Q119 performance update

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On the right path to achieve our financial targets…

- Q119 performance gives us confidence that we are on the right path to achieve our financial targets
- Financial performance highlights:
  - Underlying profit before tax of $1.4bn up 10%; or up 12% on a constant currency basis
  - Operating income of $3.8bn down 2%; or up 2% on a constant currency basis
  - Operating expenses down 2% to $2.4bn; or up 1% on a constant currency basis
  - Credit impairment more than halved to $78m; underlying credit metrics continued to improve
- Regulatory approval received to start buying back shares for up to $1bn
- Resolved legacy conduct and control issues including the termination of all compliance monitorships
- Global macroeconomic outlook remains uncertain but there were encouraging signs of improvement in sentiment towards the end of the first quarter

Financial performance highlights

($m)	Q119	Q418	Q118	QoQ Q418	YoY Q118
				Better/(Worse) %	
Operating income	**3,813**	**3,595**	**3,873**	**6**	**(2)**
Operating expenses[1]	(2,415)	(2,512)	(2,469)	4	2
UK bank levy	-	(324)	-	(nm)	-
Operating profit before impairment & tax	**1,398**	**759**	**1,404**	**84**	**-**
Credit impairment	(78)	(332)	(191)	77	59
Other impairment	(2)	(21)	(24)	90	92
Profit from associates & JV	66	26	68	nm	(3)
Underlying profit before tax	**1,384**	**432**	**1,257**	**nm**	**10**
Provision for regulatory matters	(186)	(900)	-	79	-
Restructuring & other items	44	(392)	(70)	nm	nm
Statutory profit before tax	**1,242**	**(860)**	**1,187**	**nm**	**5**
Net Interest Margin (%)[2]	1.56	1.57	1.59		
CET1 ratio (%)	13.9	14.2	13.9		
Underlying RoTE (%)	**9.6**	**(1.9)**	**8.6**		
Underlying RoE (%)	8.5	(1.7)	7.6		

- Solid performance in conditions less buoyant than at the start of Q118
- Positive income-to-cost jaws on both a reported and a constant currency basis
- Asset quality overall has improved YoY and remained stable in the first quarter
- Regulatory provision of $186m reduced the CET1 ratio by 7bps
- CET1 ratio before the impact of the proposed buy-back was 30bps lower than at FY18
- RoTE improved 100bps, reflecting increased profitability

1 Excluding UK bank levy
2 Statutory net interest income divided by average interest earning assets, annualised

Client segment & geographic region income

Q119	($m)	YoY[1] (%)
Corporate & Institutional Banking	**1,790**	**3**
Retail Banking	**1,265**	**(6)**
Commercial Banking	**371**	**6**
Private Banking	**149**	**3**
Central & other items	238	(20)
Total Group	**3,813**	**(2)**

Q119	($m)	YoY[1] (%)
Greater China & North Asia	**1,527**	**(2)**
ASEAN & South Asia	**1,046**	**(3)**
Africa & Middle East	**708**	**4**
Europe & Americas	**359**	**(19)**
Central & other items	173	59
Total Group	**3,813**	**(2)**

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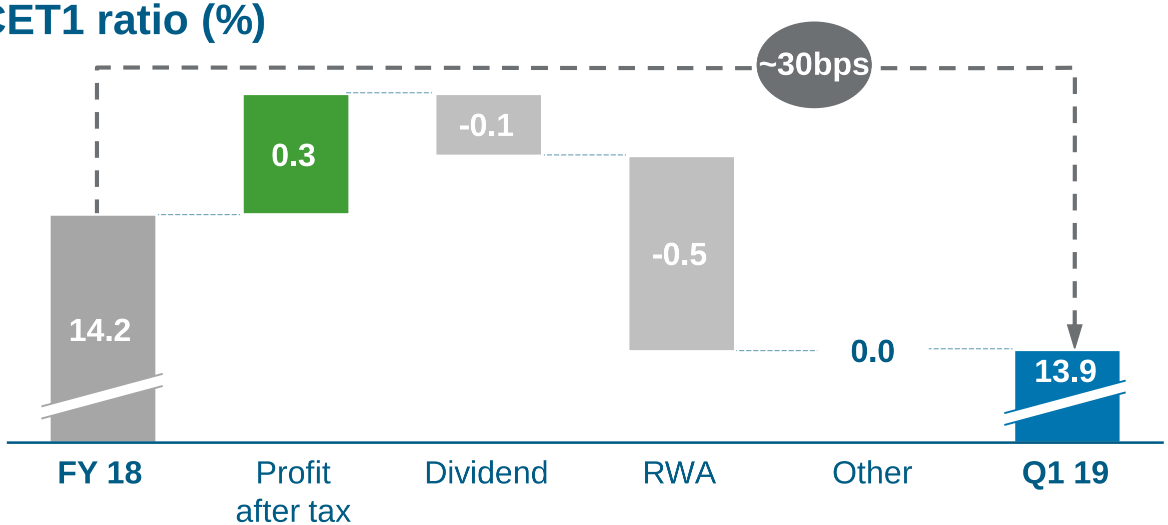
[1] YoY variance is Q119 vs. Q118, better/(worse)

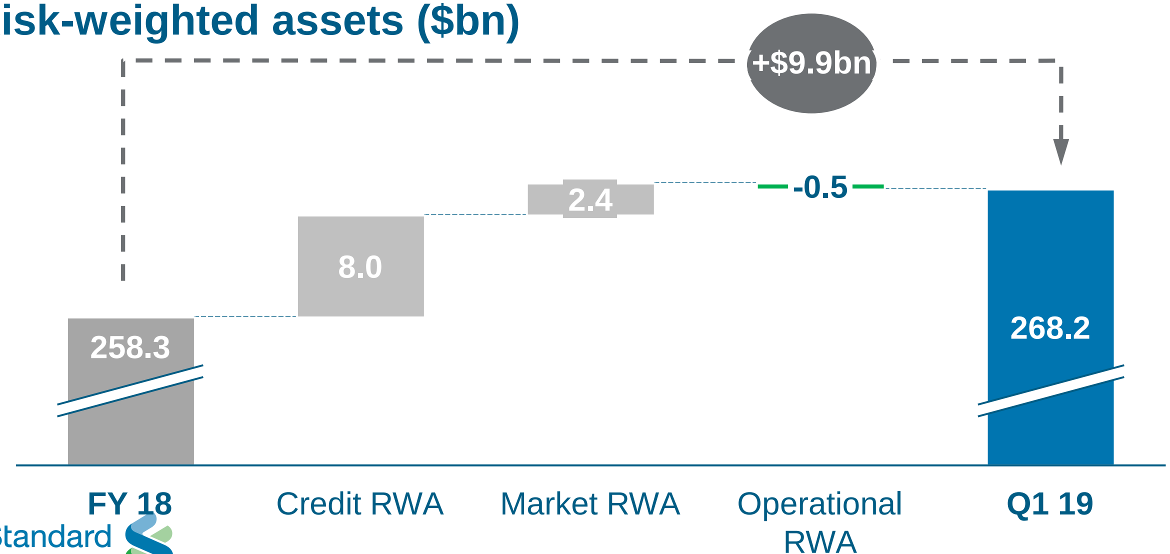
CET1 lower as profits offset by RWA growth

CET1 ratio (%)



- **CET1 ratio ~30bps lower on FY18**
- Profits net of dividends were offset by an increase in RWA
- Further and final charge of $186m to resolve legacy conduct & control issues reduced the CET1 ratio by 7bps
- $1bn share buy-back is expected to reduce CET1 ratio in Q219 by ~35bps

Risk-weighted assets ($bn)



- **RWA up $9.9bn on FY18 to $268bn**
- Higher credit RWA mainly associated with asset growth
- Market RWA increase primarily related to seasonality
- Credit RWA includes a one-off IFRS16 impact of $1.4bn

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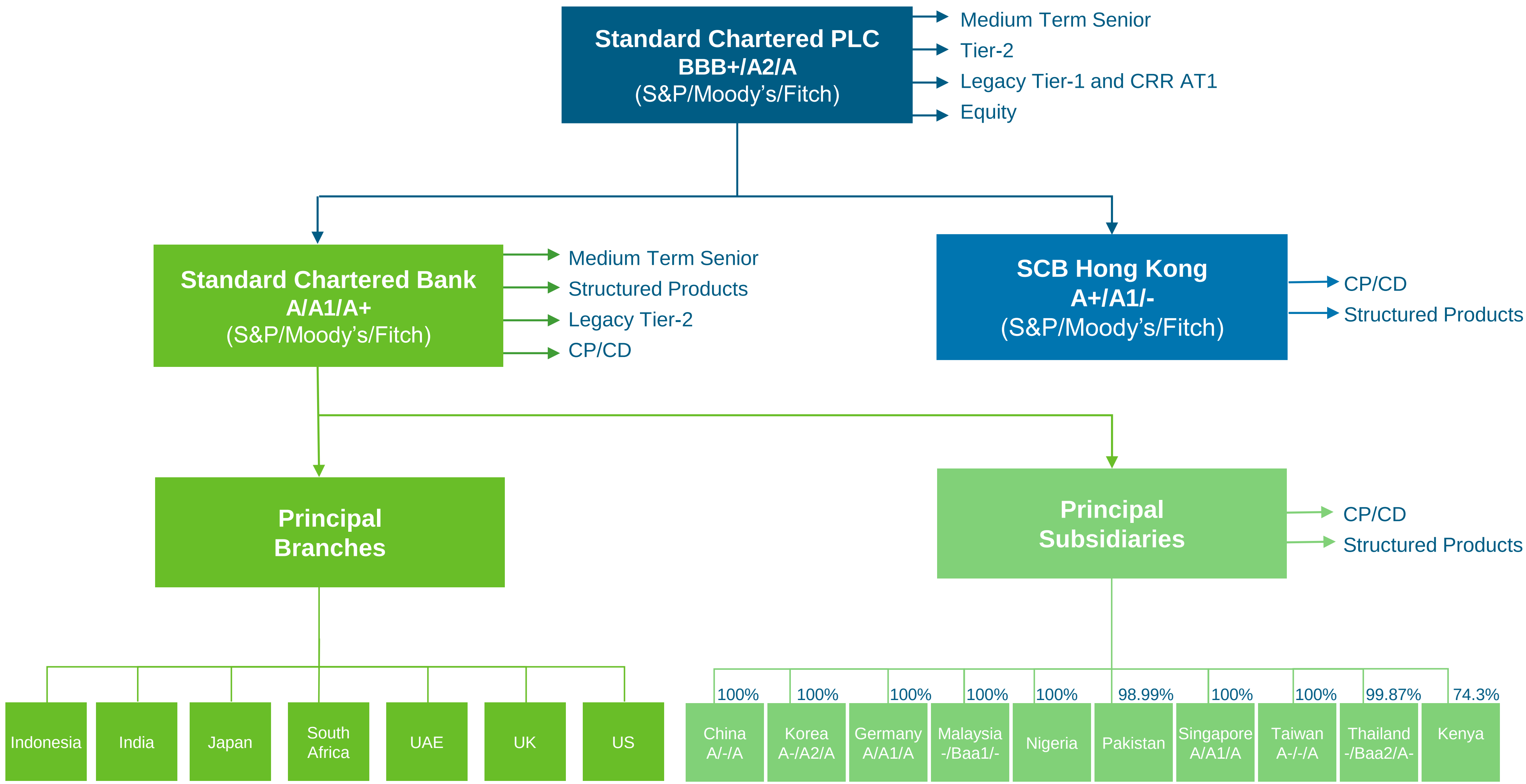
Standard Chartered Group – simplified legal structure



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