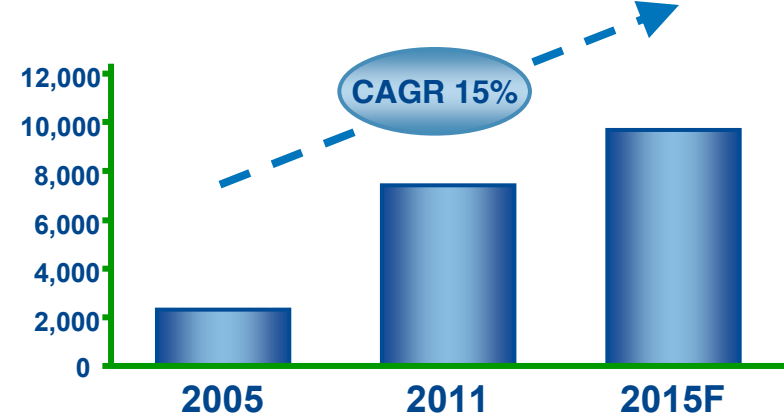
**National
average 7.7%**

Urban population (m)



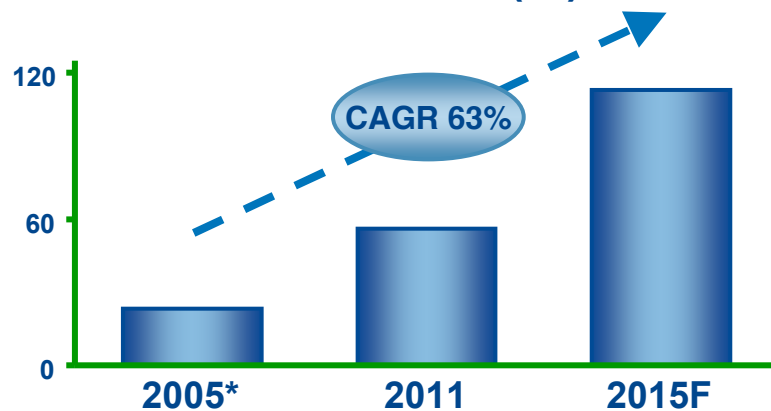
Source: Preparing for China's urban billion by McKinsey Global Institute

GDP (US\$bn)



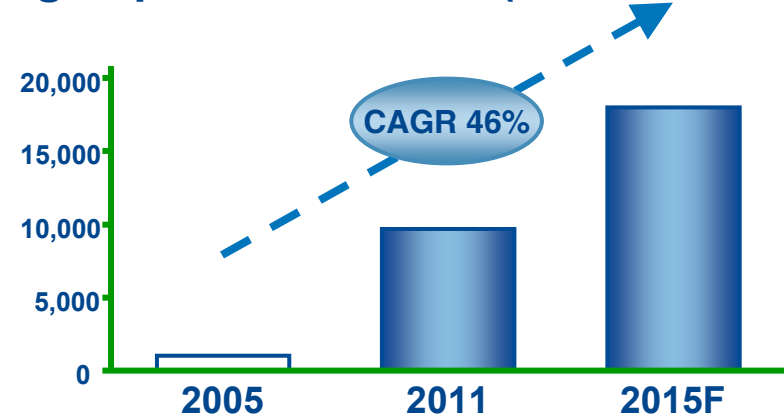
Source: China National Bureau of Statistics and 12th Five Year Plan

Automobiles (m)



Source: BBVA Research, National Statistics Bureau of China, China Daily

High speed rail tracks (in kilometres)



Source: China Daily, www.Railway-technology.com

* Estimated by inter / extra-polation of external data

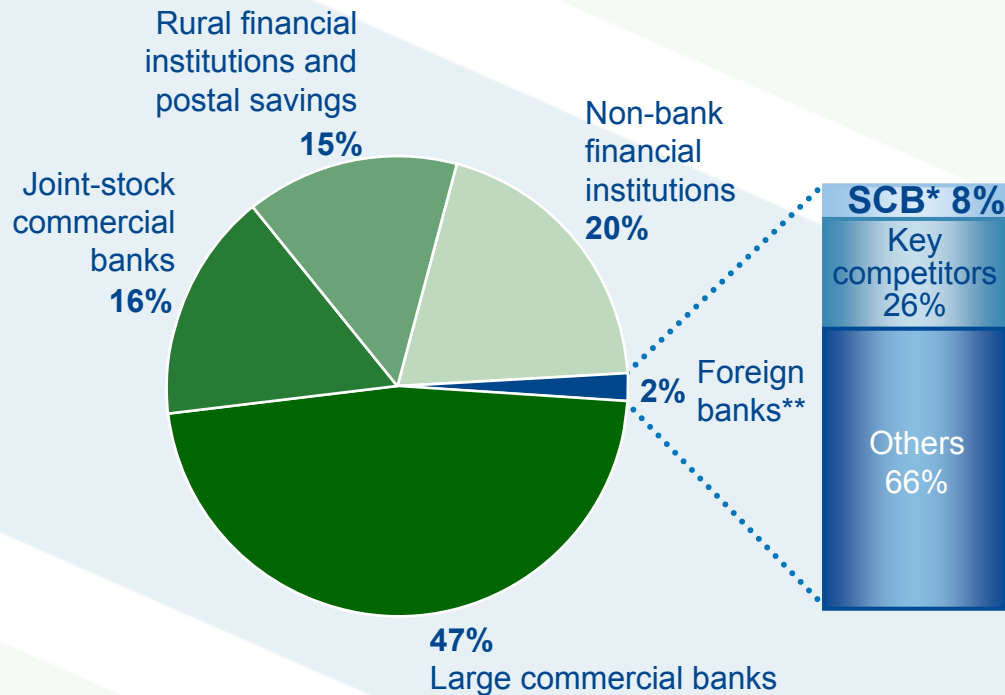
- Uninterrupted presence since 1858; 90 outlets across 24 cities
- Tale of two businesses
 - Wholesale Banking: Entrenched and leveraging network advantage
 - Consumer Banking: Building scale across multiple niches
- Leading and growing share of foreign banks



Deregulation offers opportunities



Share of total banking assets as at end 2011



Size of the banking market as at end 2011

- Total banking assets: US\$18.0tn
- Total banking institutions in China: 3,800
- Total deposit base: US\$13.2tn

*SCB - Standard Chartered Bank

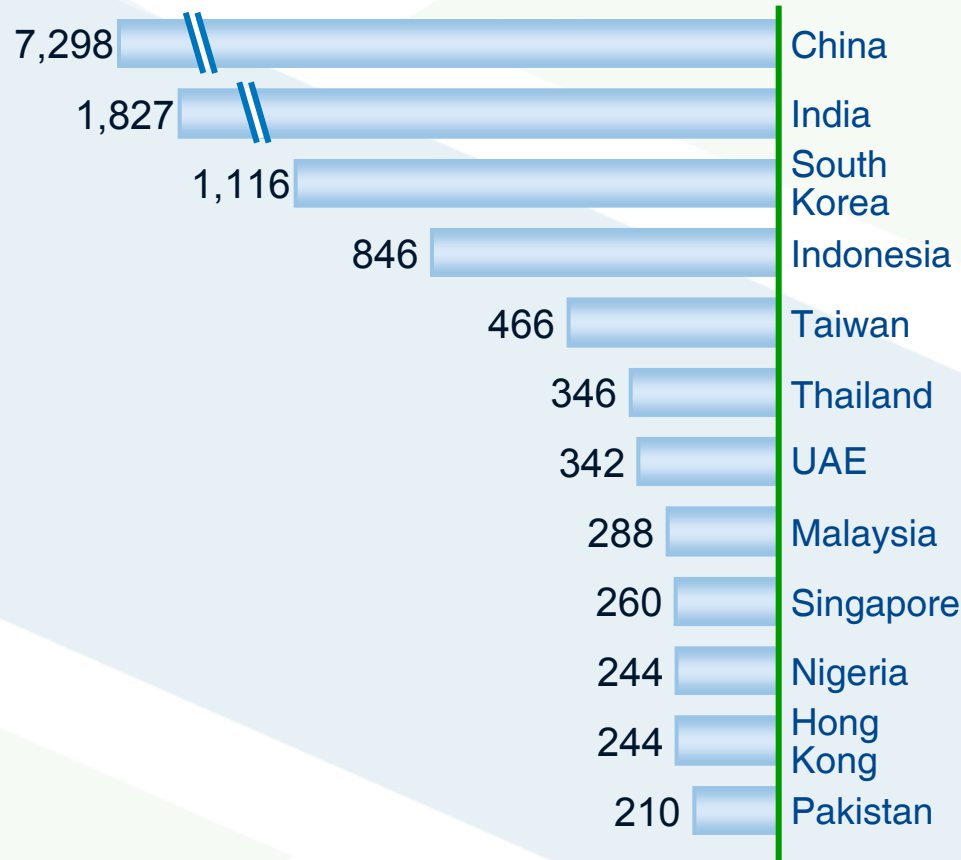
**Note: Number of locally incorporated foreign banks: 37
Number of foreign branches and joint-venture banks: 96

Sources: China Banking Regulatory Commission Annual Report 2011

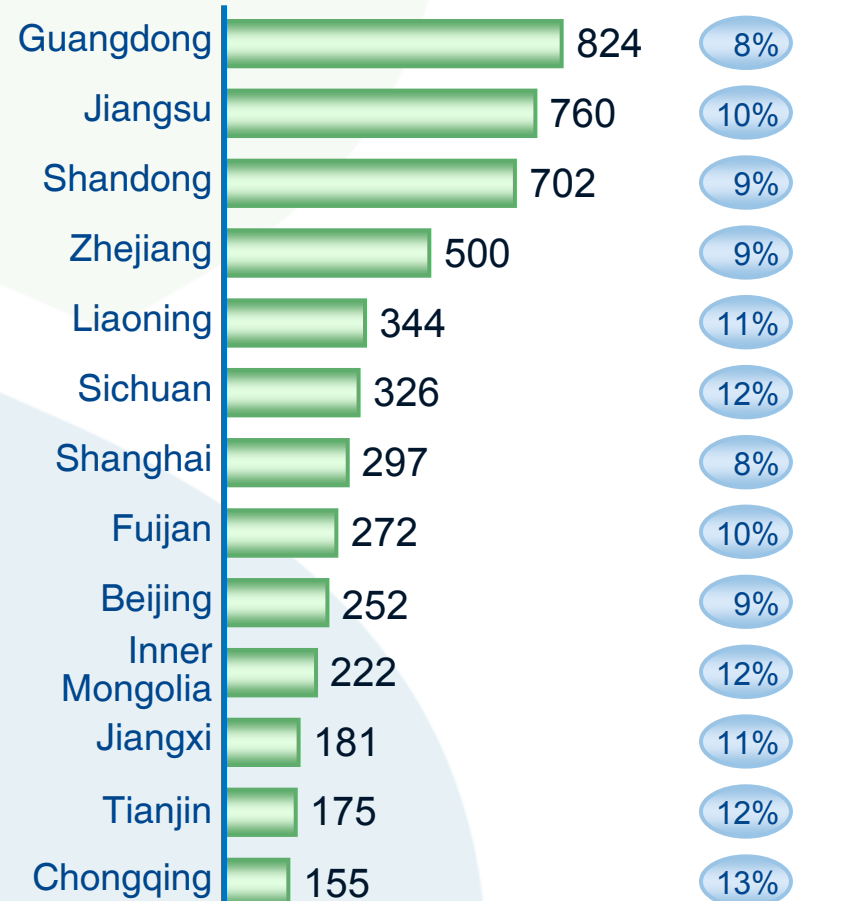
Size of opportunity

2011 GDP (US\$bn)

Selected Standard Chartered franchise



Selected provinces and cities in China



Our strengths in China

Top tier foreign bank

**Leading foreign bank for
offshore RMB**

**Unbroken commitment
since 1858**

**Cross border
capabilities differentiate**

**Continued balance sheet strength
and liquidity management**

**Comprehensive
product licenses**

**Strong credit rating:
AA- (S&P)**

**Innovative
alternate channels**

Strong market recognition

One Bank approach

- Broaden and deepen geographical reach
- Introduce new capabilities as market liberalises
- Build scale in Consumer Banking
- Vigilant and tight discipline on risk
- Capture corridors opportunities
- Building talent pipeline

- Managed slowdown - China's growth story intact
- Further market liberalisation offers opportunities
- Strong franchise value, connecting China to our network
- Continued investment to build scale
- Well placed to capture opportunity;
on track for market share gain

Investor trip 2012

China Financial Performance

Leading the way
in Asia, Africa and the Middle East



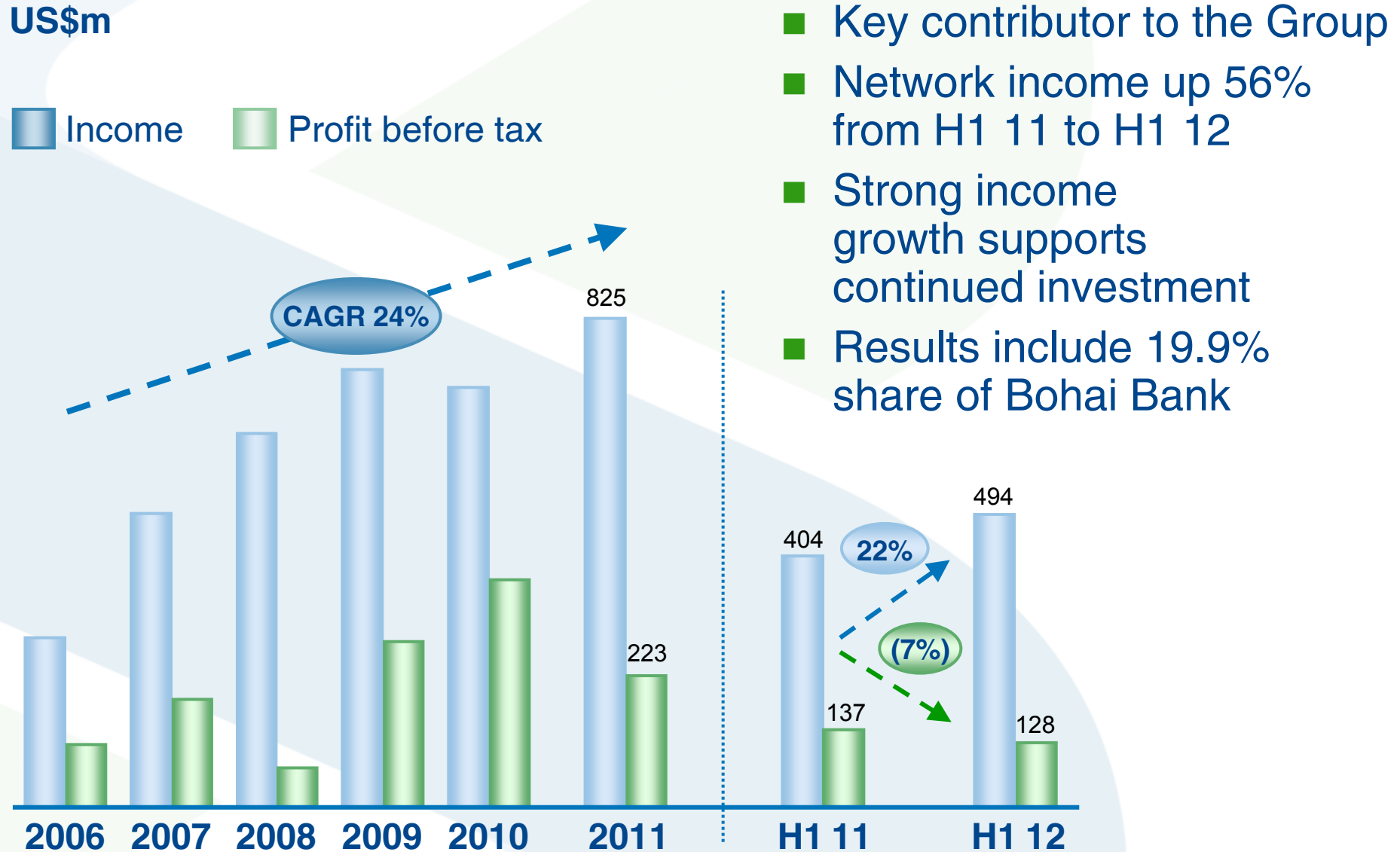
Leading the way in Asia, Africa and the Middle East

Patrick Sullivan

Chief Financial Officer, China

- Strong growth in income supports investment agenda
- Growing local distribution network and capability
- Portfolio credit quality remains robust
- Highly liquid and diverse balance sheet

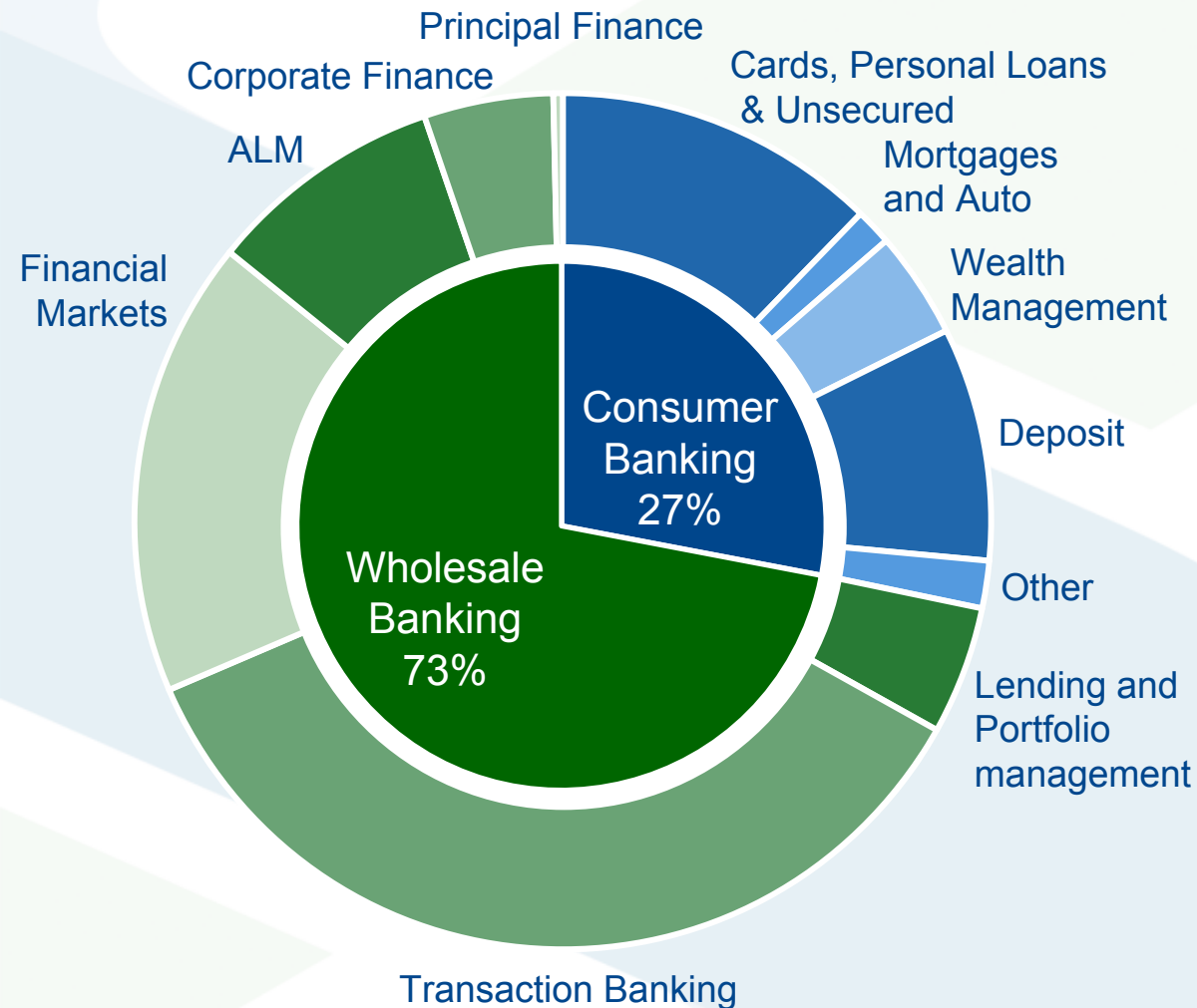
Strong income momentum



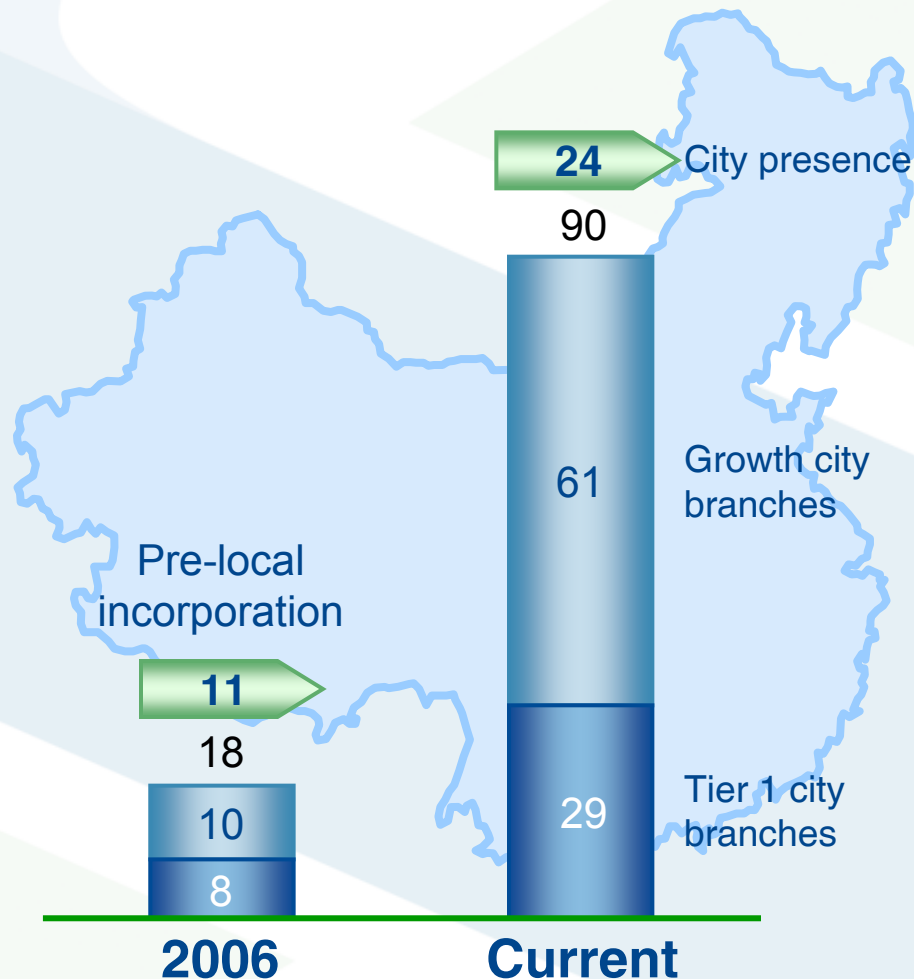
Both businesses growing strongly



H1 12 income by business



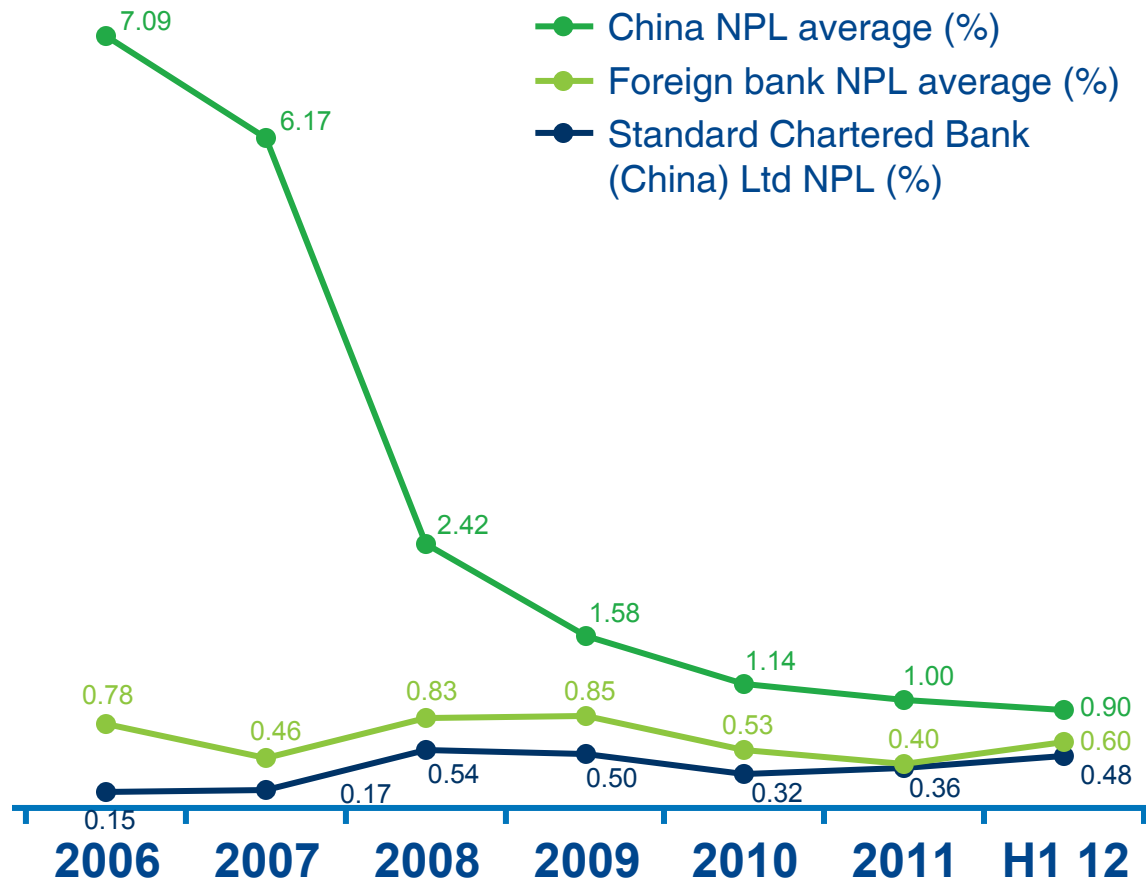
- Strong growth in both businesses H112 vs H1 11:
 - Wholesale Banking 25%
 - Consumer Banking 15%
- Income profile in line with client and customer led strategy
- Retail business substantially started only after local incorporation in 2007



Key investment programmes

- Branch network expansion continues
- Product capability
- People - around 7,000 staff
- Technology infrastructure
- Regulatory and compliance enhancement

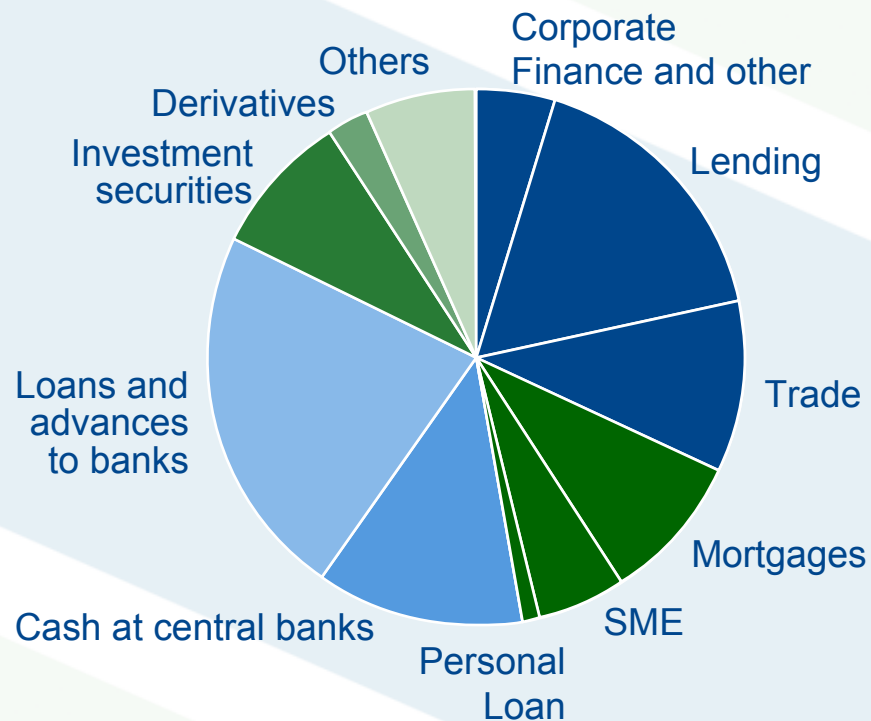
Non Performing Loans (NPL) % trend*



- Disciplined and selective asset growth
- Non performing loans remain low and below industry averages
- Stress testing indicates a resilient portfolio
- Proactive early alert risk management of potential issues
- Well-positioned portfolio and robust risk management

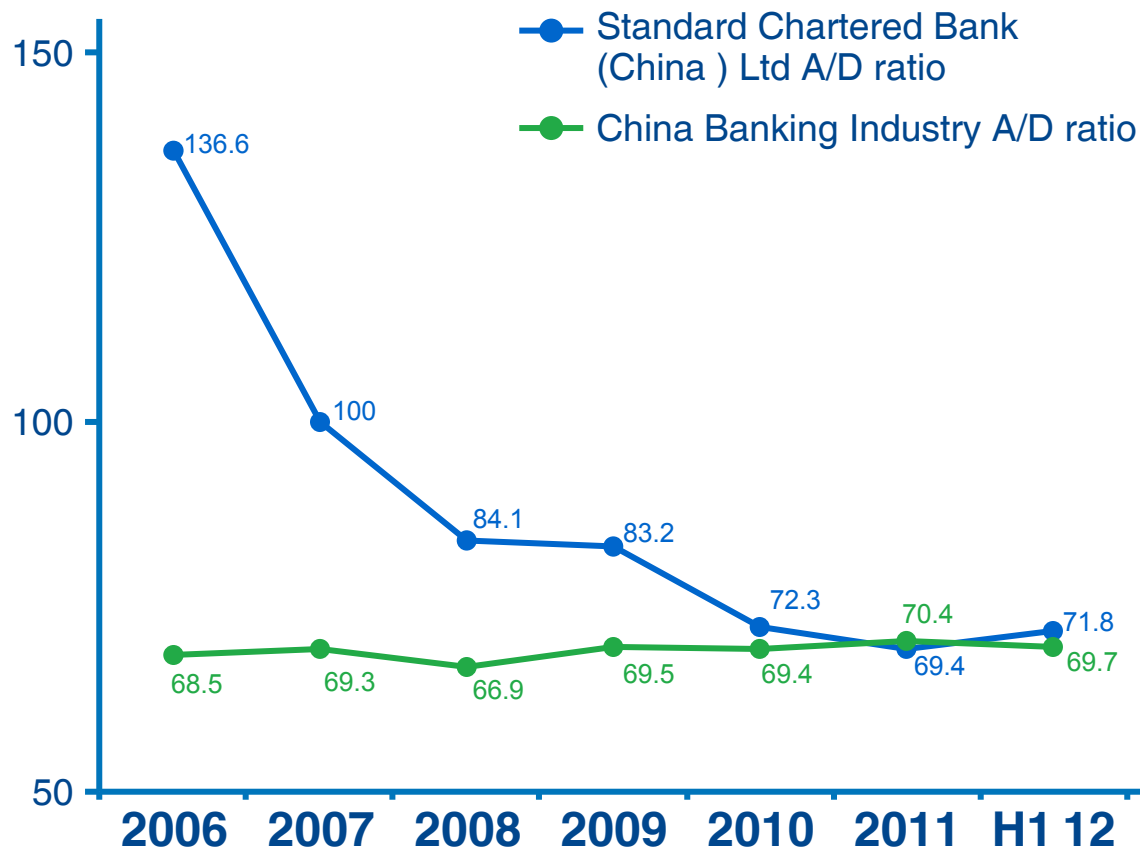
Well diversified asset portfolio profile

**Total assets as of
30 June 2012 US\$29bn**



- 78% of Wholesale Banking loans mature in under 1 year
- Loan to value of mortgage book 44%
- SME lending is less than 6% of total assets
- We remain vigilant of emerging risks

Advances to Deposits (A/D) ratio trend



- Consistently low A/D ratio since local incorporation
- Customer deposit funded franchise
- Focus on high quality deposits - CASA* 44% of total
- Net interbank lender

*CASA - Current and Saving Accounts

- Strong growth in income supports investment agenda
- Growing local distribution network and capability
- Portfolio credit quality remains robust
- Highly liquid and diverse balance sheet

Investor trip 2012

China
Wholesale Banking

Leading the way
in Asia, Africa and the Middle East



Leading the way

in Asia, Africa and the Middle East

Eric Lian and Charlie Ye

Co-Heads Wholesale Banking, China

- Delivering client-led strategy
- Strong and sustained performance
- Leveraging the strong presence across Greater China and our network
- Continuing to invest for sustainable growth

Wholesale Banking China at a glance

- Wholesale Banking presence in 24 cities
- Over 1,500 Wholesale Banking staff across China
- Dealing rooms in 4 cities



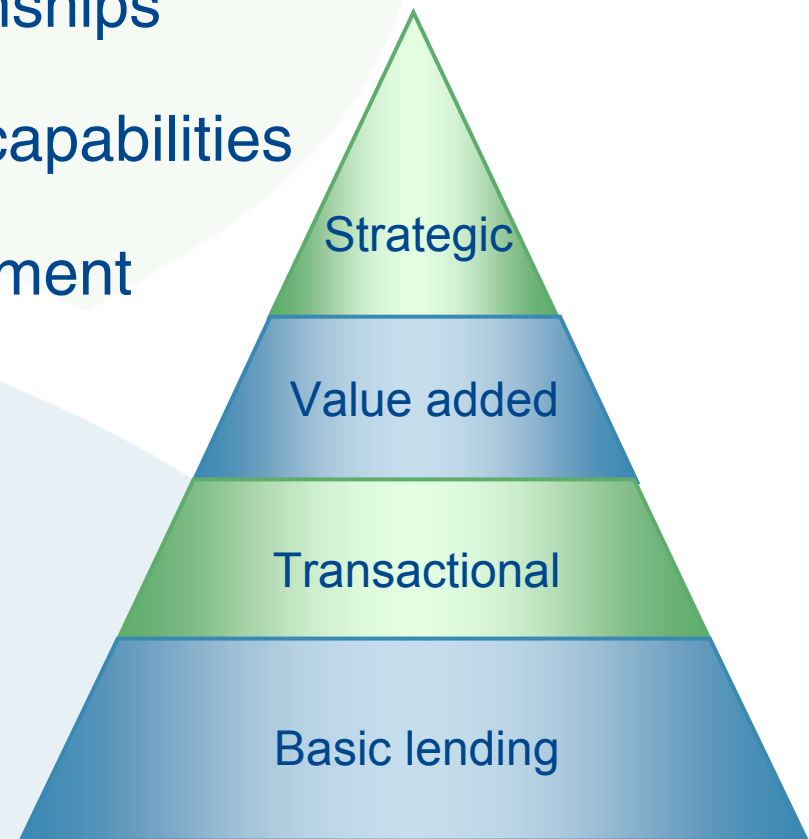


Our strategy

- Deep 'core bank' client relationships
- Local scale and cross-border capabilities
- Strong balance sheet management

Key enablers

- Infrastructure
- Values and culture



Our China strategy - connectivity and network

Global

Leverage global network for outbound business flows

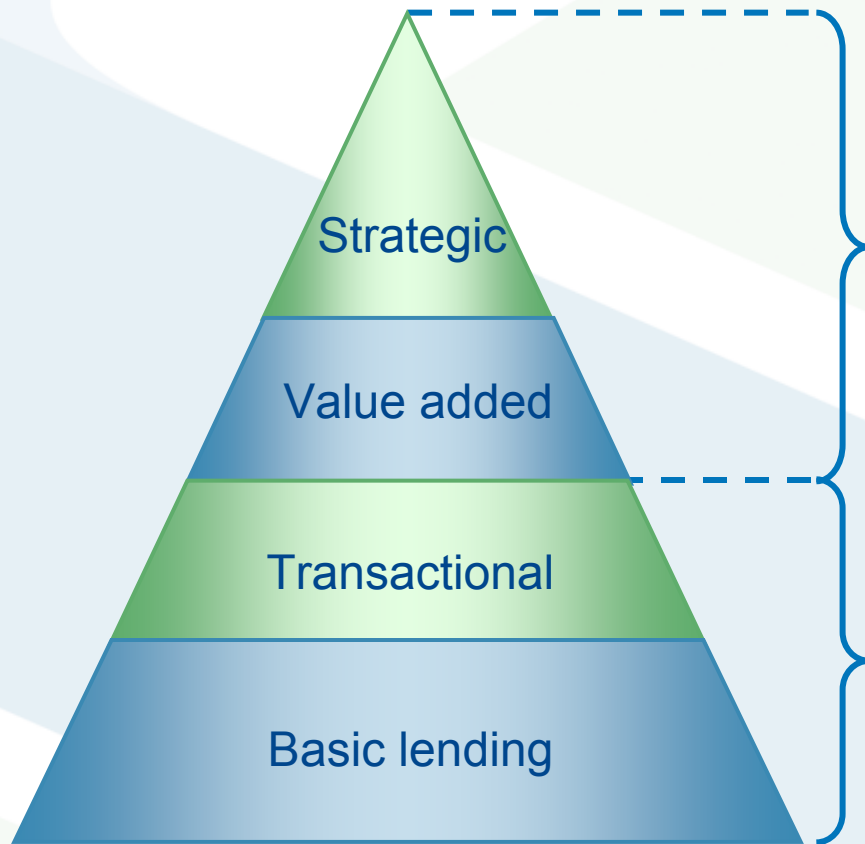
Bank global clients locally and local clients globally

Domestic

Deepen client relationships to be core bank

Regional

Leverage on Greater China franchise to capture trade and capital flows



Strategic

- Corporate Finance
- Principal Finance

Value added

- Financial Markets
- Excludes flow Foreign Exchange

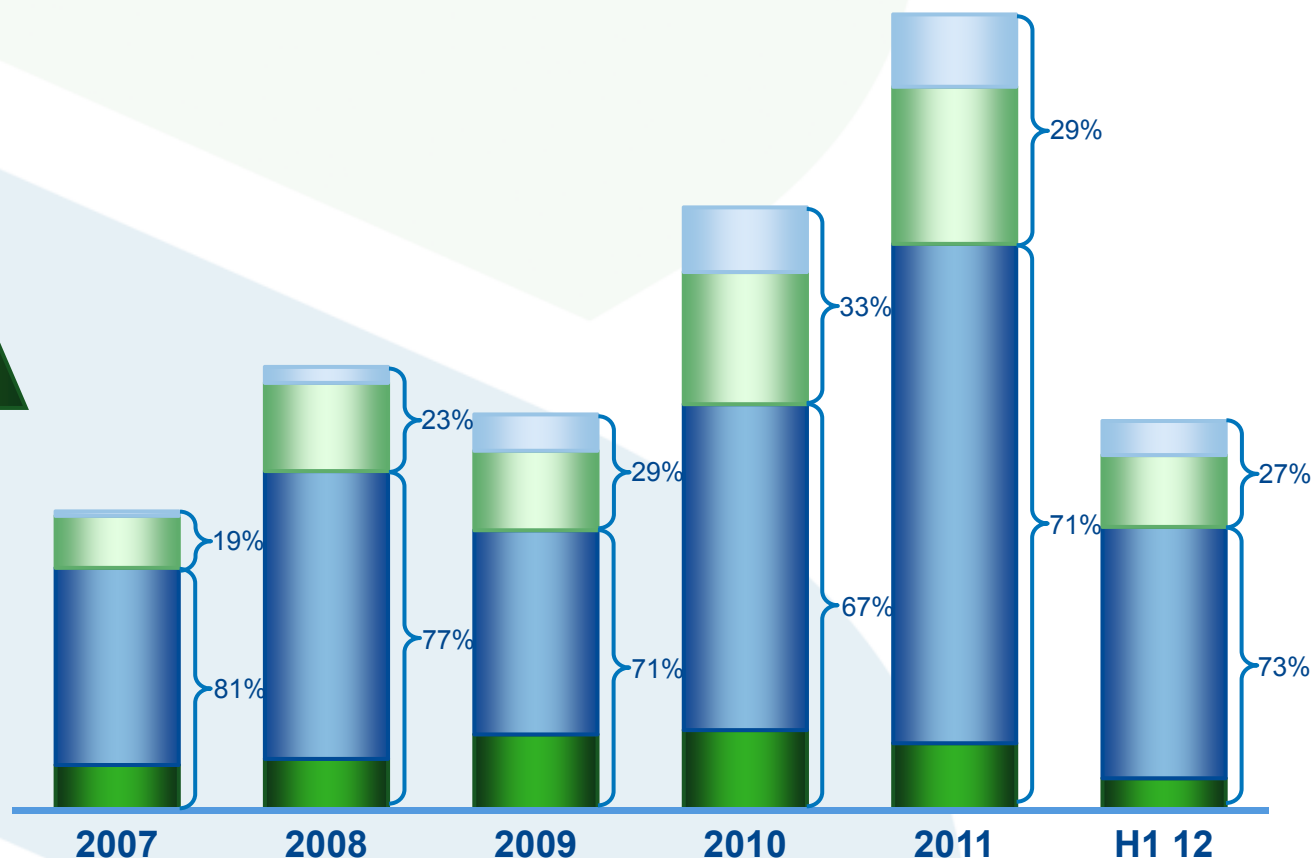
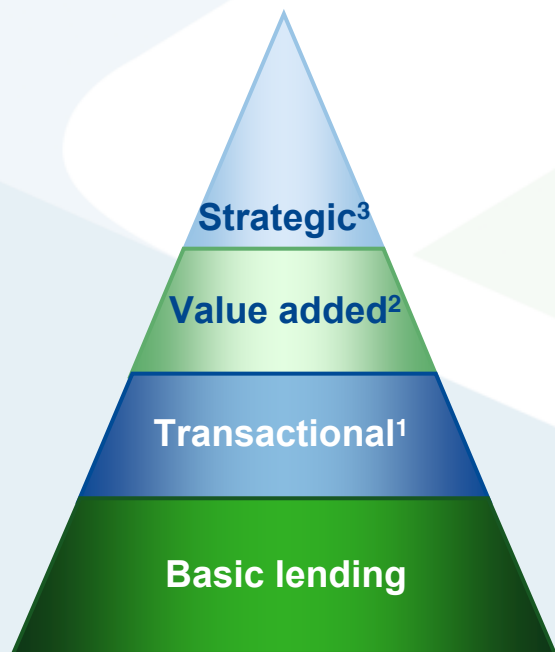
Commercial Banking

- Foreign flow
- Transaction Banking
- Gross lending

We have a consistent strategy underpinned by our Commercial Banking business



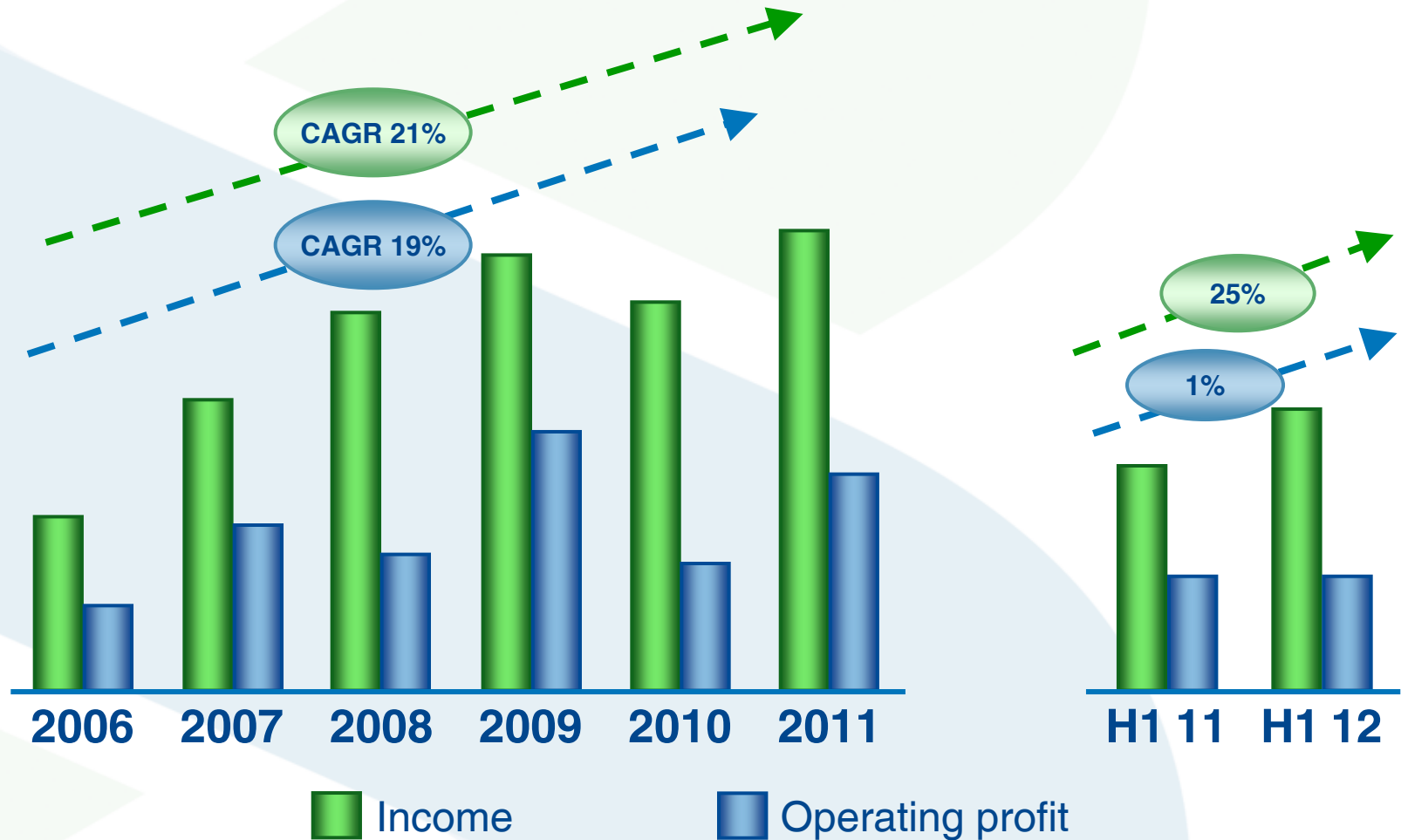
% of total client income



¹Transactional defined as Transaction Banking + flow Foreign Exchange; ²Value Added defined as Financial Markets – flow Foreign Exchange;

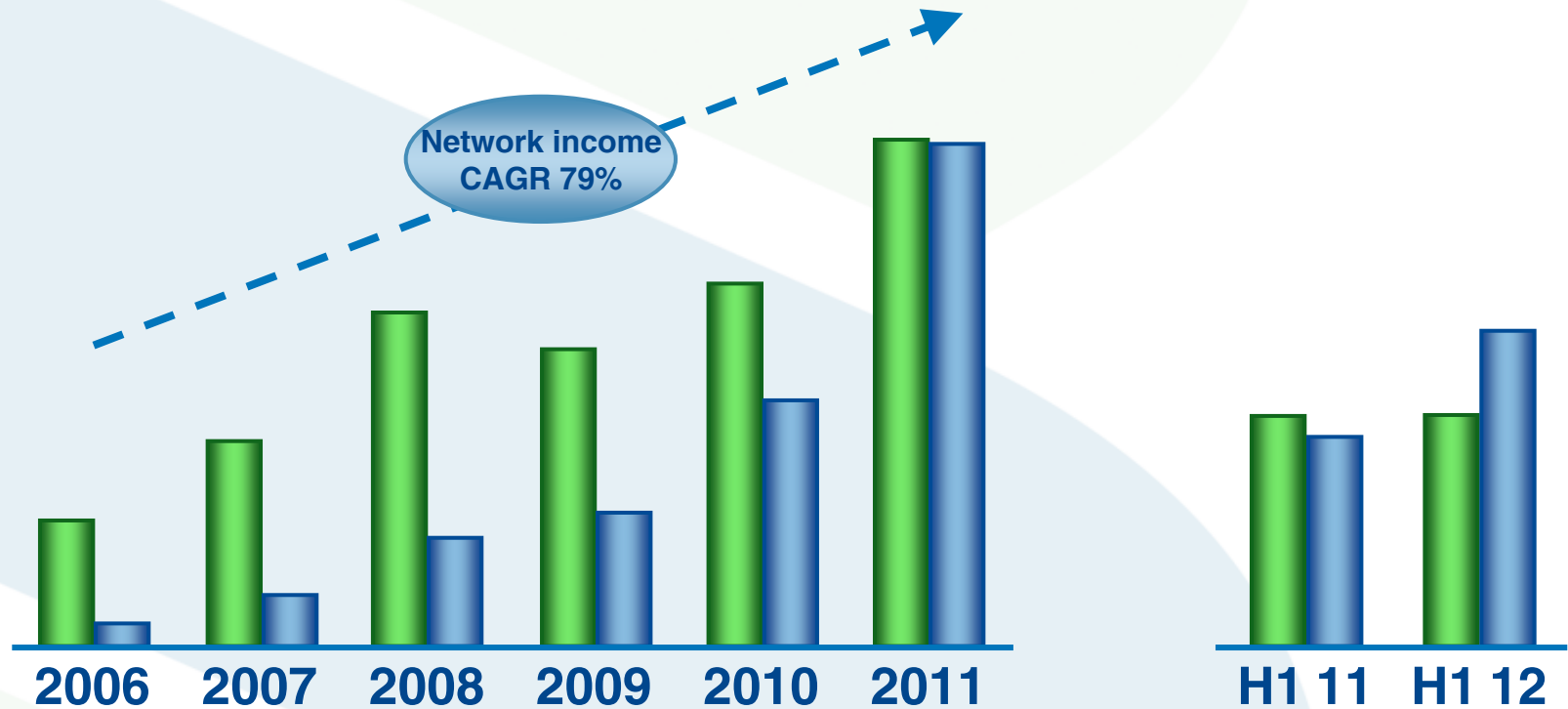
³Strategic defined as Corporate Finance + Principal Finance

Wholesale Banking income and operating profit trend analysis



Strong contribution to the network

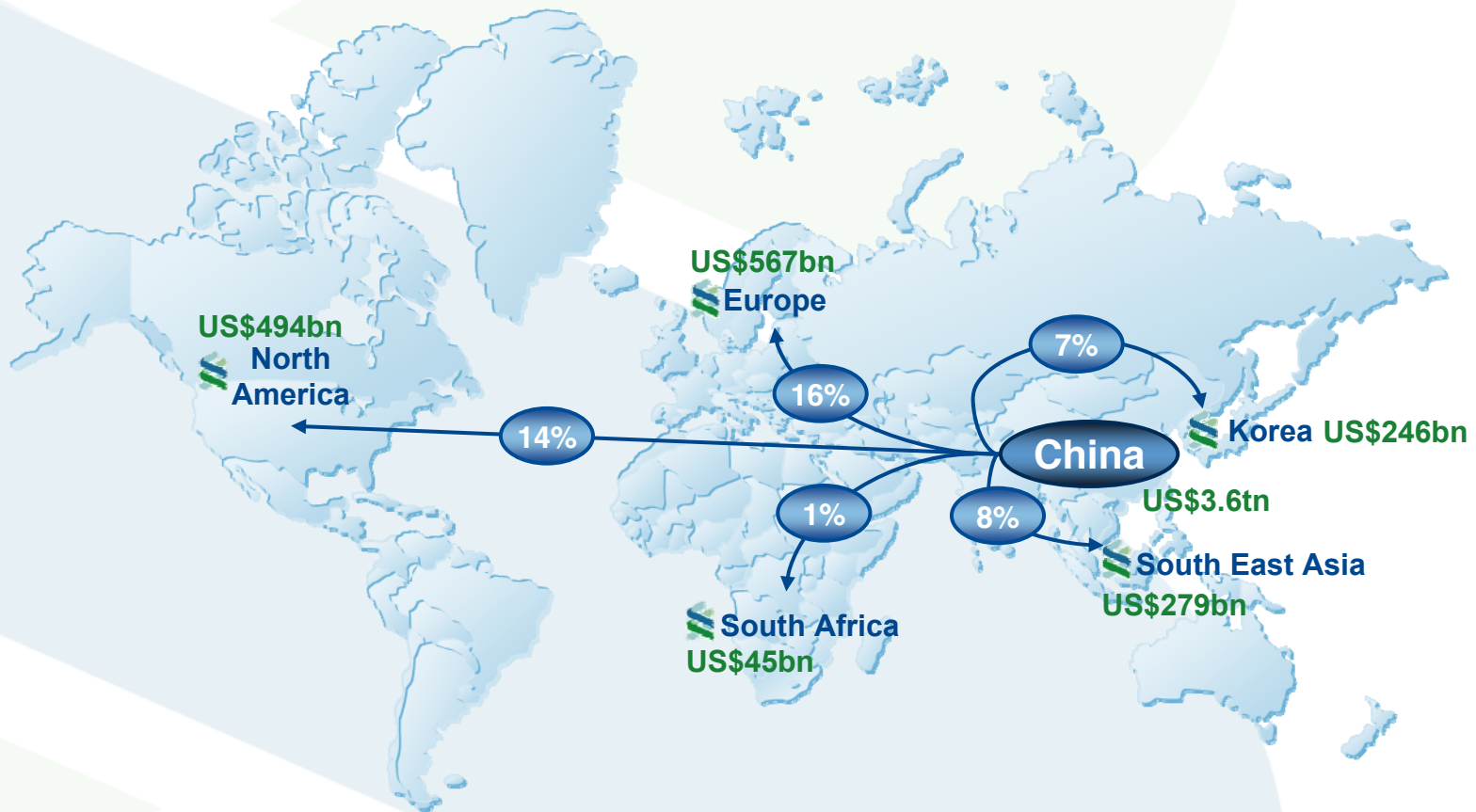
■ Onshore income ■ Network income



Network remains a competitive advantage



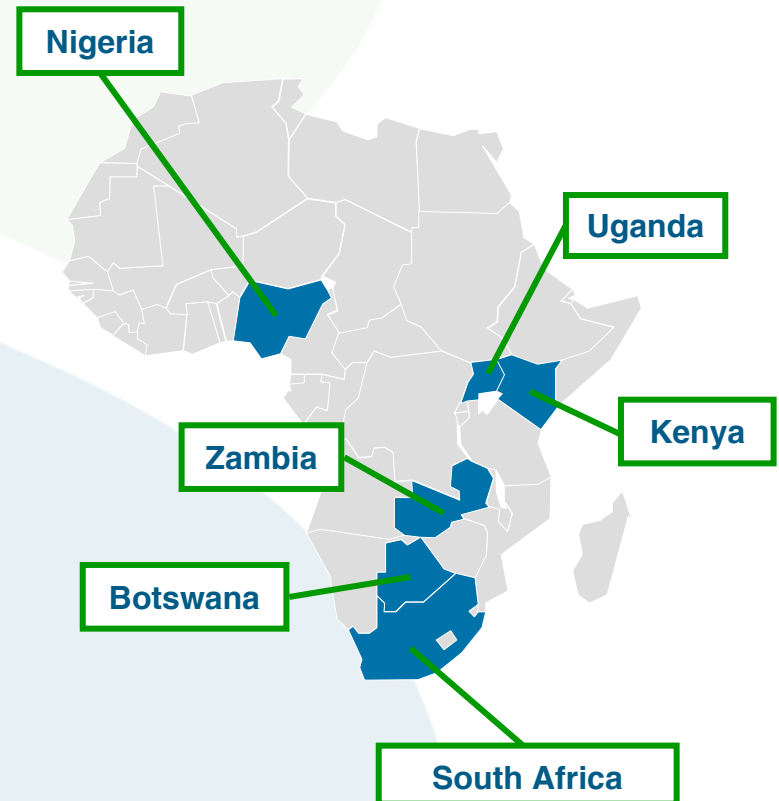
2011 China trade flow (imports and exports)





- Around 60 Chinese corporate clients in Africa
- Senior sponsors on the ground to provide coverage
- 7 dedicated full time Chinese relationship managers in Africa

Distribution of dedicated Chinese relationship managers



CNOOC Uganda



CNOOC LIMITED

- In 2011, CNOOC Uganda Limited successfully completed the purchase of 1/3 of Tullow's interest in the Albertine basin for over US\$2.9bn
- CNOOC selected Standard Chartered Uganda as its Cash Management bank

CIC 25% equity stake in Shanduka

CHINA INVESTMENT CORPORATION

SHANDUKA
Group

- First China / Africa M&A transaction
- Standard Chartered's first transaction advising CIC and CIC's first investment in Africa

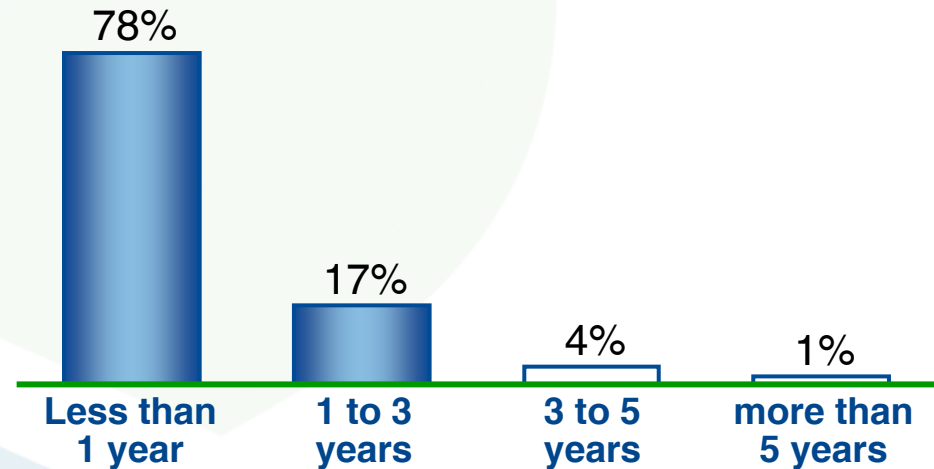
Yutong Bus and PEB



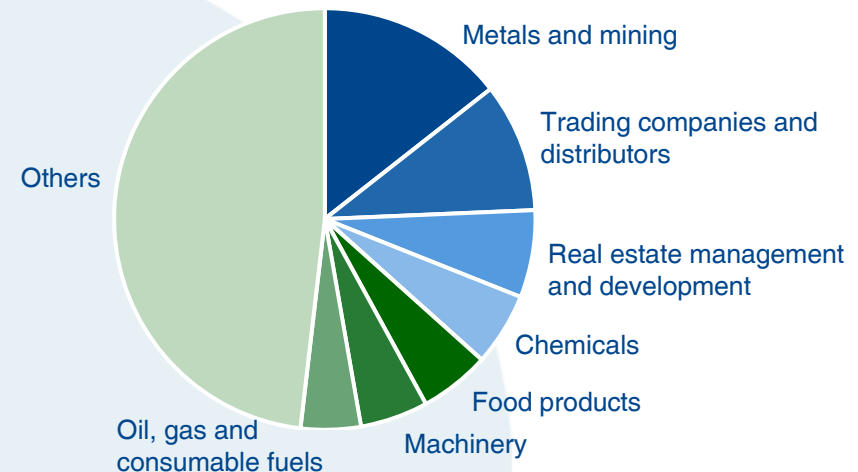
- Standard Chartered worked closely with both PEB and Yutong Bus to finance the purchase of the buses using Standard Chartered's China-Africa corridor capability

- No exposure to Local Government Investment Vehicles (LGIV)
- Exposure; short term in nature
- Minimal exposure to commercial real estate
- No major industry concentration
- Robust stress testing

Exposure by tenor – H1 12



Exposure by industry – H1 12



- Delivering client-led strategy
- Strong and sustained performance
- Leveraging the strong presence across Greater China and our network
- Continuing to invest for sustainable growth

Investor trip 2012

China
Consumer Banking

Leading the way
in Asia, Africa and the Middle East



Leading the way in Asia, Africa and the Middle East

Jungkiu Choi

Head of Consumer Banking, China

- Strong and sustained performance with well-paced investments
- Healthy balance sheet
- Delivering customer focused strategy
- Continuous investment for long term growth

Key long term trend of Consumer Banking market in China

Key trends

- Urbanisation and emergence of affluent customers
- Growth of wealthy customers
- Behaviour shift of customers
- From export orientation to domestic consumption driven growth

How we are positioned

- Began in 2007
- Leader in SME among foreign banks
- Trusted advisor approach
- Personal loans to occasional borrowers
- Leading solution provider for cross border needs of High Value Segment (HVS)
- Leader in digital brand among foreign banks, 3rd including all banks in China
- Build scale in select cities through smarter branch formats

Near term challenges and opportunities of Consumer Banking market in China

Challenges

- RMB arbitrage between Hong Kong and China reduced
- SME challenged against macro-economic headwinds
- Real estate market slowed

Opportunities

- Premium SMEs still robust
- High end market continues to grow
- Demand for cross border high end solutions keeps momentum

Consumer Banking China at a glance

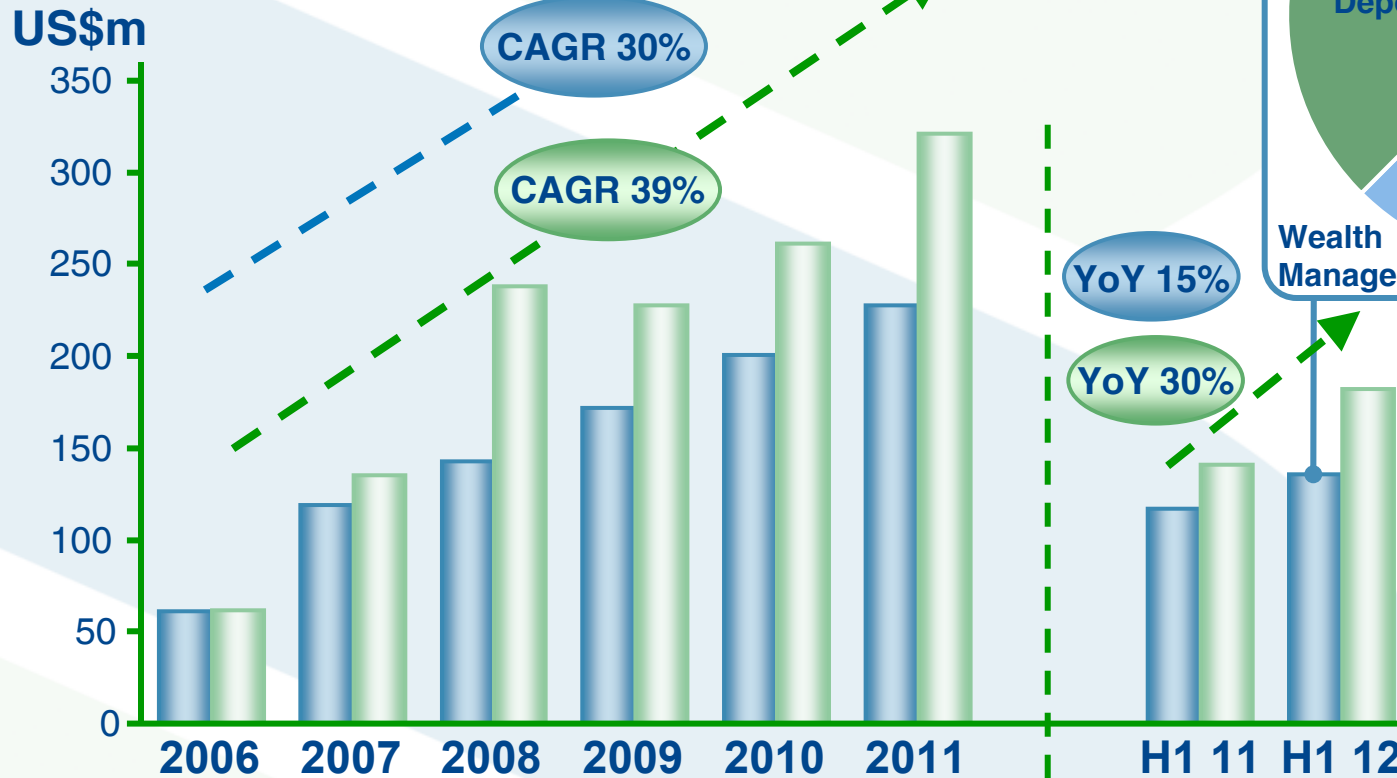


- Presence in 24 cities;
90 outlets
- 72 outlets in 12 target cities
with a minimum of 4 outlets
in each city
- Over 320,000 customers
- 06-11 income CAGR 30%

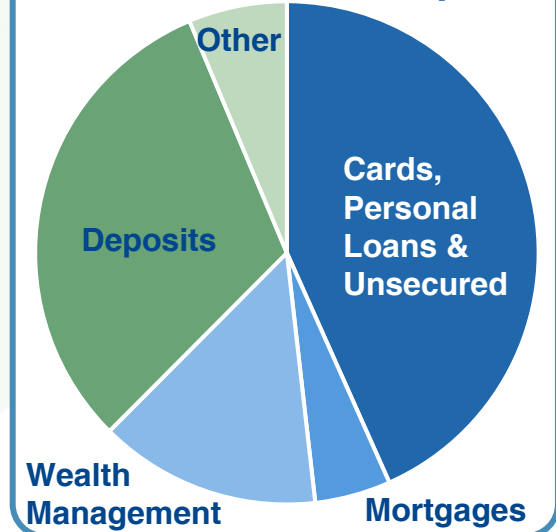


Robust income growth

Income Expenses

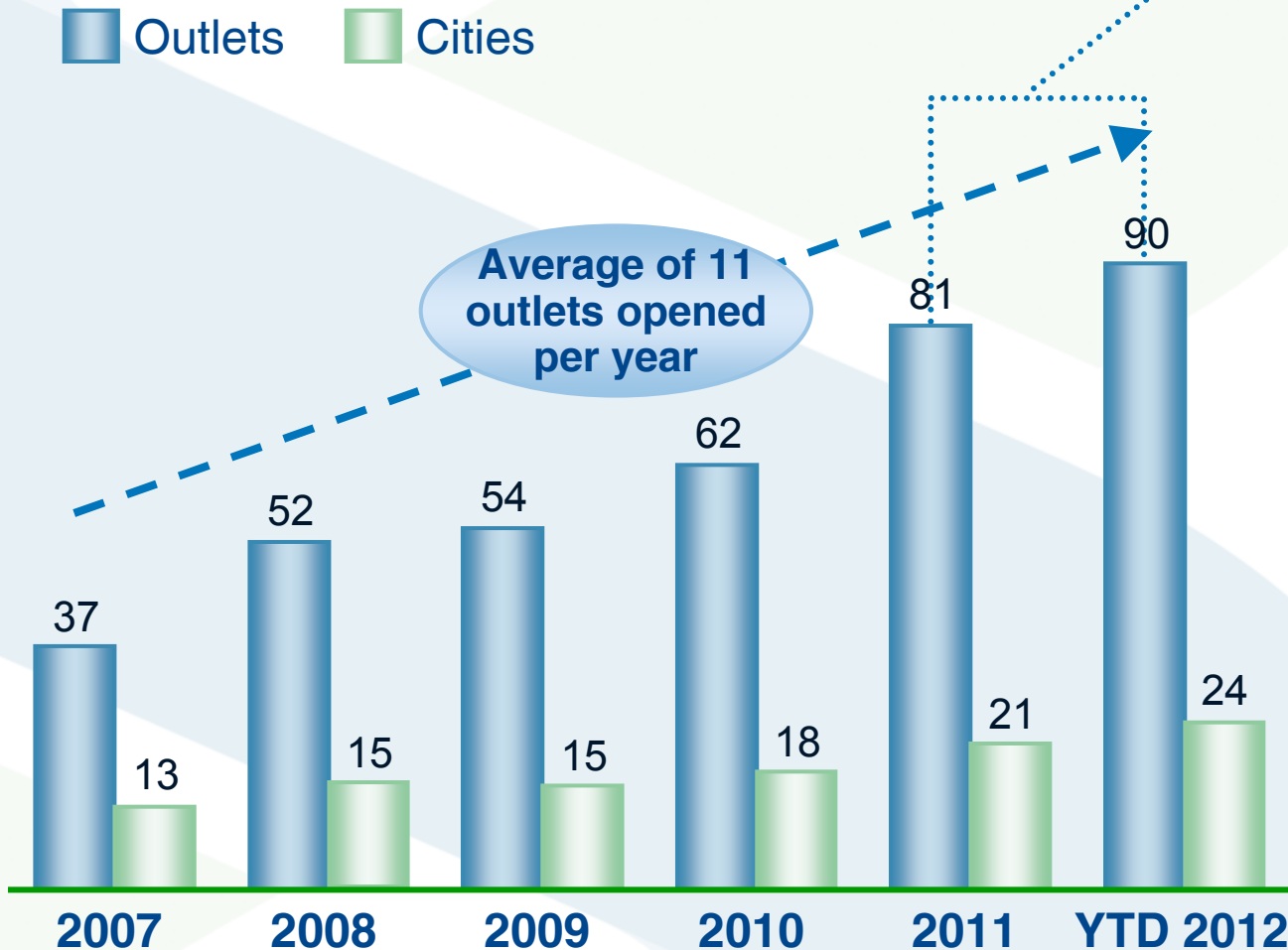


Diversified income pool



Fast outlet expansion in smarter format

Number of outlets and cities

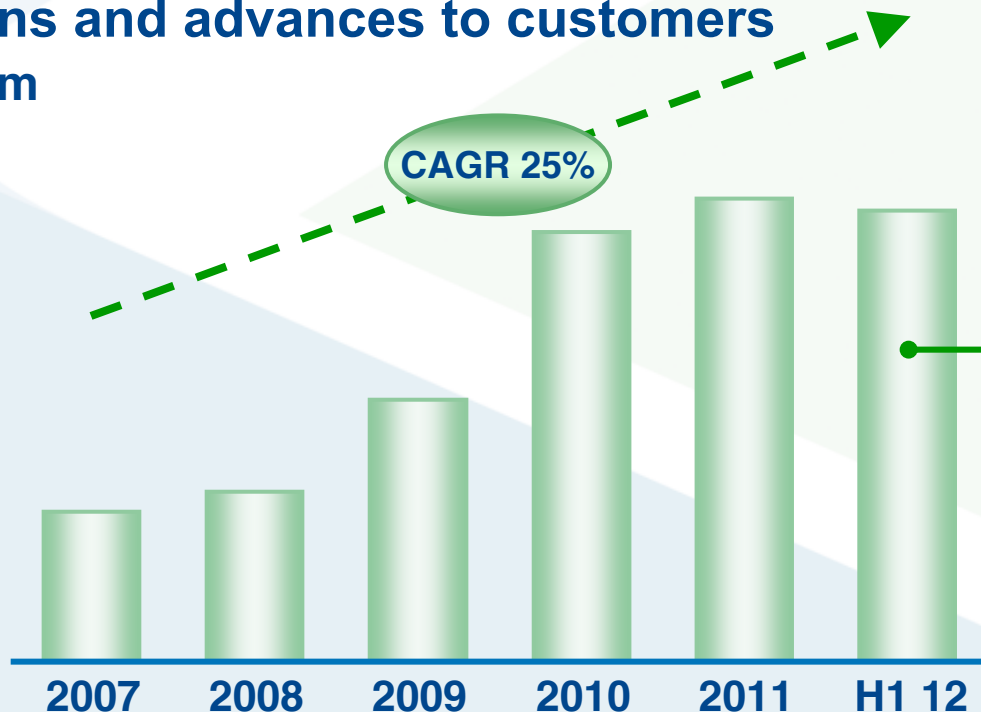


- Started new format of Wholesale Banking - SME outlet in 2011 with faster payback performance

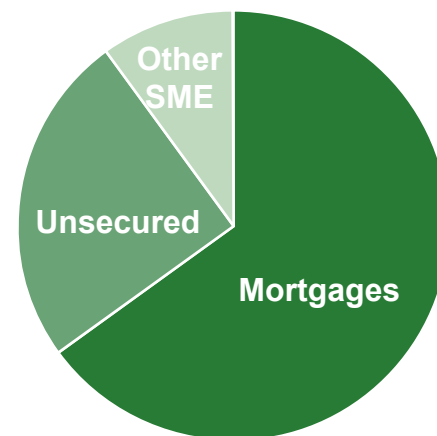


Healthy and sustainable balance sheet building – loans and advances

Loans and advances to customers US\$m



Current loan distribution



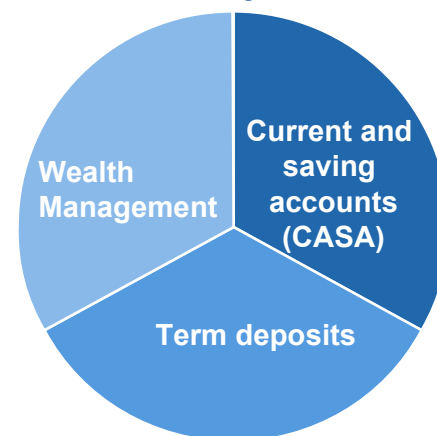
- Strong unsecured lending growth with much higher return on risk weighted assets
- Lending growth well within credit control

Healthy and sustainable balance sheet building - deposits

Customer liabilities US\$m

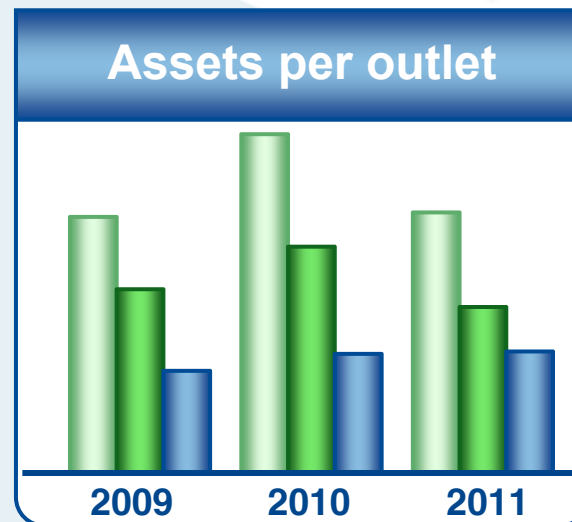
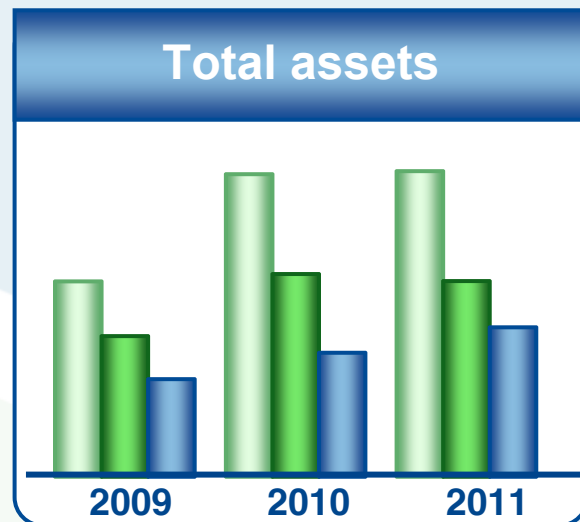
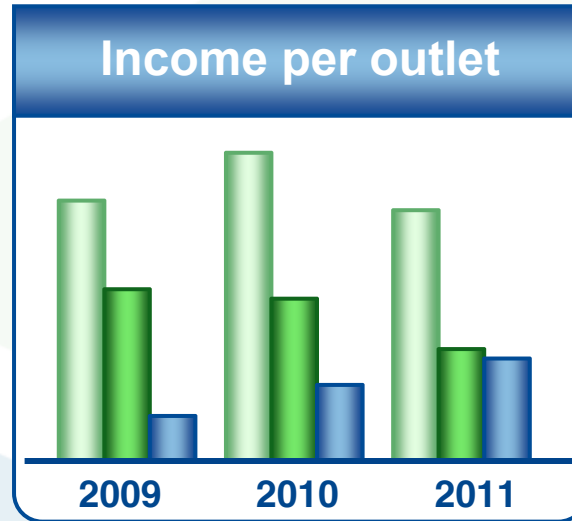


Current deposit distribution H1 2012



- Maintained healthy proportion of CASA and Term Deposits, with both growing at the same rate

Competitive landscape



■ SCB (including SME)
 ■ SCB (excluding SME)
 ■ Major locally incorporated foreign banks average

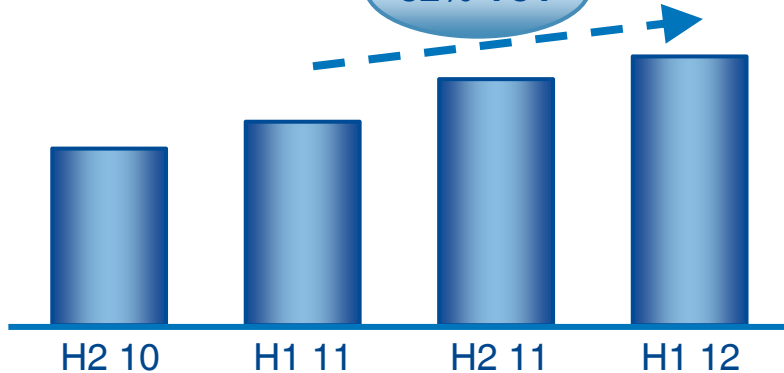
Strong market awareness of SCB as:



Increased High Value Segments (HVS) customers

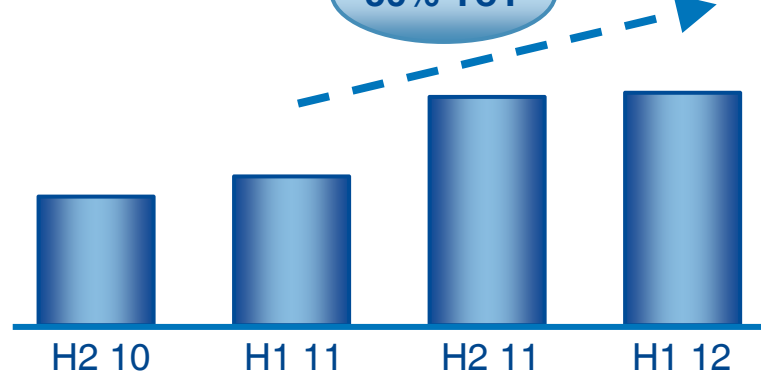
Total HVS customers

32% YoY



HVS new to bank acquisition

56% YoY



Priority Banking



SME



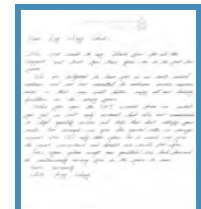
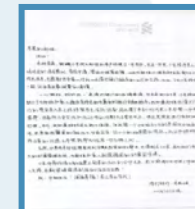
Private Banking



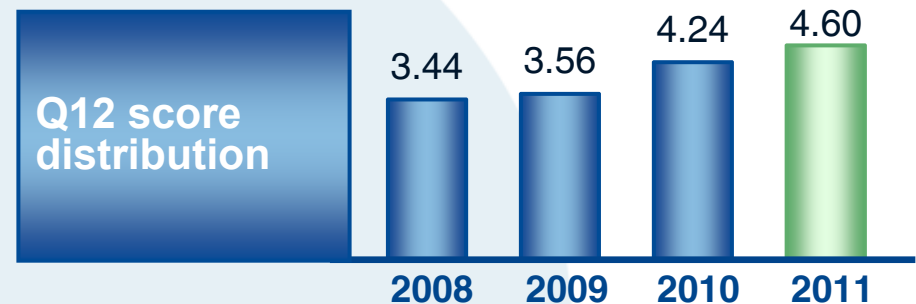
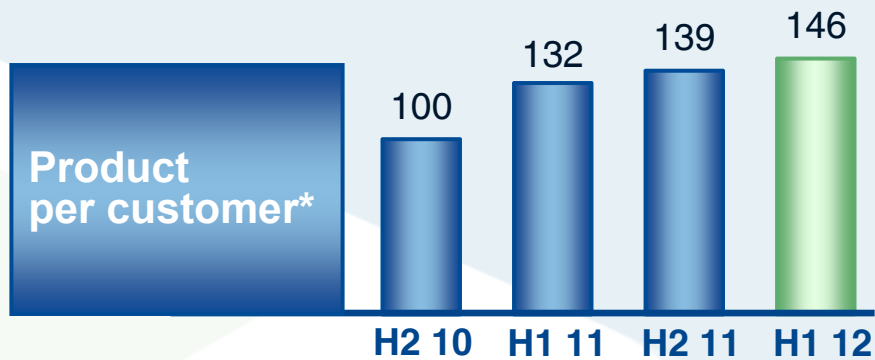
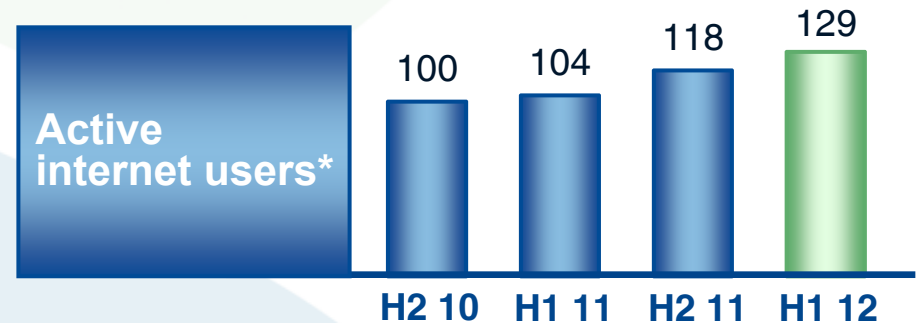
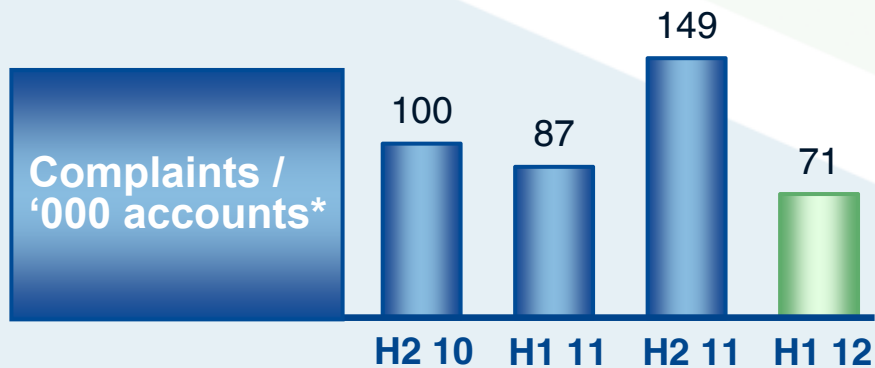
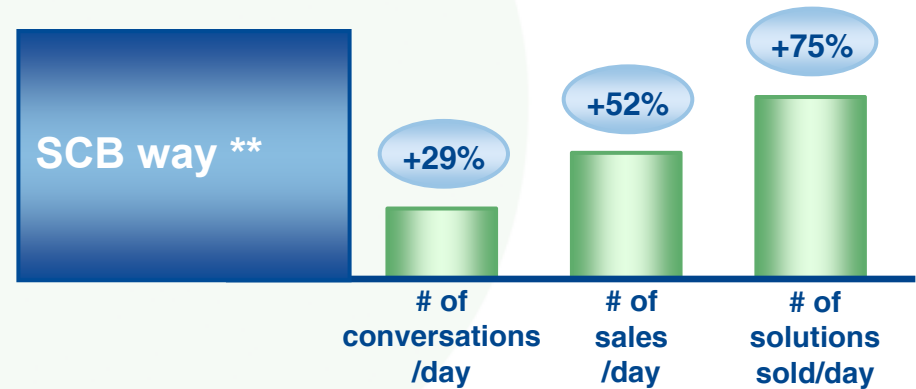
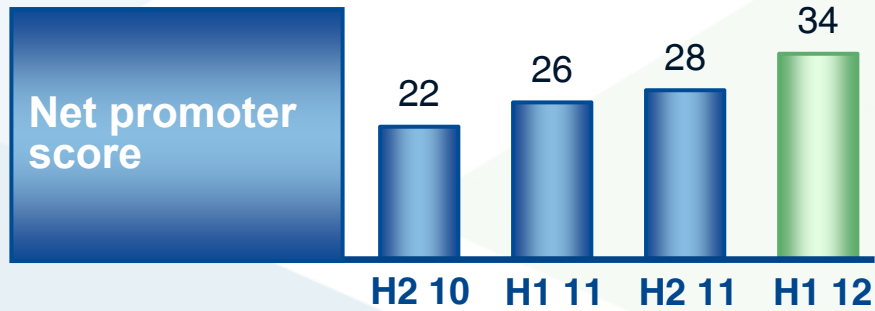
Deepening customer relationships



**Emotional engagement
with customers**



Continued progress in key customer metrics



* Indexed based on improvement % against H1 10

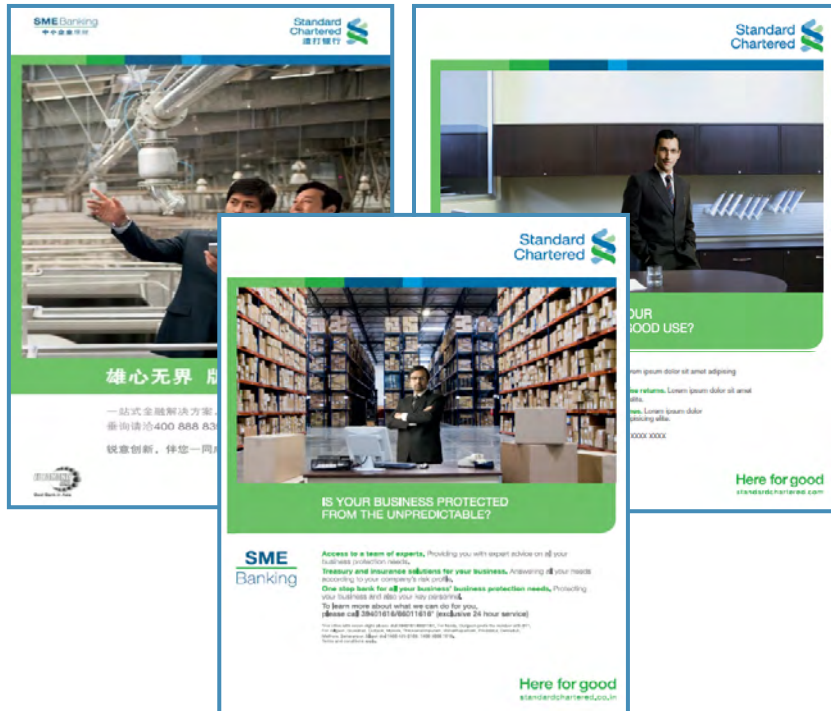
** Improvement rate % in H1 12 average vs. that of 2011 average

SME - well positioned to capture great opportunities



Opportunities

- Large SME market potential - 99% of China's enterprises and contributing 60% of GDP*



Our positioning

- Largest international bank in China with a dedicated SME focus
- Presence in 20 cities with dedicated branches
- Over 300 relationship managers
- Full solutions tailored to each sub-segment

* GDP - Gross Domestic Product

SME - strong performance underpinned by consistent strategy delivery



Our strategy

- Building depth and local scale in selected cities



- Delivering customer focused strategy

Pillar 1: Cash-Rich SB
(Liability Strategy)

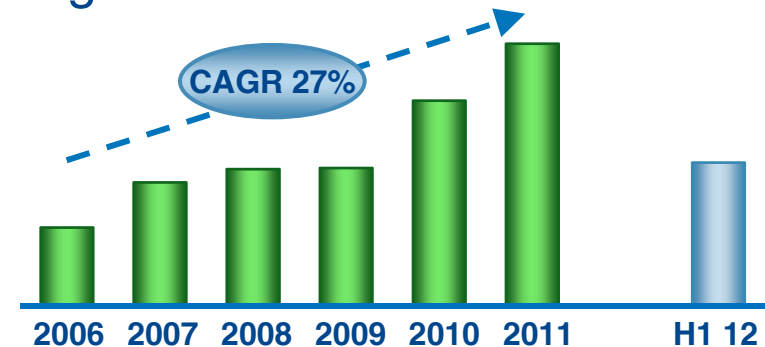
Pillar 2: Cash-Hungry SB
(Lending Strategy)

Pillar 3: ME Main Bank
(Industry-focus Strategy)



Our performance

- Strong and consistent growth of income



- Great market profile and strong market recognition



Recognition received

SME



**Best Small
Business Lending
(3 consecutive years)**



**Prominent
Competence Bank on
SME Service Award
2011**



**SME Gas
Station Award
2011**

Digital



**- Asia Pacific's Best
Internet Bank 2011
- The World's Best
Consumer Internet
Bank 2011**



**Online Banking
Customer
Satisfaction
Award
2011**



**Service
Excellence Award
Best in Category
2011**



**First Place in
Sina Corporate
Weibo Vote
2011**



Wealth Management



**Structured Products
– Best in China (5
consecutive years)
Structured Products
Magazine in UK**



**Best Bank Financing
Products in China
2011**



**The Ten Best Bank
Financing Products
in China
2010**

Accelerated investments in building sustainable strategic levers

Branding and marketing spend



Mobile and online



Trusted advisor



Branch projects



Talent – frontline and sales staff



Debit card



- Strong and sustained performance with well-paced investments
- Healthy balance sheet
- Delivering customer focused strategy
- Continuous investment for long term growth