

2 November 2011

Standard Chartered today releases its Interim Management Statement (IMS) for the third quarter of 2011.

Peter Sands, Group Chief Executive, commented, "The Group has continued to perform well in the third quarter of 2011 with income momentum across a broad spread of products and geographies. Despite recent macroeconomic events, our markets continue to exhibit strong growth and their growth credentials remain intact. We continue to be well positioned in these markets and remain open for business. We are differentiated by our liquidity and capital strength and continue to benefit from the disciplined execution of our strategy."

Standard Chartered has continued to perform well in the third quarter of the year, building on a strong first half. The following commentary excludes the impact of the UK bank levy.

Income in the first nine months of 2011 has grown by a high single digit percentage over the first nine months of 2010.

Over the same period, operating profit before tax grew at a double digit rate.

Income in the quarter has remained resilient and diverse and well above the level of the comparable period of 2010. Looking across the main income streams, Consumer Banking and Transaction Banking have shown double digit income momentum on a year to date basis. Financial Markets client income has performed well and Corporate Finance income is ahead of the level seen in the third quarter of 2010, whereas Principal Finance has been affected by the uncertain market environment.

Income remains well spread by geography; whilst we have seen further slowdown in India, and Korea remains muted, we continue to see strong performances in Hong Kong and Singapore. Despite competition remaining strong across our markets, we are seeing a number of opportunities to reprice business, and increase market share.

Expenses have continued to be well controlled during the third quarter. Headcount levels have increased, as expected, as we invested in both businesses to underpin future income momentum. Adjusting for the benefit in the first half of the year that arose from recoveries on certain structured note provisions previously made, expenses in the quarter are broadly in line with the first half run rate.

Income growth continues to exceed cost growth in the first nine months of 2011 and is a reflection of our ongoing discipline in managing the cost base.

Credit quality remains good in both businesses and loan impairment for the Group overall was slightly below the first half run rate.

The balance sheet is well diversified and conservative and remains a source of competitive advantage. We continue to see inflows of deposits; loan growth has been disciplined and has been focused on selected products and segments, albeit we have seen an impact of foreign exchange on both sides of the balance sheet. The advances to deposit ratio remains strong and was below 80 per cent at the end of the third quarter.

The Group remains very well capitalised. The growth in Risk Weighted Assets has been well controlled since the half year, growing at a low single digit percentage rate.

Consumer Banking

The strategic repositioning of the Consumer Banking business has continued to gain traction in the third quarter of 2011. Income in Consumer Banking is diverse and has good momentum. Income was up on the first half run rate and was up by a double digit percentage rate over the third quarter of 2010.

Mortgage income was slightly below the first half run rate as margins remained under pressure, reflecting both competition but also the impact of increasing interest rates in a number of markets. Deposit income was up on the first half run rate as margins remained resilient.

Income in SME saw good growth, particularly in trade, foreign exchange and cash management products.

Wealth Management income remains well diversified, but was below the run rate for the first half as a result of weaker investor sentiment. Credit Cards and Personal Loans income saw strong growth as we selectively grew assets in a number of markets.

Expenses were ahead of the first half run rate, partly resulting from the non recurrence of a cost recovery made in the first half, but also due to the impact of increased investment. Cost-income jaws remain positive in the first nine months of 2011.

Credit quality is good with loss indicators remaining at low levels, in line with the half year. The impairment charge was higher than the first half run rate and is consistent with the size and mix of the loan book. The first half impairment charge also benefited from the write back of loan impairment following the sale of a number of loan portfolios.

Wholesale Banking

In Wholesale Banking, client income has remained strong and contributed over 80 per cent of total income, with high single digit growth over the third quarter of 2010. The commercial banking businesses of Cash, Trade and associated FX hedging remain both core to, and a significant part of, the Wholesale Banking business.

The Transaction Banking business has good momentum and has seen continued growth in average volumes in the third quarter. We have not seen any overall slowdown in our trade business. Margins in the third quarter increased slightly in both cash management and in trade finance. Income is ahead of the run rate seen in the first half of the year and has shown double digit growth over the third quarter of 2010.

Financial Markets client income has remained strong, benefiting as a result of flow from the Transaction Banking business. Volumes showed good growth, particularly in FX and rates products, and income is ahead of the level seen in the third quarter of 2010.

Corporate Finance remains well diversified by geography and deal size, with income ahead of the level seen in the comparable period of 2010. The pipeline remains robust although the market environment is making deal execution more uncertain.

In own account, income in both Financial Markets and ALM is up on the first half run rate while Principal Finance has been impacted by difficult market conditions and realisations are much lower.

Expenses have been well controlled and were broadly in line with the first half average despite increased levels of headcount as well as the impact of flow through investments. Cost-income jaws are negative in the first nine months of 2011.

Loan impairment was, as expected, low in the third quarter with no individually significant provisions charged in the period and no new material provisions emerging.

Group

The balance sheet remains liquid, well funded and diversified, with a conservative risk profile. We have no direct sovereign exposure to Portugal, Italy, Ireland, Greece or Spain. Our direct sovereign exposure in Europe is immaterial. As evidenced by the recent highly successful EUR1.25 billion senior unsecured issuance and the SGD750 million Tier 2 issuance in Hong Kong, both of which were effected in October, we continue to see strong counterparty appetite for the Group's name. We have limited levels of refinancing obligations

over the next few years. The Group is in excellent shape and well positioned in growth markets.

We look forward to providing a further update in early December in the preclose trading statement.

For further information, please contact:

Piotr Zajac, Head of Investor Relations	+44 (0)20 7885 6454
Ashia Razzaq, Head of Investor Relations, Asia	+852 2820 3958
Jon Tracey, Head of Media Relations	+44 (0)20 7885 7163

This announcement contains or incorporates by reference 'forward-looking statements' regarding the belief or current expectations of Standard Chartered, the Directors and other members of its senior management about the Company's businesses and the transactions described in this announcement. Generally, words such as "may", "could", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions identify forward-looking statements.

These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict. Such risks and uncertainties include the effects of UK domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing impact and other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Standard Chartered operates. As a result, the actual future financial condition, performance and results may differ materially from any plans, goals and expectations expressed or implied in the forward-looking statements.

Any forward-looking statement contained in this announcement based on past or current trends and/or activities of Standard Chartered should not be taken as a representation that such trends or activities will continue in the future. No statement in this announcement is intended to be a profit forecast or to imply that the earnings of the Company for the current year or future years will necessarily match or exceed the historical or published earnings of the Company.

Each forward-looking statement speaks only as of the date of the particular statement. Save in respect of any requirement under applicable law or regulation, Standard Chartered expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained

herein to reflect any change in Standard Chartered's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.