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
Forward looking statements

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.
Key themes

- Clear strategy and the ability to take advantage of the abundance of growth opportunities in our markets

- Governance and business model that leverages the potential of our network

- We remain focused on the foundations of banking

- Strong culture and values underpin ongoing growth
Our performance

Profit before tax (US$bn)

Income (US$m)

5yr CAGR

- HK: 14%
- SG: 30%
- Korea: 3%
- Other APR: 18%
- India: 19%
- MESA: 18%
- Africa: 17%
- UK, US, Europe: 20%

H1 06  H1 11
Our competitive differentiation

Geographic focus
- Unique network, leading the way in Asia, Africa and the Middle East

Organic growth
- Primarily focused on organic growth supplemented by capability acquisitions

Customers and clients
- Building deep, long-term, multi product relationships with customers and clients, offering products and capability they need and want

Operating as ‘One Bank’ acting consistently across multiple geographies, products and segments

Basics of banking
- Conservative and disciplined approach to risk management, capital and liquidity, and costs

Culture and values
- Culture and values
Global output

% of total global output

Sources: Angus Maddison, IMF WEO, Standard Chartered Research
## Macro challenges

<table>
<thead>
<tr>
<th>GDP growth (%)</th>
<th>2010</th>
<th>2011F</th>
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<th>2013F</th>
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<td>Vietnam</td>
<td>6.8</td>
<td>5.8</td>
<td>6.3</td>
<td>6.5</td>
</tr>
</tbody>
</table>

Sources: Standard Chartered Research  
* India fiscal year ends March
Greater China

- Attractive market with sizable opportunities
- Leading foreign bank in Greater China*; long history in the region
- Strong local presence coupled with cross border capabilities is a key differentiator
- Leading in RMB internationalisation
- Clear and consistent strategy will drive future growth and investment

* Greater China includes: China, Hong Kong and Taiwan
India

- Short term challenges:
  - Rising inflation
  - Slowing domestic demand
  - Increasing competition
  - Governance concerns

- Confident in longer term outlook

- 3rd largest economy by 2030

- Strategy remains unchanged

- Investing for future growth
Korea

Offshore income (indexed)

<table>
<thead>
<tr>
<th></th>
<th>H1 08</th>
<th>H1 09</th>
<th>H1 10</th>
<th>H1 11</th>
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<td>Indexed</td>
<td>100</td>
<td>140</td>
<td>196</td>
<td>251</td>
</tr>
</tbody>
</table>
Middle East and South Asia

- 90 year history, present in 15 markets
- Capturing cross border flows
- Open and growing economies
- Increasingly diverse income streams
- Well placed to help customers and clients respond to the challenges
Africa

- Over 150 years history, present in 14 markets
- Primarily Wholesale Banking
- Compelling macro backdrop
- Improved governance
- Increasing trade within our footprint
- Strong competitive positioning
Governance and network

- Working together across businesses, geographies, products and segments to leverage the potential of our network

- International structure supported by an international mindset

- Strong geographic governance alongside strong businesses
Culture and values

- Drives consistency of behaviour
- Encourages collaboration
- Puts the needs of customers first
- Here for good
Summary

- Double digit income growth in 2011 and beyond

- We will pace our investments to ensure costs grow broadly in line with income

- Double digit growth in earnings per share

- Mid-teens return on equity
Leading the way
in Asia, Africa and the Middle East
Leading the way
in Asia, Africa and the Middle East

Cheung Tai Hui
Regional Head of Research
South East Asia
Key messages

- Emerging markets are in a sweet spot of growth due to urbanisation, trade expansion and rise of the middle class.

- In the near term, export dependent economies will still face strong headwinds from the West.

- But they are in better position to cope.

- Medium term risk of asset inflation needs to be closely managed, but appropriate measures have been implemented so far to balance between growth and inflation.
Agenda

- Impact of 2008/09 on Asia
- The current state of play
- The long term future of Asia
Impact of 2008/09 on Asia

The current state of play

The long term future of Asia
GDP growth performance in 2008/09

- Sharp drop in 2008 but aggressive rebound for export oriented economies brought by domestic demand rebound and government measures
- Large domestically driven economies sustained positive growth

Sources: CEIC, Standard Chartered Research
Impact on domestic demand varies

- India and Indonesia experienced very limited contraction in domestic demand due to aggressive government measures, low export exposure and income growth and urbanisation.

Sources: CEIC, Standard Chartered Research
Strength in the Asian banking sector

Asian banking sector fundamentals continue to improve despite 2007/08 global crisis

Note: China end-2009; Sources: National Sources, IMF, Standard Chartered Research

Note: Philippines Sep -2010, China end-2009; Indonesia Tier 1 not available, though most capital is in Tier 1 form; Sources: National sources, Fitch, Standard Chartered Research
Recession in open economies was followed by sharp recovery

China, India, Indonesia supported by domestic demand, structural growth

Government’s policies also helped to limit contraction and facilitated rebound

Asian banking sector also shows strength despite crisis
Agenda

- Impact of 2008/09 on Asia
- The current state of play
- The long term future of Asia
Emerging markets leading global growth

- The world grew US$5tn in 2010 and emerging markets were responsible for over 70% of it.
- Domestic demand of China and India grew more than the US and EU respectively in 2010.

### Growth of GDP components in 2010 (US$bn)

<table>
<thead>
<tr>
<th>Region</th>
<th>Investment</th>
<th>Government Spending</th>
<th>Consumption</th>
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<tr>
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<td>700</td>
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</tr>
<tr>
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</tr>
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<td>EU</td>
<td>200</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

#### Sources:
- IMF
- Standard Chartered Research

#### Pie Chart:
- Asia: 38%
- Europe: 28%
- Other EMs: 9%
- Latam: 16%
- MENA: 6%
- SSA: 3%
- Advanced economies: 28%

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Sources: IMF, Standard Chartered Research

Source: Standard Chartered Research

27
Asia - summary of our growth forecasts

<table>
<thead>
<tr>
<th>GDP growth (%)</th>
<th>2000-10*</th>
<th>2010</th>
<th>2011F</th>
<th>2012F</th>
<th>2013F</th>
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<td>S Korea</td>
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<td>7.4</td>
<td>7.8</td>
<td>8.2</td>
</tr>
</tbody>
</table>

Source: Standard Chartered Research  *2000-10 CAGR
Asia still linked to developed economies

- Small open economies more correlated with US and Europe than large domestically driven economy
- Despite Asia’s expanding exports to China, processing trade is still an important driver of Asian export performance

Correlation of GDP growth between Asian economies with US & Europe (2000-2010)

Sources: CEIC, Bloomberg, Standard Chartered Research
Plenty of ammunition for Asian governments

- Asian governments typically run low fiscal debt and ample FX reserves which allow for monetary flexibility while maintaining currency stability.

* Singapore government debt due to need to build local bond market and provide assets to Central Provident Fund (CPF)

Sources: IMF, CEIC, Standard Chartered Research
China can cope with LGIV issues

We estimate that the contingent liabilities from local governments and Ministry of Railway could bring overall government debt to GDP ratio to 68%.

This is an expensive problem, but an affordable one, given strong revenue growth and rapid economic growth.

Beijing’s task is to seek ways to fund infrastructure in a sustainable manner, and allocation of revenue / expenditure of local governments.

Sources: CEIC, Standard Chartered Research
China’s urbanisation to keep growth strong

For the next decade, China will see 10-15 million people per annum moving to cities. This creates demand for infrastructure, housing, consumer goods and services.

Sources: National Bureau of Statistics, UN, Standard Chartered Research
Asia’s lending growth has been strong…

Credit growth in Asia has been rapid in recent years

Growth: YoY credit growth minus YoY nominal GDP growth, (% annualised over 2007-10)

Note: Size of bubble represents banks’ assets size in US$bn (shown next to country name); Sources: National regulators, Banks, Standard Chartered Research.
Further to monetary tightening, Asian authorities have also implemented macro-prudential measures to temper lending growth:
- Hong Kong new mortgage LTV fell from 65% in Jul-09 to 53% in Aug-11
- Singapore outstanding mortgage LTV stood at 44.3% in Q2 2011
- Korea’s loan to deposit ratio has fallen from 136% in Q3-08 to 120% in Q2-11

<table>
<thead>
<tr>
<th>Hong Kong</th>
<th>China</th>
<th>Singapore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan to value ratio</td>
<td>Loan to value ratio</td>
<td>Loan to value ratio</td>
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<tr>
<td>Stamp duties (rates and holding period)</td>
<td>Property tax for high-end residential market</td>
<td>Stamp duties (rates and holding period)</td>
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<tr>
<td>Increase land supply</td>
<td>Ban on 3rd home mortgage</td>
<td>Increase land supply</td>
</tr>
<tr>
<td>Limit on debt service ratio</td>
<td>Property limited to residents and non locals resided for more than 5 years</td>
<td>Raise min occupation period on public flats</td>
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<tr>
<td></td>
<td>Local governments submit price target linked to income growth</td>
<td>Abolish interest only housing loans</td>
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</table>
Following government measures and more cautious sentiment, both HK and Singapore residential markets are entering consolidation.
Emerging markets, especially Asia, have led the way in contributing to global growth

US and EU still matter as end consumers of Asia supply chain

The role of China and India is expanding and its ongoing growth will be critical to Asia’s development

Asia has enjoyed strong lending growth for the past two years

Authorities’ macro-prudential measures and monetary tightening to ensure growth sustainability
Agenda

- Impact of 2008/09 on Asia
- The current state of play
- The long term future of Asia
A shift in the balance of power

Ten largest economies by decade from 2000
Ranking and nominal GDP (US$tn)

<table>
<thead>
<tr>
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<td>Indonesia</td>
<td>3.2</td>
<td>UK</td>
<td>5.6</td>
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</table>

Sources: IMF, Standard Chartered Research
The rise of the south-south trade

The growth of south-south trade in value

US$bn

- Intra-Asia trade: 2000 - 2010 CAGR is 11.8%
- Asia-Africa: 2000 - 2010 CAGR is 18.2%
- Asia-ME: 2000 - 2010 CAGR is 14.8%

The rise of south-south trade as % of global trade

Sources: WTO, Standard Chartered Research

Sources: Maddison, IMF WEO, Standard Chartered Research
The power of urbanisation

Urbanisation in China, India, Africa and MENA to drive the Super Cycle

Sources: UN, Standard Chartered Research
Key messages - Super Cycle

- Emerging markets to drive global growth

- Emerging markets to have greater influence on global markets - financial assets, commodities

- Led by urbanisation, South-South trade and rise of the middle class

- South-South economic connection to involve more flow in human and financial capital

- Emerging market authorities will need to be more active in agenda setting forum
Summary

- Emerging markets are in a sweet spot of growth due to urbanisation, trade expansion and rise of the middle class.

- In the near term, export dependent economies will still face strong headwinds from the West.

- But they are in better position to cope.

- Medium term risk of asset inflation needs to be closely managed, but appropriate measures have been implemented so far to balance between growth and inflation.
Analyst trip 2011
Singapore

Leading the way
in Asia, Africa and the Middle East
Leading the way
in Asia, Africa and the Middle East

Ray Ferguson
Regional Chief Executive Officer,
Singapore & South East Asia
Key messages

- Singapore remains a key gateway to Asia
- Consistent strategy and strong fundamentals underpin our success
- Strong market position with continued investments in products and capabilities
- Solid platform to drive sustained growth
- An enabler of Singapore’s growth; riding on Singapore hub position and the rise of Asia
Strong economic fundamentals

6.9% GDP growth from 2003 - 2010

Highest GDP per capita* in Asia (2010, US$000s)

Total trade more than doubled in 7 years (US$bn)

Low unemployment rate (%)

Source: Standard Chartered Research, IMF, Ministry of Trade & Industry, Ministry of Manpower

* At current prices
# World’s easiest place to do business*

## 1. World class business environment
- 1st in “Ease of Doing Business” index
- 2nd most competitive economy in the world
- Best City Infrastructure in the World
- Least corrupt

## 2. Global financial hub
- Ranked 4th in the Global Financial Centres Index 2010
- Deep and liquid Capital Markets
- Highly efficient banking, clearing and IT systems and infrastructure

## 3. Most favourable tax regime
- Double Tax Agreements with more than 60 countries
- Low corporate income tax rate of 17%
- Transparent tax system

## 4. Strong legal framework
- Ranked 1st in intellectual property protection
- Stable political and regulatory environment
- Wide pool of legal expertise

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* Ranked by the World Bank
Sophisticated financial centre

- 4th largest FX trading centre in the world
- 2nd largest OTC derivatives trading centre in Asia
- Top global Wealth Management centre by 2013: AUM S$1.3 tn in 2010
- ‘Global Asia’ hub; leading commodities derivatives trading hub
- AAA rating

Source: Y/Zen Global Financial Centres Index, Monetary Authority of Singapore
Banking sector overview

- 3 main local banks - DBS, OCBC, UOB
- 3 top foreign banks - Standard Chartered, Citibank, HSBC
- 108 foreign banks
  - Standard Chartered, 2nd largest Qualifying full Bank
  - 26 full Banks
  - 42 Wholesale Banks
  - 40 Offshore Banks
  - 50 Merchant Banks
- Low interest rates
- Competition continues to intensify
- Tight labour market

Source: Monetary Authority of Singapore
Here for good in Singapore

- Over 150 years in Singapore
- Over 7,000 employees representing over 75 nationalities
- The 2nd largest contributor to Group income (H1 11)
- US$45.5bn loan book evenly split between Consumer Banking and Wholesale Banking
- Key global hub and regional centre
- New head office at Marina Bay Financial Centre, largest trading room in Asia
Delivering resilient growth

- **Five** successive years of record income and profit (2006 to 2010)
- Since 2005, total income and profit have grown **three-fold**
- Consumer Banking income and profit **doubled**
- Wholesale Banking income has grown **five-fold** and profit **seven-fold**
- We aim to raise our income level to **US$3bn in three years** (by 2014)

![Graph showing income and operating profit from 2003 to H1 2011](image)

- **Income** CAGR 2005 - 2010 28%

**Key Events**
- SARS
- Taiwan Credit Crisis
- Subprime Mortgage Crisis
- Global Financial Crisis Ongoing
### Thriving in a tough environment

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing regulatory complexity</td>
<td>Playing to our strengths - international network, cross border capabilities, strong local expertise in growing markets</td>
</tr>
<tr>
<td>Global sentiment</td>
<td>Scale and strength of balance sheet</td>
</tr>
<tr>
<td>Competition from local banks</td>
<td>An enabler of Singapore’s growth; riding on Singapore hub position and the rise of Asia</td>
</tr>
<tr>
<td>People and talent</td>
<td></td>
</tr>
</tbody>
</table>
My priorities as CEO Singapore

- Deliver our “Here for good” promise
  - Franchise: resilience and sustained growth
  - Economy: key role in the development of Singapore as a financial centre
  - Community: more than financial donations

- Grow with Singapore - continue to act as an enabler of Singapore’s growth

- Extend the reach of our brand in Singapore

- Own the employer of choice position and continue to attract talent
Singapore is a strategic and core market for Standard Chartered.

- We have been successful at leveraging our unique position and playing to our natural strengths.
- We deliver long term growth with clear and unwavering strategy.
- We have built a strong platform for future growth.
Leading the way in Asia, Africa and the Middle East

Sanjeev Agrawal
Regional Chief Financial Officer, Singapore & South East Asia
Key messages

- Very strong growth over a number of years in both CB and WB
- Continued momentum in financial performance
- Liquid and well managed balance sheet
- Proactive management of net interest margin
- Robust and disciplined risk management
Very strong income growth in both businesses

5 year CAGR Country: 28%, CB: 18% and WB: 40%
## Singapore - results by half year

<table>
<thead>
<tr>
<th>US$m</th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
<th>H1 11 vs H1 10 %</th>
<th>H1 11 vs H2 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>913</td>
<td>825</td>
<td>1,094</td>
<td>20</td>
<td>33</td>
</tr>
<tr>
<td>Consumer Banking</td>
<td>333</td>
<td>395</td>
<td>445</td>
<td>34</td>
<td>13</td>
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<tr>
<td>Wholesale Banking</td>
<td>580</td>
<td>430</td>
<td>649</td>
<td>12</td>
<td>13</td>
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<tr>
<td>Expenses</td>
<td>(477)</td>
<td>(509)</td>
<td>(582)</td>
<td>22</td>
<td>14</td>
</tr>
<tr>
<td>Profit before impairment</td>
<td>436</td>
<td>316</td>
<td>512</td>
<td>17</td>
<td>62</td>
</tr>
<tr>
<td>Impairment</td>
<td>(17)</td>
<td>(17)</td>
<td>(47)</td>
<td>176</td>
<td>176</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>419</td>
<td>299</td>
<td>465</td>
<td>11</td>
<td>56</td>
</tr>
</tbody>
</table>
Liquid and well managed balance sheet

US$bn

Loans and advances to customers

Customer deposits

A/D ratio (RHS, %)

Dec 09 | Jun 10 | Dec 10 | Jun 11

31.3 | 35.0 | 39.3 | 45.5

41.7 | 46.7 | 51.5 | 57.6

75 | 75 | 76 | 79

80 60 40 20 0

%
Well diversified loan book and deposit base

Loan portfolio

- WB: Small and medium enterprises (6%), Commerce (16%), Transport, storage and communication (12%), Banks (14%), Financing, insurance and business services (9%), WB others (5%)
- CB: Mortgages (21%), CB others (17%), Other (14%), CASA (12%), financing, insurance and business services (6%), Other (6%)

Deposit mix

- Dec 06: 60% Other deposits, 40% CASA
- Jun 11: 49% Other deposits, 51% CASA

As at 30 June 2011
NIM proactively managed

- Standard Chartered NIM, 1.5%
- 3M SIBOR 0.44%
Disciplined approach to risk management

Gross customer loans

% of NPLs over gross customer loans
Leading the way
in Asia, Africa and the Middle East

Dennis Khoo
Head, Consumer Banking, Singapore
Key messages

- Steady and consistent income growth
- Solid reputation as industry's lead innovator
- Double digit market share in Consumer Banking
- Significant investments driving faster than industry growth
- Productivity and service focus showing results
About Consumer Banking in Singapore

- Universal market
- Customers: 722k, 23% of Singapore banking population share*
- 18 branches, 7 Priority Banking centres
- Best Online Bank**
- Number of employees: 2,300
- Size of sales force: 1,100

---

* Banking population share is based on 2011 Standard Chartered customer number vs. Singapore population aged 15 yrs old and above. Data source: Singapore Department of Statistic, 2011

** As awarded by Global Finance in 2010 and 2011
Consumer Banking performance

CAGR (2005 - 2010)
Income: 18%
Profit before tax: 13%
Strong footings growth

67% CASA / total deposits

CAGR
Assets: 38%
Liabilities: 30%

2007 2008 2009 2010 H1 11

Assets Liabilities
Portfolio quality

Secured

- **73%**
  - Owner occupied

- **47%**
  - Average LTV of portfolio

- **0.45%**
  - % of customers in delinquency

Unsecured

- **22%**
  - Customers with annual income > $120K

- **2.17%**
  - Loss rate

- **1.10%**
  - % of customers in delinquency
Broad based, well diversified income

Income by segments
- SME Banking
- Personal Banking
- Private Banking
- Premium Banking

Income by products
- Mortgage and Auto
- Credit Cards and Personal Loans
- Consumer Transaction Banking
- Wealth Management

Data as of H1 11
Outperforming industry growth

**Card spend**

- SCB growth YoY %
- Industry growth YoY %

**Residential mortgage**

- SCB growth YoY %
- Industry growth YoY %

**Retail deposit LCY**

- SCB growth YoY %
- Industry growth YoY %
Standing out from the competition

Investing in sales and service
- Frontline hired in 2010: 427
- Simplify and standardise: 24 RIEs
- Improve mortgage TAT: 3 days to 1 hour
- Service guarantees: 6
- Net Promoter Scores*: +3 to +22

Innovative products & services
Industry’s first:
- Pay any card service
- 360° relationship rewards
- Step up time deposits: > US$2bn
- 8 minute branch service pledge

Increase of 2X in marketing spend
- Doubled marketing spend (2007 to 2010)
- Reach customers through mega campaigns
- Innovative marketing spend with better ROI
- Over 1,000 merchant deals

* The marks “Net Promoter”, “NPS” and Net Promoter Score” are the trademarks of Satmetrix, Inc., Bain & Company, and Fred Reichheld
Key segment initiatives

Preferred Banking
- Assets growth: 16%
- Liabilities growth: 6%

Priority Banking
- Footings and AUM growth: 27%

Private Bank
- Footings and AUM growth: 22%

SME Banking
- Assets growth: 12%
- Liabilities growth: 9%
Online banking capabilities

- Pay Any Card: 22% higher CASA balances
- Breeze Mobile Banking: iPhone & iPad
- Most billing organisations online: More than 350
- Online trading: One platform to bank and trade
- Straight through online card application: 17% of all applications
Key messages

- Steady and consistent income growth
- Solid reputation as industry's lead innovator
- Double digit market share in consumer banking
- Significant investments driving faster than industry growth
- Productivity and service focus showing results
Leading the way in Asia, Africa and the Middle East

Philippe Touati
Head, OCC and Co-Head, Wholesale Banking, Singapore
Key messages

- Strong and sustained performance
- Delivering on client led strategy
- Leveraging the power of Standard Chartered network
- Solid platform for consistent growth
Wholesale Banking - performance

US$m

Income
Operating profit

2002 2003 2004 2005 2006 2007 2008 2009 2010 H1 11

CAGR 25%
CAGR 41%
CAGR 10%

2002 63 73 57 100 181 299 410 407 275 255 172
2003 65 65 57 73 100 190 421 699 957 410 158
2004 183 190 255 2007 2008 2009 2010 2011
CAGR 25%
CAGR 41%
CAGR 10%
Accelerated client income performance

Client income US$m

- CAGR 26%
- CAGR 33%
- CAGR 20%

Client income: segmental US$m

- Global Corporates: 3.6x, CAGR 38%
- Local Corporates: 2.9x, CAGR 41%
- Commodity Traders: 3.9x, CAGR 28%
- Financial Institutions: 2.7x, CAGR 28%

2002 2003 2004 2005 2006 2007 2008 2009 2010 H1 11
Consistent strategy

Our strategy

- Deep ‘core bank’ client relationships
- Local scale and cross-border capabilities
- Balance sheet management

Key enablers

- Infrastructure
- Values and culture
Deepening client relationships

Number of clients with more than US$1m of revenue per annum

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1x</td>
<td>1.9x</td>
<td>3.9x</td>
<td>4.9x</td>
<td>7x</td>
</tr>
</tbody>
</table>

80
Commercial banking is key to developing our client franchises.

### Commercial Banking Constituents
- **Baseline Lending**
- **Transaction Banking**
- **FX Flow**

### Income Growth H1 11
- **Client Income**
  - 50% Others
  - 30% Transaction Banking
  - 11% FX Flow
  - 9% Lending
  - **50%**

### YoY Growth
- **+27%**
Performance underpinned by strong footings growth

**US$ Cash income**
- H1 09: +3%
- H1 10: +43%
- H1 11: +25%

**Cash liabilities (period end)**
- H1 09: +98%
- H1 10: +59%
- H1 11: +31%

**Trade income**
- H1 09: +33%
- H1 10: +28%
- H1 11: +59%

**Trade assets and contingents (period end)**
- H1 09: +31%
Strategic and value added products aid diversification

Strategic
- Corporate Finance
- Principal Finance

Value added
- Financial Markets
- Excludes flow FX

Client income H1 11
- Strategic: 50%
- Value added: 53%
- Total: 103%

YoY Growth
+53%
Executing landmark deals

**GMR Group**

**GMR Energy**
- SG$ 1bn Project Financing
- Mandated Lead Arranger
- Co ordination Bank
- Account Bank
- Security Trustee
- Facility Agent
- Hedge Co ordinator

**Jurong Aromatics Company**
- Mandated Lead Arranger
- Senior Debt
- Sole Mandated Lead Arranger
- Sub debt
- Book runner and Hedging Bank
- Facility Agent Account Bank
### Attractive strategic and value added opportunity in ASEAN

<table>
<thead>
<tr>
<th></th>
<th>ASEAN</th>
<th>Rest of Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity Capital Markets</strong></td>
<td>22</td>
<td>13</td>
</tr>
<tr>
<td><strong>Debt Capital Markets</strong></td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td><strong>M&amp;A</strong></td>
<td>18</td>
<td>16</td>
</tr>
</tbody>
</table>

**Growth rates**

(2009-2014 CAGR %)

Source: McKinsey
Leveraging the power of Standard Chartered network

Standard Chartered Singapore is uniquely positioned

Client income

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAGR</td>
<td></td>
<td>39%</td>
</tr>
<tr>
<td>Domestic revenue</td>
<td></td>
<td>CAGR 27%</td>
</tr>
<tr>
<td>Catch revenue</td>
<td></td>
<td>CAGR 33%</td>
</tr>
<tr>
<td>Throw revenue</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Graph showing revenue distribution with labels for countries and regions.
Our Commercial Banking footings have grown significantly

- Singapore is the hub in an attractive market

- We have continued to invest in our franchise
  - Aircraft financing
  - Commodities
  - Shipping
  - Equities
Capturing opportunities in equities

2010

AIMS AMP Capital Industrial REIT
SGD 80m Rights Issue
Sole Financial Adviser, Joint Bookrunner and Underwriter

Mapletree Industrial Trust
SGD 939m IPO
Joint Bookrunner, Issue Manager and Underwriter

Cache Logistics Trust
SGD 417m IPO
Joint Global Coordinator, Bookrunner and Lead Manager

2011

Perennial China Retail Trust
SGD 756m IPO
Joint Global Coordinator, Bookrunner and Lead Manager

OLAM
SGD 495m share placement
Joint Lead Manager and underwriting

Tiger Airways Holding
SGD 158m Right Issue
Sole Financial adviser, Joint Managers and underwriter
Key messages

- Strong and sustained performance
- Delivering on client-led strategy
- Leveraging the power of Standard Chartered network
- Solid platform for consistent growth
Leading the way
in Asia, Africa and the Middle East

Osman Morad
Chief Executive Officer,
Malaysia
Key messages

- ASEAN’s 3rd largest economy; attractive growth prospects

- Sizeable and growing banking sector

- Well balanced business with a strong balance sheet

- Well positioned for sustainable growth
Strong economic backdrop

GDP growth from 2005 - 2013F (%)

3rd highest GDP per Capita* in ASEAN 2010

Population age 15-64

Low unemployment rate (%)
### Significant trade growth intra Asia

#### Exports to...

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>0.9</td>
<td>26.5</td>
</tr>
<tr>
<td>China</td>
<td>17.3</td>
<td>25.0</td>
</tr>
<tr>
<td>Japan</td>
<td>8.6</td>
<td>20.6</td>
</tr>
<tr>
<td>United States</td>
<td>(11.8)</td>
<td>18.9</td>
</tr>
<tr>
<td>Thailand</td>
<td>6.8</td>
<td>10.6</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>7.6</td>
<td>10.1</td>
</tr>
<tr>
<td>Korea</td>
<td>3.8</td>
<td>7.5</td>
</tr>
<tr>
<td>Australia</td>
<td>8.3</td>
<td>7.5</td>
</tr>
<tr>
<td><strong>Total exports</strong></td>
<td><strong>4.1</strong></td>
<td><strong>198.7</strong></td>
</tr>
</tbody>
</table>

#### Imports from...

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>2.7</td>
<td>20.7</td>
</tr>
<tr>
<td>China</td>
<td>2.9</td>
<td>20.6</td>
</tr>
<tr>
<td>Singapore</td>
<td>3.6</td>
<td>18.8</td>
</tr>
<tr>
<td>United States</td>
<td>3.2</td>
<td>17.5</td>
</tr>
<tr>
<td>Thailand</td>
<td>8.9</td>
<td>10.2</td>
</tr>
<tr>
<td>Korea</td>
<td>6.8</td>
<td>8.9</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>(3.2)</td>
<td>3.9</td>
</tr>
<tr>
<td>Philippines</td>
<td>7.7</td>
<td>3.5</td>
</tr>
<tr>
<td><strong>Total imports</strong></td>
<td><strong>3.8</strong></td>
<td><strong>164.5</strong></td>
</tr>
</tbody>
</table>

Sources: Department of Statistics, Malaysia; Comtrade
Focus on Financial Services

Government Backing: Effective Economic Agenda

Economic Transformation Programme (ETP)

12 NKEAs*

- Doubling per capita income by 2020
  - Increase Gross National Income (GNI) per capita from US$7k to US$15k by 2020

- US$444bn investment
  - Economic Transformation Programme (ETP) aims to attract US$444bn investment over 10 years

*Note: 12 NKEAs are Financial Services, Oil & Gas, Education, Tourism, Wholesale & Retail, Electrical & Electronics, Health Services, Palm Oil, Telecommunications, Agriculture, Business Services + 1 Geography (Greater Kuala Lumpur) Source: Performance Management and Delivery Unit (PEMANDU)
Banking sector is attractive

Large and growing banking wallet*
US$bn (constant FX rates)

- 2005: 10
- 2010: 16
- 2015F: 23

9% CAGR

Source: Bank Negara Malaysia
*Note: Projected growth rate per government 10th Malaysia Plan

Share of banking assets

- Foreign banks: 22%
- Local banks: 78%

Source: Bank Negara Malaysia
Islamic banking is a significant opportunity

Revenue growth (US$bn)

- **Conventional Banking**
  - 2005: 10
  - 2010: 16
  - 10% CAGR

- **Islamic Banking**
  - 2005: 0.9
  - 2010: 2.5
  - 23% CAGR

Source: Bank Negara Malaysia

Islamic bonds issued by country, September 2011

- Total US$63bn
- Malaysia 69% Ranked No. 1
- Qatar 15%
- Indonesia 4%
- UAE 5%
- Others 7%

Source: Zawya

Standard Chartered Saadiq

- **Market share %**
  - 2008: 0.4%
  - 2009: 1.7%
  - 2010: 2.4%

Source: Bank Negara Malaysia, Saadiq financial statements
First bank in Malaysia -1875 (135 years)
38 branches in 27 cities (including 6 Saadiq branches)
>700,000 CB customers and >3,000 WB customers
US$14bn of assets*
>6,000 employees
Global Shared Service Centre

* As at 30 June 2011
## Malaysia performance

<table>
<thead>
<tr>
<th>US$ m</th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
<th>H1 11 vs H1 10 %</th>
<th>H1 11 vs H2 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td>268</td>
<td>299</td>
<td>305</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>(112)</td>
<td>(162)</td>
<td>(144)</td>
<td>29</td>
<td>(11)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>156</td>
<td>137</td>
<td>161</td>
<td>3</td>
<td>18</td>
</tr>
<tr>
<td><strong>Loan impairment</strong></td>
<td>(31)</td>
<td>(28)</td>
<td>(8)</td>
<td>(74)</td>
<td>(71)</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>125</td>
<td>109</td>
<td>153</td>
<td>22</td>
<td>40</td>
</tr>
</tbody>
</table>
Balanced business mix

**Income mix**
H1 11

- WB 42%
- CB 58%

**Customer loans**
H1 11

- WB lending 18%
- WB trade 10%
- 52% CB secured
- 20% CB unsecured**

* Local GAAP basis  **includes partially secured SME loans
Portfolio - good quality & well covered

### NPL ratio (%)
- **2009:** 1.80
- **2010:** 2.00
- **H1 11:** 2.00

**Industry**

### Bad debt coverage (%)
- **2009:** 0.77
- **2010:** 0.46
- **H1 11:** 0.34
- **2009:** 139
- **2010:** 167
- **H1 11:** 188

*Source: Industry data from Bank Negara Malaysia*
Capital and liquidity

Well capitalised

**CAR ratio (%)**

<table>
<thead>
<tr>
<th></th>
<th>Tier 1</th>
<th>Tier 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 10</td>
<td>9.1</td>
<td>5.0</td>
</tr>
<tr>
<td>H2 10</td>
<td>9.2</td>
<td>4.2</td>
</tr>
<tr>
<td>H1 11</td>
<td>9.7</td>
<td>4.1</td>
</tr>
</tbody>
</table>

Conservative liquidity

**A/D ratio (%)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 10</td>
<td>76</td>
</tr>
<tr>
<td>H2 10</td>
<td>82</td>
</tr>
<tr>
<td>H1 11</td>
<td>87</td>
</tr>
</tbody>
</table>
Strategic priorities

- Customer centricity and service quality
- Deepen client relationships & network leverage
- Intensify focus on Islamic banking (Saadiq)
- Aspire to deliver good double-digit income growth over the next five years
Key messages

- ASEAN’s 3rd largest economy; attractive growth prospects
- Sizeable and growing banking sector
- Well balanced business with a strong balance sheet
- Well positioned for sustainable growth
Leading the way
in Asia, Africa and the Middle East

Tiew Siew Chuen
Head, Consumer Banking,
Malaysia
Key messages

- A focused strategy on High Value Segments
- Consumer Banking transformation delivering results
- Strong revenue momentum with double digit growth
- Continue to invest for future growth
### Consumer Banking performance

<table>
<thead>
<tr>
<th>US$m</th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
<th>H1 11 vs H1 10 %</th>
<th>H1 11 vs H2 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>128</td>
<td>167</td>
<td>177</td>
<td>38</td>
<td>6</td>
</tr>
<tr>
<td>Expenses</td>
<td>(68)</td>
<td>(101)</td>
<td>(90)</td>
<td>32</td>
<td>(11)</td>
</tr>
<tr>
<td>Operating profit before impairment</td>
<td>60</td>
<td>66</td>
<td>87</td>
<td>45</td>
<td>32</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(16)</td>
<td>(22)</td>
<td>(9)</td>
<td>(44)</td>
<td>(59)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>44</td>
<td>44</td>
<td>78</td>
<td>77</td>
<td>77</td>
</tr>
</tbody>
</table>
Consumer Banking in Malaysia

- 38 branches, including 6 Saadiq
- 73 cash deposit machines / 66 ATMs / 28 Priority Banking centres / 6 SME centres
- Access to more than 10,000 ATMs nationwide through shared ATM network (MEPS)
- Number of employees: >2,700
- Number of customers: >700,000
To be the world’s best international Consumer Bank in each of our chosen markets and segments

New participation models
- Focus on High Value Segments*
- Grow Wealth Management income and Unsecured
- Leverage and support Islamic Banking growth agenda

Customer focus
- Expand use of external customer guarantees and increase online channel usage
- Main bank relationship
- Needs based bundling

“Back to Basics”
- Performance management
- Re-engineering
- Strong risk and cost discipline

* High Value Segments (HVS) - SME, Priority Banking
Broad based, well diversified income

Income by segments

- SME
- Priority Banking
- Personal Banking

Income by products

- SME
- Wealth Management
- Consumer Transaction Banking
- Credit Cards & Personal Loans
- Mortgage

As at June 2011
Portfolio quality is improving

Loan impairment and loss coverage

- Loss coverage
- Loss rate (%)

<table>
<thead>
<tr>
<th></th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1x</td>
<td>3.1x</td>
<td>2.7x</td>
<td>3.1x</td>
</tr>
<tr>
<td>0.80</td>
<td>0.80</td>
<td>0.83</td>
<td></td>
</tr>
</tbody>
</table>

Unsecured 30+ days past due delinquency (%)

<table>
<thead>
<tr>
<th></th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.90</td>
<td>3.33</td>
<td>3.15</td>
<td></td>
</tr>
</tbody>
</table>
Good growth in High Value Segments

SME Banking
- Awarded top SME supporter by Credit Guarantee Corporation
- Footings YOY growth of 23%

Priority Banking
- 3 pillars: Services, benefits, solutions, and a broad range of Wealth Management products
- Footings YOY growth 15%

Footings
- 20% CAGR

Income
- 14% CAGR

Assets
- 46% CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>Footings</th>
<th>Income</th>
<th>Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>2009</td>
<td>115</td>
<td>104</td>
<td>141</td>
</tr>
<tr>
<td>2010</td>
<td>144</td>
<td>129</td>
<td>213</td>
</tr>
<tr>
<td>H1 11</td>
<td>154</td>
<td>79</td>
<td>242</td>
</tr>
</tbody>
</table>
Differentiated products and services

- Liverpool Debit Card Launched
- First ‘Next Generation’ Branch
- SME Business Essential launched
- 8 Minutes Service Pledge
- Home Loan approval within 48 hours
- Cards spend growth 60% YOY
Customer metrics show strong progress

- **Net Promoter Score**: 2009: 9, 2010: 21, H1 11: 37

- **Products per customer**
  - 2008: 100
  - 2009: 100
  - 2010: 103
  - H1 11: 117

- **SC Way**
  - # Conversations / week: +51%
  - # Sales / week: +54%
  - # Solutions sold / week: +72%

- **Active internet users**
  - 2009: 1x
  - 2010: 3x
  - H1 11: 4x

- **Complaints**
  - 2008: 12x
  - 2009: 4x
  - 2010: 3x
  - H1 11: 1x

- **Q12® engagement scores**
  - 2008: 4.00
  - 2009: 3.78
  - 2010: 4.13

* Data is indexed; **SC Way**: % increased from May 2010 till June 2011
Investing for growth

Distribution & RMs

Online & mobile

Marketing & bundles

24-hr Express Banking

Breeze

Credit Card

On-line Sales

Value Employee Banking Pack comes with

- Savings Account
- Employee Banking Platinum Debit Card
- Titanium Credit Card OR Platinum Rewards
- Online Banking
- Mobile Banking

HomeSuite

Everything you need, all the value you deserve

Here for good
Key messages

- A focused strategy on High Value Segments
- Consumer Banking transformation delivering results
- Strong revenue momentum with double digit growth
- Continue to invest for future growth
Leading the way
in Asia, Africa and the Middle East

Saif Malik
Head, OCC and Co-Head, Wholesale Banking, Malaysia
Key messages

- Deepening client relationships
- Delivering on a client led strategy
- Enhanced products and capabilities to drive uptiering
- Leveraging on our network and competitive edge
## Wholesale Banking performance

<table>
<thead>
<tr>
<th>US$m</th>
<th>H1 10</th>
<th>H2 10</th>
<th>H1 11</th>
<th>H1 11 vs H1 10 %</th>
<th>H1 11 vs H2 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>140</td>
<td>132</td>
<td>128</td>
<td>(9)</td>
<td>(3)</td>
</tr>
<tr>
<td>Expenses</td>
<td>(44)</td>
<td>(61)</td>
<td>(54)</td>
<td>23</td>
<td>(11)</td>
</tr>
<tr>
<td>Operating profit before impairment</td>
<td>96</td>
<td>71</td>
<td>74</td>
<td>(23)</td>
<td>4</td>
</tr>
<tr>
<td>Loan impairment</td>
<td>(15)</td>
<td>(6)</td>
<td>1</td>
<td>(107)</td>
<td>(117)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>81</td>
<td>65</td>
<td>75</td>
<td>(7)</td>
<td>15</td>
</tr>
</tbody>
</table>
Client income growing well

Client revenue (US$m)

CAGR (2005 - 2010) = 18%
Our strategy

- Deep ‘core bank’ client relationships
- Local scale and cross-border capabilities
- Balance sheet management

Key enablers

- Infrastructure
- Values and culture
Commercial Banking remains an important component

Commercial Banking = OCC Lending + Transaction Banking + Cash FX; Value Added = FM – Cash FX; Strategic = CF + PF

Client income H1 11
5 year CAGR (H1 06 - H1 11)

28% Others
25% FX Flow
36% TB
11% Lending

72%

+12%

Commercial Banking constituents
- FX flow
- Transaction Banking
- Gross Lending
Reflected in strong footings growth

Cash revenue and NIM

Cash liabilities (PE)

Trade revenue, trade NIM and fee margin

Trade assets and contingents (PE)
Scaling the hierarchy of client needs

- **Strategic**
  - Includes Corporate Finance
  - Includes Principal Finance

- **Value added**
  - Includes Financial Markets
  - Excludes Flow FX

- **Transactional**

**Client income H1 11**
- 28% Strategic
- 16% Value added
- 12% Others

**5 year CAGR (H1 06 - H1 11)**
- +23%
- +30%

Commercial Banking = OCC Lending + Transaction Banking + Cash FX; Value Added = FM – Cash FX; Strategic = CF + PF
Leveraging the power of the network

On-shore revenue (US$m)

Off-shore revenue (US$m)

- Established Japan and Korea desks
- Top 3 offshore booking locations - India, Singapore and Indonesia
- About a quarter of 2010 WB revenue was generated offshore
Strategic initiatives and landmark deals

Client examples

1. Increase depth of client relationship
   - Malaysia Airlines is Malaysia’s national carrier

2. Increase cross border capabilities
   - Malayan Banking is the largest banking group in the country

3. Build public sector franchise
   - A government-funded private equity-style investment entity

4. Enhance Commodity Clients coverage
   - Padiberas Nasional is Malaysia’s monopoly rice importer and supplier

5. Expanding product offerings
   - Construction and Property Group
Key messages

- Deepening client relationships
- Delivering on a client led strategy
- Enhanced products and capabilities to drive uptiering
- Leveraging on our network and competitive edge
Analyst trip 2011
Indonesia

Leading the way
in Asia, Africa and the Middle East
Leading the way
in Asia, Africa and the Middle East

Tom Aaker
Chief Executive Officer,
Indonesia
Indonesia - a big engine for growth

- Sustained and resilient economic growth
- Large and attractive banking market
- We are uniquely positioned to seize the opportunity
- Manageable challenges
Key facts about Indonesia

- Large democracy - open elections since 2004
- Fourth most populous country (238m) - middle class accounts for over half
- >85% Muslim, but not Islamic state
- South East Asia’s largest economy - G20 member since 2009
- 2011 forecast GDP US$822bn (US$3,464 per capita)
Continual progress on multiple fronts

- Heavily hit by Asian financial crisis
- Reforms included bank restructuring, privatisation and abolition of monopolies
- Fiscal consolidation led to continual sovereign rating upgrades from 2002
- Full transition to democracy since fall of Suharto
- Political stability, but with coalition governments
- Regional autonomy increased
## Ten largest economies by decade from 2000

Ranking and nominal GDP (US$tn)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>US</td>
<td>10.0</td>
<td>US</td>
<td>14.6</td>
</tr>
<tr>
<td>2</td>
<td>Japan</td>
<td>4.7</td>
<td>China</td>
<td>5.9</td>
</tr>
<tr>
<td>3</td>
<td>Germany</td>
<td>1.9</td>
<td>Japan</td>
<td>5.6</td>
</tr>
<tr>
<td>4</td>
<td>UK</td>
<td>1.5</td>
<td>Germany</td>
<td>3.3</td>
</tr>
<tr>
<td>5</td>
<td>France</td>
<td>1.3</td>
<td>France</td>
<td>2.6</td>
</tr>
<tr>
<td>6</td>
<td>China</td>
<td>1.2</td>
<td>UK</td>
<td>2.3</td>
</tr>
<tr>
<td>7</td>
<td>Italy</td>
<td>1.1</td>
<td>Italy</td>
<td>2.0</td>
</tr>
<tr>
<td>8</td>
<td>Canada</td>
<td>0.7</td>
<td>Brazil</td>
<td>2.0</td>
</tr>
<tr>
<td>9</td>
<td>Brazil</td>
<td>0.6</td>
<td>Canada</td>
<td>1.6</td>
</tr>
<tr>
<td>10</td>
<td>Mexico</td>
<td>0.6</td>
<td>Russia</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Sources: IMF, Standard Chartered Research
## Trading Partner CAGR (%) 2000-2009

### Indonesian Exports to...

<table>
<thead>
<tr>
<th>Trading partner</th>
<th>CAGR (%) 2000-2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>23.0</td>
</tr>
<tr>
<td>China</td>
<td>17.1</td>
</tr>
<tr>
<td>Vietnam</td>
<td>16.8</td>
</tr>
<tr>
<td>Malaysia</td>
<td>14.8</td>
</tr>
<tr>
<td>Thailand</td>
<td>13.6</td>
</tr>
<tr>
<td>Philippines</td>
<td>12.7</td>
</tr>
<tr>
<td>South Korea</td>
<td>7.3</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>6.0</td>
</tr>
<tr>
<td>Germany</td>
<td>5.5</td>
</tr>
<tr>
<td>Singapore</td>
<td>5.1</td>
</tr>
<tr>
<td>Japan</td>
<td>2.9</td>
</tr>
<tr>
<td>United States</td>
<td>2.8</td>
</tr>
</tbody>
</table>

### Indonesian Imports from...

<table>
<thead>
<tr>
<th>Trading partner</th>
<th>CAGR (%) 2000-2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>24.0</td>
</tr>
<tr>
<td>Malaysia</td>
<td>19.7</td>
</tr>
<tr>
<td>Philippines</td>
<td>18.9</td>
</tr>
<tr>
<td>India</td>
<td>17.3</td>
</tr>
<tr>
<td>Thailand</td>
<td>17.2</td>
</tr>
<tr>
<td>Singapore</td>
<td>17.0</td>
</tr>
<tr>
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<td>9.6</td>
</tr>
<tr>
<td>Vietnam</td>
<td>8.9</td>
</tr>
<tr>
<td>United States</td>
<td>8.5</td>
</tr>
<tr>
<td>Germany</td>
<td>7.4</td>
</tr>
<tr>
<td>Japan</td>
<td>6.9</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Source: UN Comtrade data
Favourable conditions with some challenges

Favourable macro-economic factors

- Surging middle class
- Large young working population
- Abundant natural resources and commodities
- Emerging manufacturing location
- FDI trebled from 2006 to US$16bn in 2010
- Debt to GDP of 26 percent

Challenges

- Coalition government - policy formulation and implementation
- Poor infrastructure (also an opportunity)
- Low education levels
- Corruption and transparency
Large and growing banking wallet

Indonesia revenue pool (2006-15)
US$bn

2006 2011 2015

Consumer Banking

Wholesale Banking

Source: McKinsey
Underpenetrated but high growth

Bank credit as % of GDP, 2010

- Indonesia: 28
- Philippines: 34
- Brazil: 49
- India: 54
- United States: 63
- South Korea: 87
- Thailand: 91
- Singapore: 113
- Malaysia: 120
- China: 124

Total loans to non bank entities 2005 - 2010 CAGR (%)

- Thailand: 7
- Philippines: 8
- Malaysia: 10
- Singapore: 12
- Indonesia: 20

Source: Standard Chartered research, central bank websites
Attractive banking returns in Asia (FY 2010)

- **Indonesia**: 24%  
  - Highest returns in Asia

- **China**: 21%
  - Expected to decline
    - Margin compression
    - Investment grade

- **India**: 17%
- **Malaysia**: 16%
- **Hong Kong**: 15%
- **Thailand**: 14%
- **Singapore**: 10%
- **Korea**: 9%
- **Taiwan**: 6%
  - Expected future returns of 15% to 20%

Source: Standard Chartered research, Fitch
### Competitive banking landscape

<table>
<thead>
<tr>
<th>Tier 1 banks</th>
<th>Tier 2 banks</th>
<th>Tier 3 banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset size (US$bn)</td>
<td>Branches</td>
<td>Asset size (US$bn)</td>
</tr>
<tr>
<td>51.1</td>
<td>1,102</td>
<td>10.4</td>
</tr>
<tr>
<td>44.6</td>
<td>4,522</td>
<td>9.6</td>
</tr>
<tr>
<td>40.6</td>
<td>929</td>
<td>8.9</td>
</tr>
<tr>
<td>30.4</td>
<td>1,364</td>
<td></td>
</tr>
</tbody>
</table>

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<td>4,522</td>
<td>929</td>
</tr>
<tr>
<td>1,364</td>
<td>1,293</td>
<td>276</td>
</tr>
<tr>
<td>2,300</td>
<td>2,300</td>
<td>346</td>
</tr>
<tr>
<td>425</td>
<td>425</td>
<td>192</td>
</tr>
</tbody>
</table>

**Source:** Bank websites, Bank Indonesia website. Data as of June 2011
Key messages

- We are delivering strong financial performance now

- Real, sustainable competitive advantage

- We know the challenges and are capable of managing them

- We aspire to high double digit income growth during the next five years, while maintaining positive jaws
Established presence in Indonesia

- 28 branches in 8 cities
- 4 WB trade counters
- >1,600 staff
- 300 WB clients
- 400k CB customers
- Assets US$ 5.2bn
Consistent, profitable growth

Income (US$m) 4 year CAGR: 16%

Income Operating profit
Consumer Banking
Wholesale Banking

2006 2007 2008 2009 2010 H1 11

224 92
Wholesale Banking is performing strongly

Strategy
- Deepen existing relationships
- Acquire new clients
- Leverage the Standard Chartered network

Challenges
- Talent
- Competition
- Margin compression

Revenue streams in line with global focus

<table>
<thead>
<tr>
<th>Year</th>
<th>Strategic</th>
<th>Value added</th>
<th>Transactional</th>
<th>Lending</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>36%</td>
<td>47%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>H1 11</td>
<td>7%</td>
<td>27%</td>
<td>29%</td>
<td>37%</td>
</tr>
</tbody>
</table>
Breadth and depth – Indika Energy
Consumer Banking is transforming

**Strategy**
- High Value Segments
- Remain market leader in personal loans
- Optimise geographic footprint

**Challenges**
- Shortage of talent
- Regulatory restrictions
- Balancing growth aspiration with risk management

### Net Promoter Score

<table>
<thead>
<tr>
<th>Year</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>37</td>
</tr>
<tr>
<td>2009</td>
<td>36</td>
</tr>
<tr>
<td>2010</td>
<td>36</td>
</tr>
<tr>
<td>H1 11</td>
<td>65</td>
</tr>
</tbody>
</table>

### Complaints / '000 accounts

<table>
<thead>
<tr>
<th>Year</th>
<th>Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>1.47</td>
</tr>
<tr>
<td>2009</td>
<td>1.34</td>
</tr>
<tr>
<td>2010</td>
<td>1.27</td>
</tr>
<tr>
<td>H1 11</td>
<td>0.99</td>
</tr>
</tbody>
</table>
Key messages

- We are delivering strong financial performance now

- Real, sustainable competitive advantage

- We know the challenges and are capable of managing them

- Aspire to high double digit income growth during the next five years, while maintaining positive jaws
Key messages

- Delivering a strong performance
- Significant business improvement in last two years
- Partnership with both shareholders working well
- Strong platform for future growth
History of Permata Bank

Permata Bank formed from 5 legacy banks

- PT Bank Bali Tbk
- PT Bank Universal Tbk
- PT Bank Prima Express
- PT Bank Artamedia
- PT Bank Patriot

Current ownership

- Consortium 89%
  - 44.5% Standard Chartered
  - 44.5% Astra International

Public shareholding

11%
Permata overview

- 270 conventional branches
- 11 Syariah branches
- 56 cities
- > 6,000 staff
- 642 ATMs; Access to > 40,000 ATMs*
- E Channels
- > 1,000 WB clients and 2.1m CB customers
- Assets US$10bn

* Connected to Visa Plus, Visa Electron, Master Card, ALTO, ATM Bersama and ATM Prima
Working with the shareholders

- Significant income and funding source
- Local knowledge and insight
- Governance standards and framework
- Access to Group expertise
- Business linkages

![PermataBank](image)

![ASTRA international](image)

![Standard Chartered](image)
Performance highlights

US$m (IFRS)

- 2006: Income - $269, Operating profit - $71, Profit before tax - $23
- 2010: Income - $465, Operating profit - $192, Profit before tax - $146
- H1 2011: Income - $287, Operating profit - $128, Profit before tax - $111

Cost / Income: 2006 - 74%, 2010 - 59%, H1 2011 - 55%
NPL (net): 2006 - 3.3%, 2010 - 0.7%

Loans (US$m)
- 31 Dec 2010: 5,777
- 30 Jun 2011: 6,866
Deposits (US$m)
- 31 Dec 2010: 6,605
- 30 Jun 2011: 8,016
Capital Adequacy Ratio (%)
- 31 Dec 2010: 14.1%
- 30 Jun 2011: 15.8%
AD Ratio
- 31 Dec 2010: 87%
- 30 Jun 2011: 86%
Aspirations remain high

Aspiration by 2015

- Grow income by at least 20% per annum
- Achieve 3% market share of banking revenues in Indonesia

Consumer Banking

- Focus on SME, mass and mass affluent customers
- Strengths in mortgage and auto, market leader in e-channels and service excellence

Wholesale Banking

- Focus on middle market and select local corporate clients
- Continue to harness value chain opportunities and enhance Transactional Banking capabilities
How do we differentiate ourselves in Consumer Banking

‘A bank for you and your family’

Product

Branch

Segment

Program
Priorities

- Execute Universal participation model
  - Top 5 in top 10 cities
- Continue leadership in SME through winning industries and value chain
- Differentiate with e-channels and service excellence

Challenges

- Talent
- Relative scale
Wholesale Banking

Priorities

- Establish leadership in Middle Market and select Local Corporate segments
- Leverage the value chain business model
- Enhance Transaction Banking to drive NFI

Challenges

- Talent
- Relative scale
Opportunities in Syariah banking

Permata Bank Syariah - overview

- Established in 2004
- 11 Syariah branches and 244 office channelling
- Assets of US$363m in H1 11
  (H1 08 - H1 11 CAGR of 37%)
- Income of US$7.4m in H1 11
  (H1 08-H1 11 CAGR of 45%)
Indonesia presents an outstanding opportunity for Standard Chartered and for Permata Bank