Standard Chartered PLC
Capital raising

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in Asia, Africa and the Middle East
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Agenda

- Q3 Interim Management Statement
- Rationale for capital raising
- Transaction details
- Conclusion

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Q3 IMS highlights

- Record performance to date
- Good momentum in both businesses
- Expenses well controlled
- Loan impairment continuing to fall
- Strong, liquid balance sheet with low levels of refinancing
Rationale

- To take advantage of opportunities for profitable growth across our franchise
- To prepare for likelihood of increasing capital requirements
- To allow the Group to continue on its growth trajectory
- To further differentiate Group’s balance sheet
Proposed transaction

- Raising net proceeds of US$5.1 billion in ordinary shares by way of rights issue
- 1 new share for 8 existing shares
- Issue price 1,280 pence per share
- Discount 32.9% to previous day close and 30.4% to TERP
- Fully underwritten
- Temasek is supportive of the issue and intends to take up rights
- New shares rank pari passu for final dividend

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Capital impact

% 

15.5
4.3
2.2
9.0

Total Tier 1
11.2

Jun 2010*

Rights issue impact

- Estimate c.200 basis points increase in forecast Core Tier 1

Core Tier 1

Tier 2

* Basel II basis

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Basel III impact

Uncertainties

- Prudential filters
- Implementation timeline
- Targets including buffers

Impact

- Estimate up to c.100 bps on future Core Tier 1*
- Likely to accelerate
- Expect to rise from 7% Basel III floor

* Includes impact of Basel II changes on RWA
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<td>Launch</td>
<td>13 Oct</td>
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<tr>
<td>Prospectus published</td>
<td>15 Oct</td>
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<tr>
<td>Rights dealing period</td>
<td>22 Oct – 05 Nov</td>
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Conclusion

- **Strong performance in Q3**
  - Income in Q3 above first half run rate
  - Expenses well controlled
  - Loan impairment falling
  - Balance sheet in good shape
  - Good asset quality and highly liquid with low levels of refinancing

- **Capital raising**
  - To take advantage of opportunities for profitable growth across our franchise
  - To prepare for likelihood of increasing capital requirements
  - To allow the Group to continue on its growth trajectory
  - To further differentiate Group’s balance sheet
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