

Wholesale Banking

Investors and Analysts Meeting

21 September 2011

Mike Rees

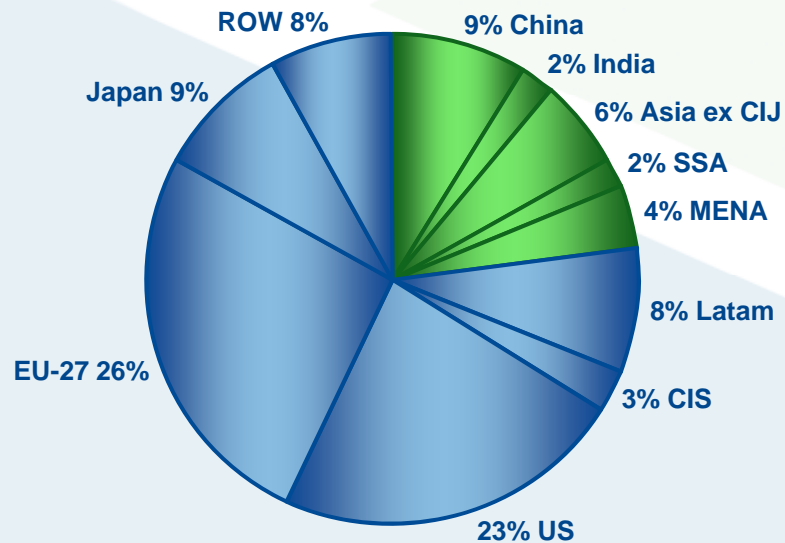
Group Executive Director & CEO
Wholesale Banking



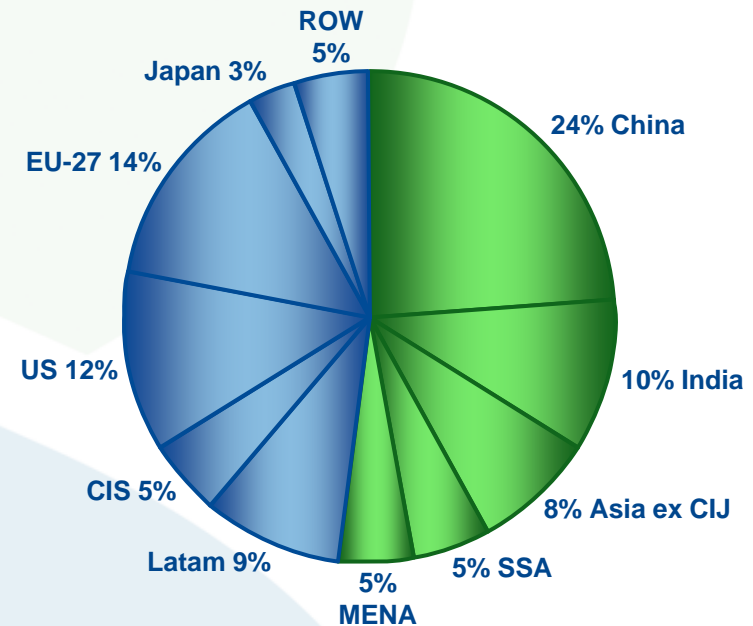
- We operate in attractive markets
- We have a clear and consistent strategy with significant growth potential
- Our Commercial Banking foundation provides us with the platform to deliver enhanced capabilities
- We have deepened our client relationships and delivered market leading transactions
- We are well-positioned and well invested for future growth as competition returns to our markets

Projected change in nominal GDP distribution

Nominal GDP 2010, US\$ 63trn
(US\$ trn, % of global)



Nominal GDP 2030, US\$ 308trn
(US\$ trn, % of global)

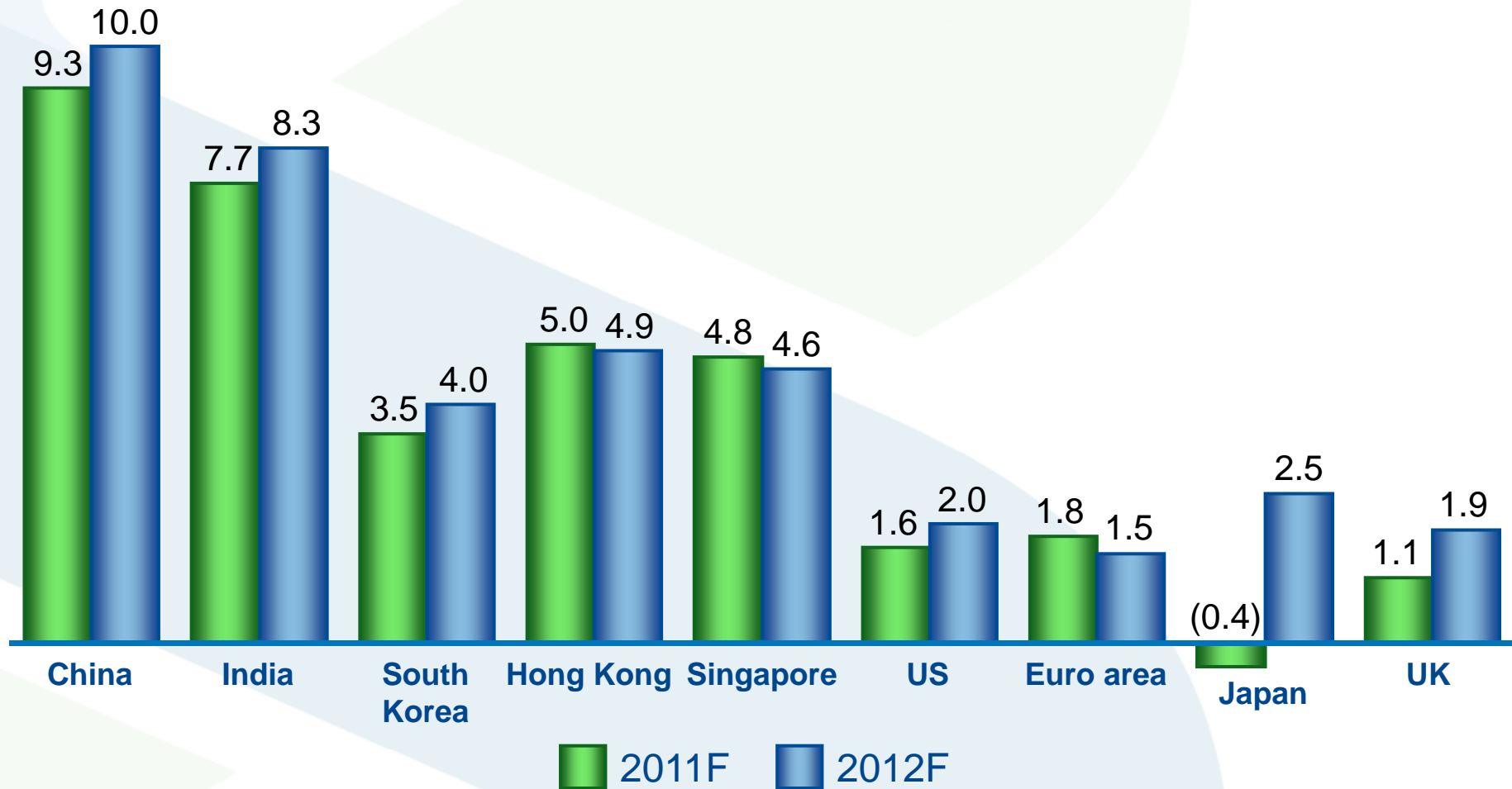


■ Asia, Africa and Middle East
 ■ Rest of world

Estimated Nominal Global GDP 2011
US\$ 69trn

Our core markets are sustaining premium levels of GDP growth

Real GDP Growth Forecasts %

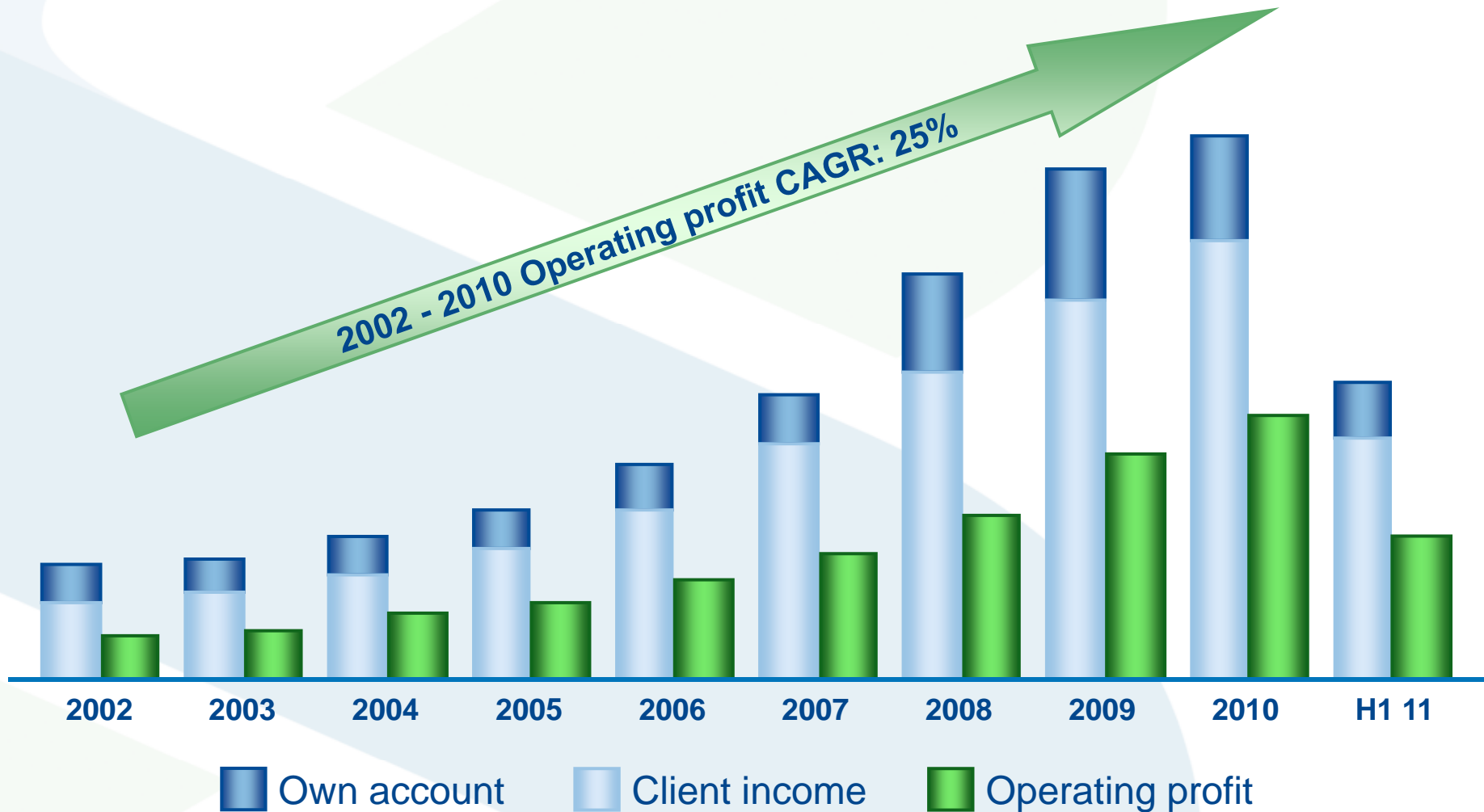


Source: Standard Chartered Global Research

Operating profit and income growth



Wholesale Banking total income and operating profit (US\$bn)



NOTE: Operating profit and Own account are external figures

**Strategic
intent**

The **Bank of choice** for
corporate and institutional clients **for and in**
Asia, Africa and the Middle East

**Brand
promise**

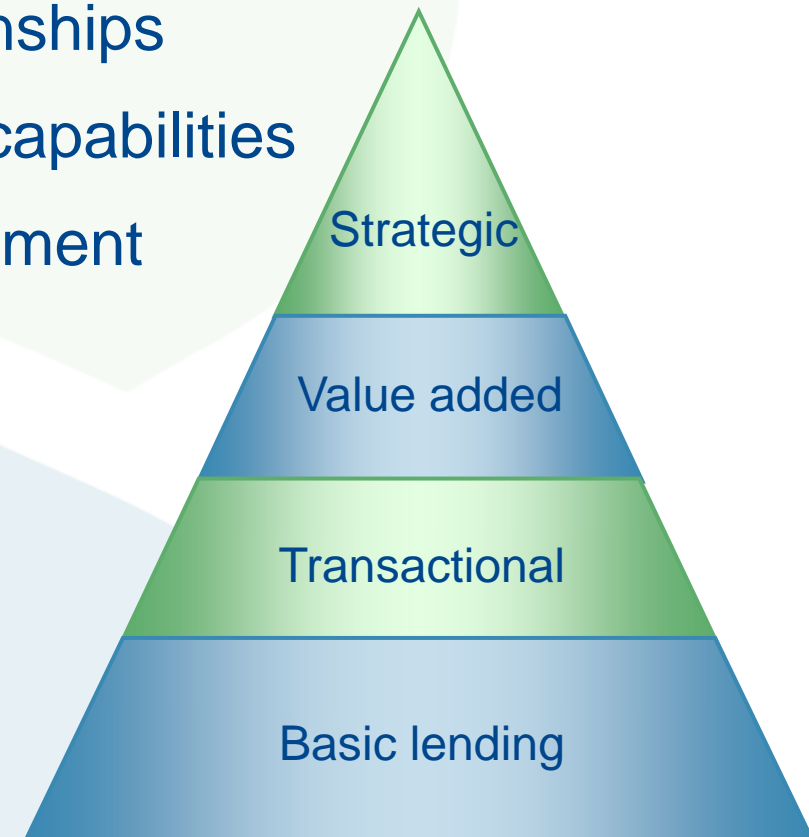
Here for good

Our Strategy

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

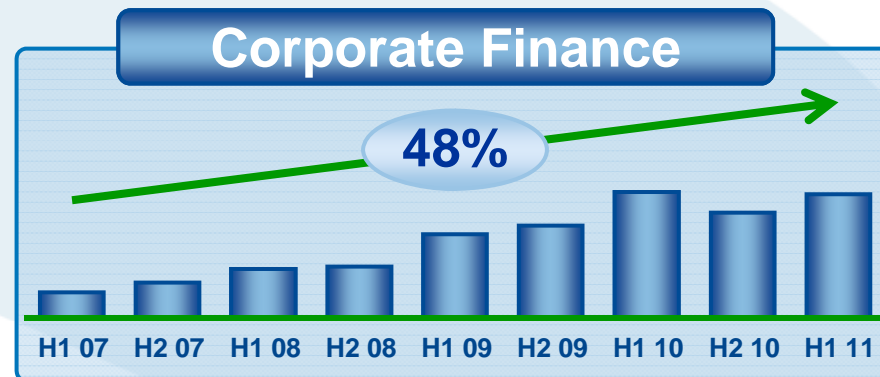
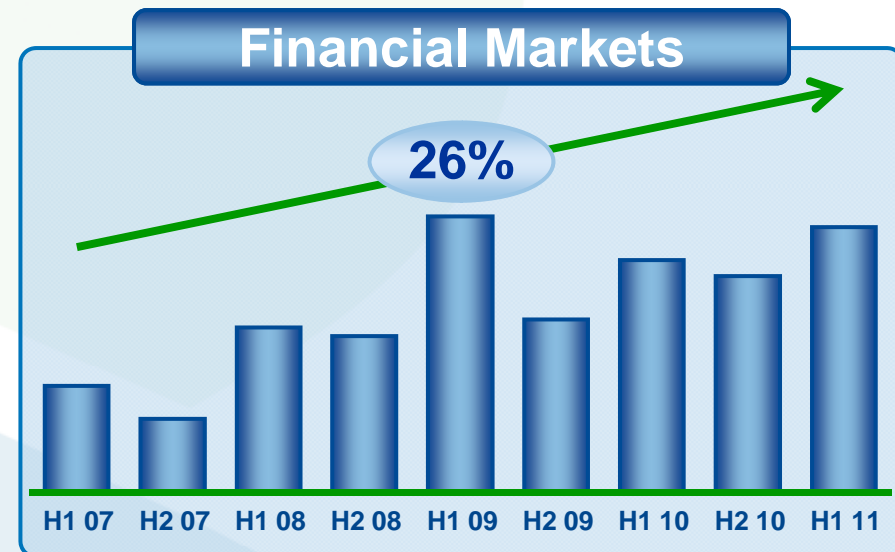
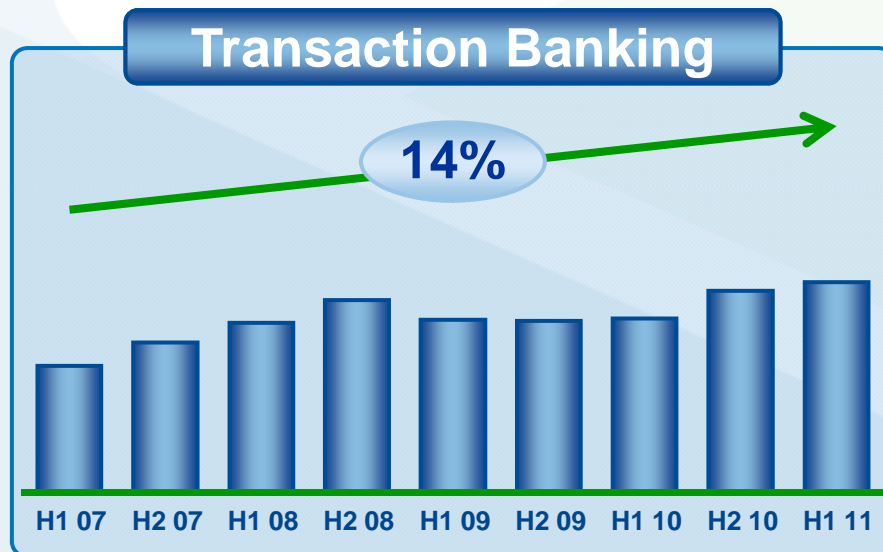
Key Enablers

- Infrastructure
- Values and culture

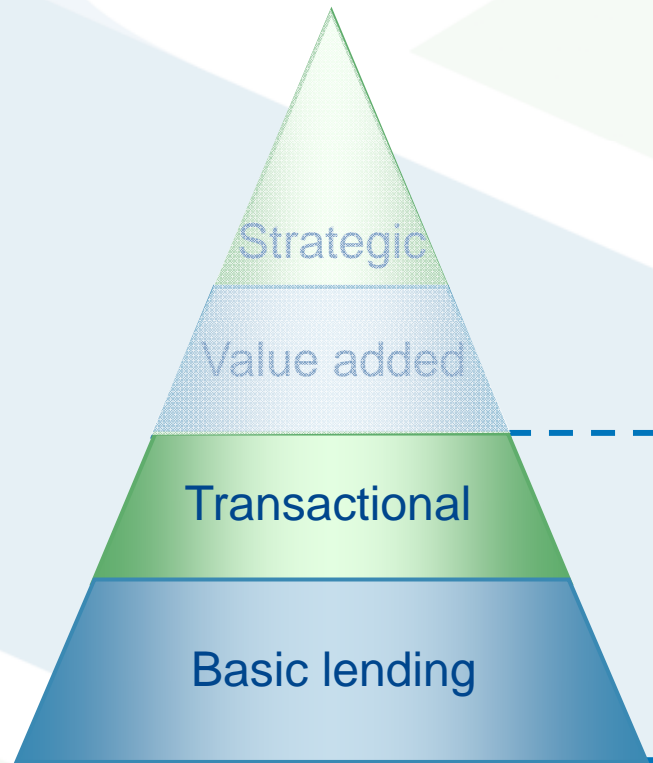


Continuous product build out

Wholesale Banking Products Total Income, US\$m and H1 07 - H1 11 CAGR (%)

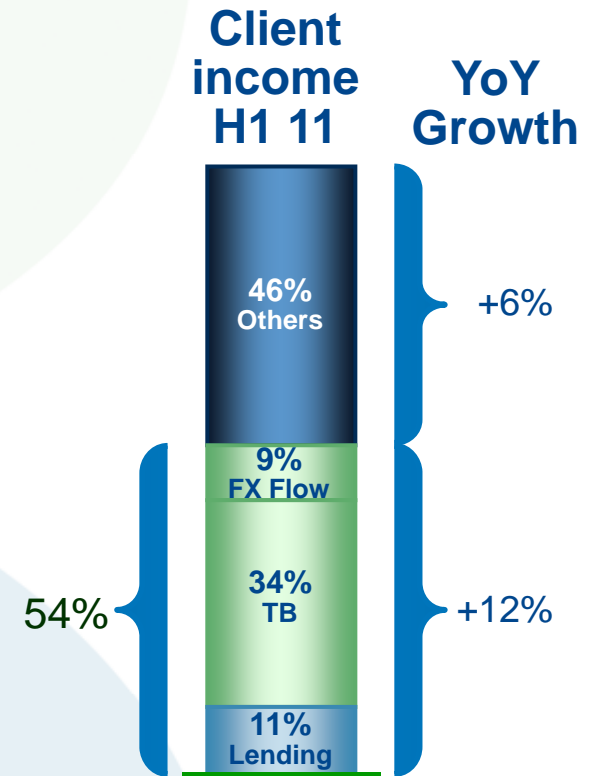


Commercial banking is key to developing our client franchises



Commercial Banking constituents

- FX flow
- Transaction Banking
- Gross Lending



Source: WB Finance

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

Wholesale Banking Transaction Banking



Total income by product US\$m	FY 07	FY 08	FY 09	FY 10	H1 11	FY 07- FY 10 CAGR
Trade	699	1,023	1,289	1,467	767	28%
Cash Mgt & Custody	1,334	1,640	1,248	1,303	785	(1)%
Total Transaction Banking	2,033	2,663	2,537	2,770	1,552	11%

Growth in trade A&C remained strong and above market levels

SCB trade asset growth vs. global import/export values

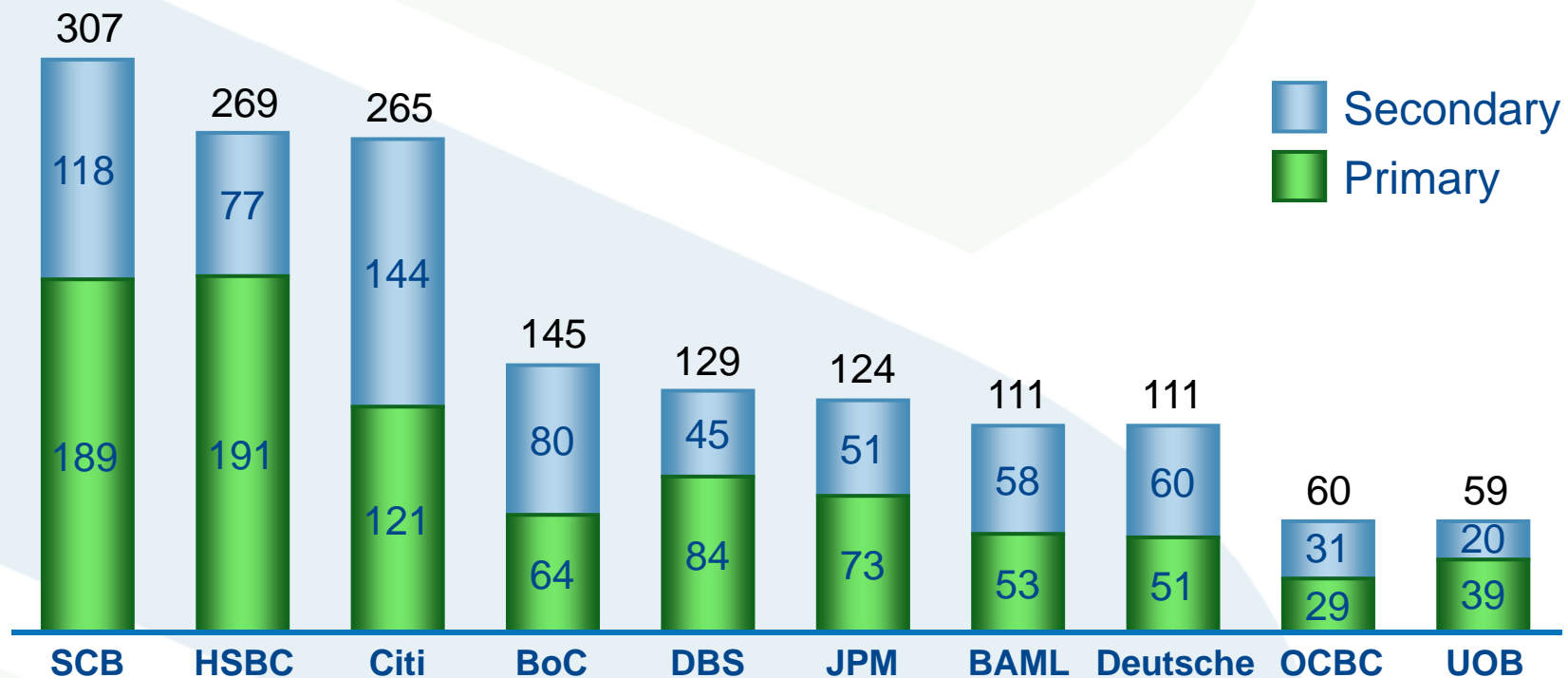


Sources: SCB Trade Assets and Contingents (A&C): WB Finance; Trade data: Reuters

Transaction Banking - market share in Asia continues to increase



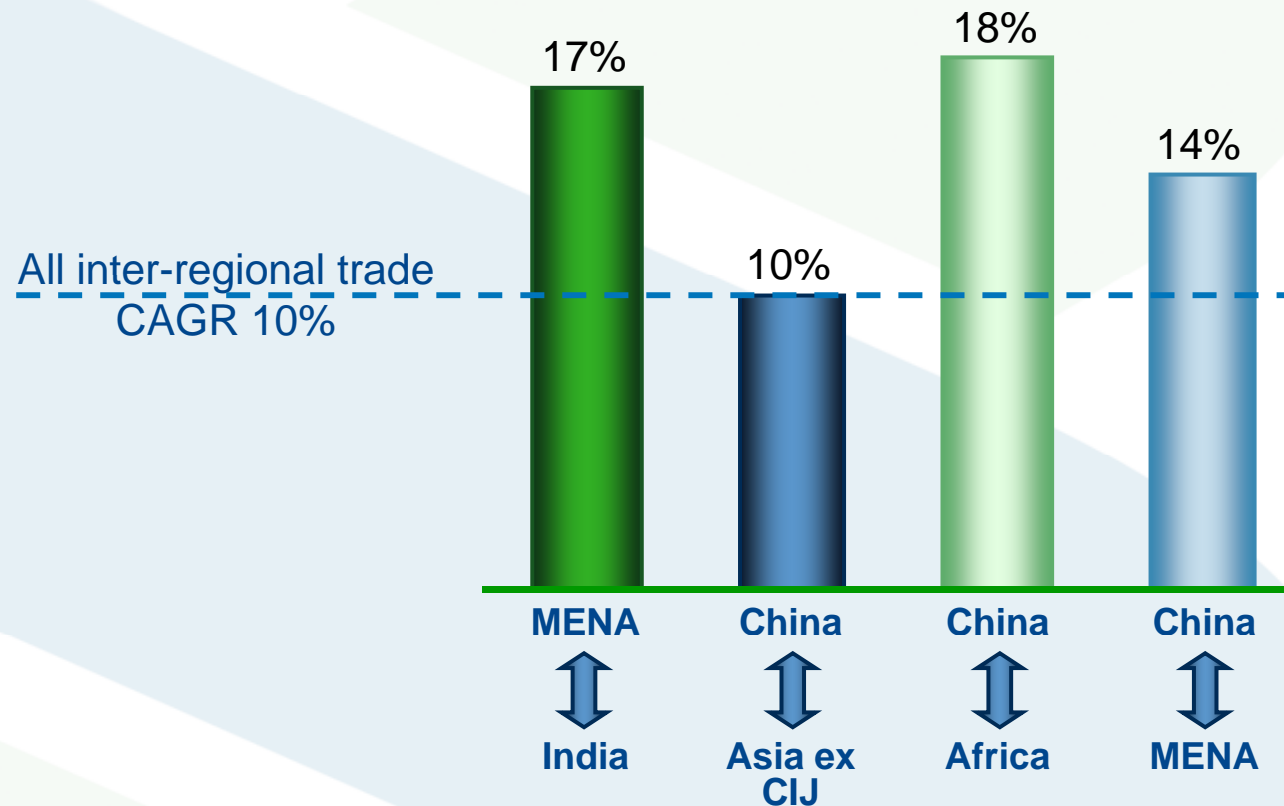
Primary and secondary transaction banker - Top 10 banks (No of customers)



Source: East & Partners Asian Institutional Transaction Banking Markets Program May '11
 Users: 933 Institutions in Asia - China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, Korea, Taiwan, Thailand

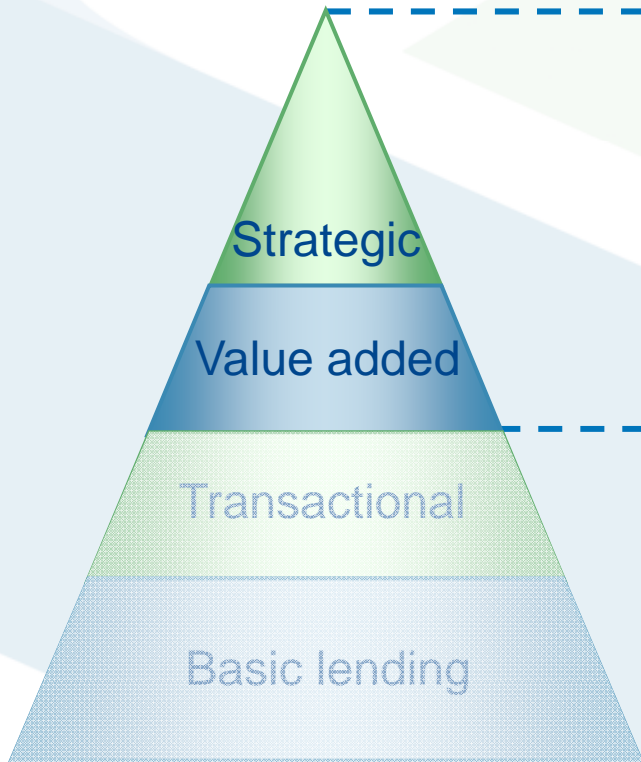
Growth in our key regional trade corridors is forecast to outpace inter regional trade growth

Inter-regional trade forecast (CAGR 2010 - 2030)



Source: Standard Chartered Research; CIJ = China, India and Japan

We continue to diversify our income into Strategic and Value added products



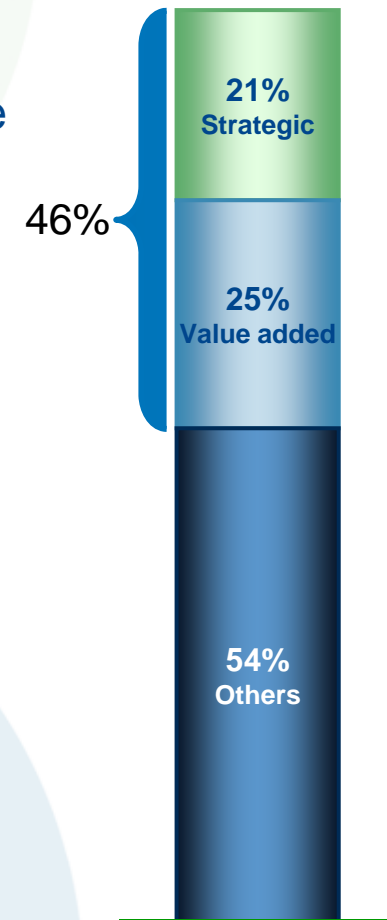
Strategic

- Includes Corporate Finance
- Includes Principal Finance

Value added

- Includes Financial Markets
- Excludes Flow FX

Client income H1 11



Source: SCB data

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

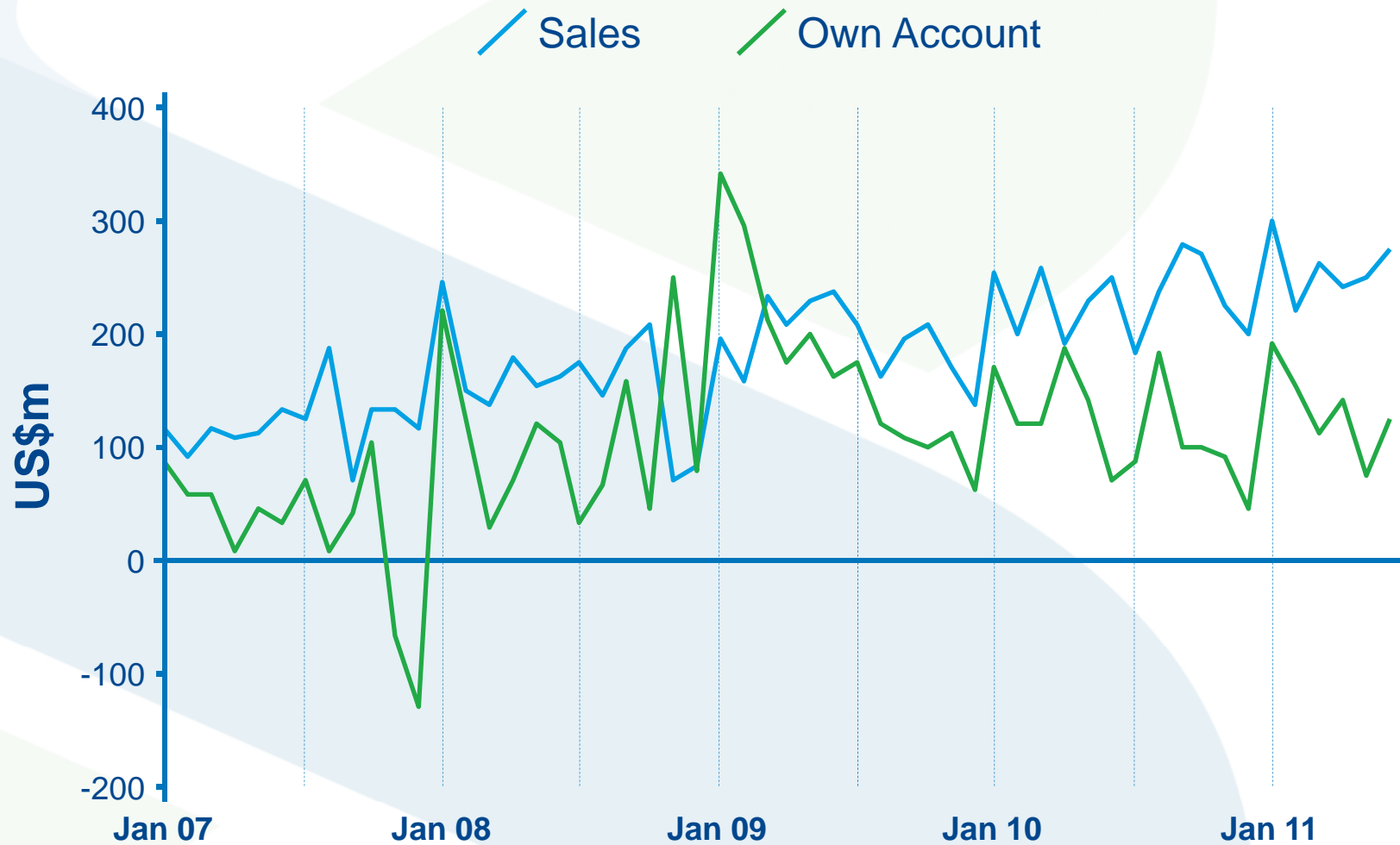
Wholesale Banking Financial Markets



Total income by product US\$m	FY 07	FY 08	FY 09	FY 10	H1 11	FY 07- FY 10 CAGR
FX	1,017	1,194	1,349	1,200	769	6%
Rates	158	748	879	837	450	74%
Commodities and Equities	49	141	389	411	319	103%
Capital Markets	259	234	409	541	271	28%
Credit and Other	(160)	48	285	314	142	NA
Total Financial Markets	1,323	2,365	3,311	3,303	1,951	36%

FM trading is primarily based upon leveraging client flows

FM Sales and Own Account Income trend H1 07 - H1 11

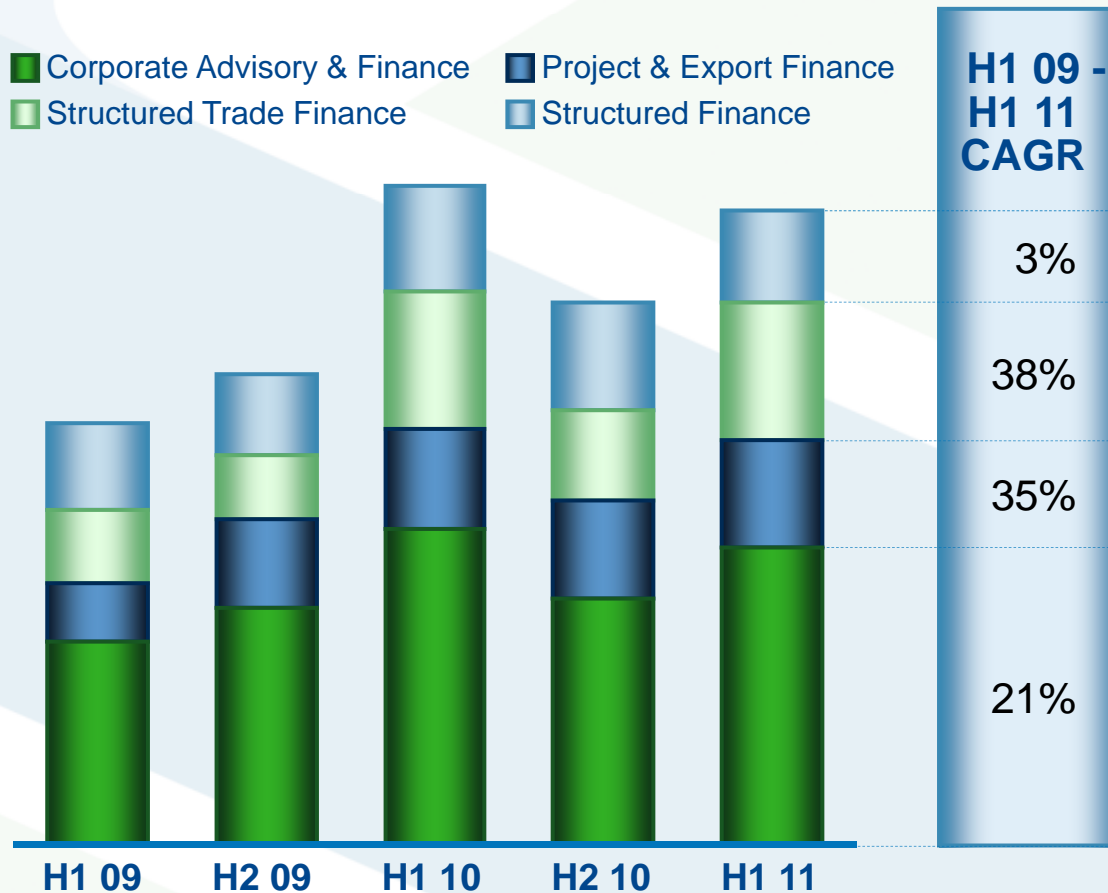


Note: Sales Income equals Client Sales Income including Brokerage and Origination Income

Corporate Finance is growing consistently across products



Corporate Finance income growth H1 09 vs. H1 11 (US\$m)

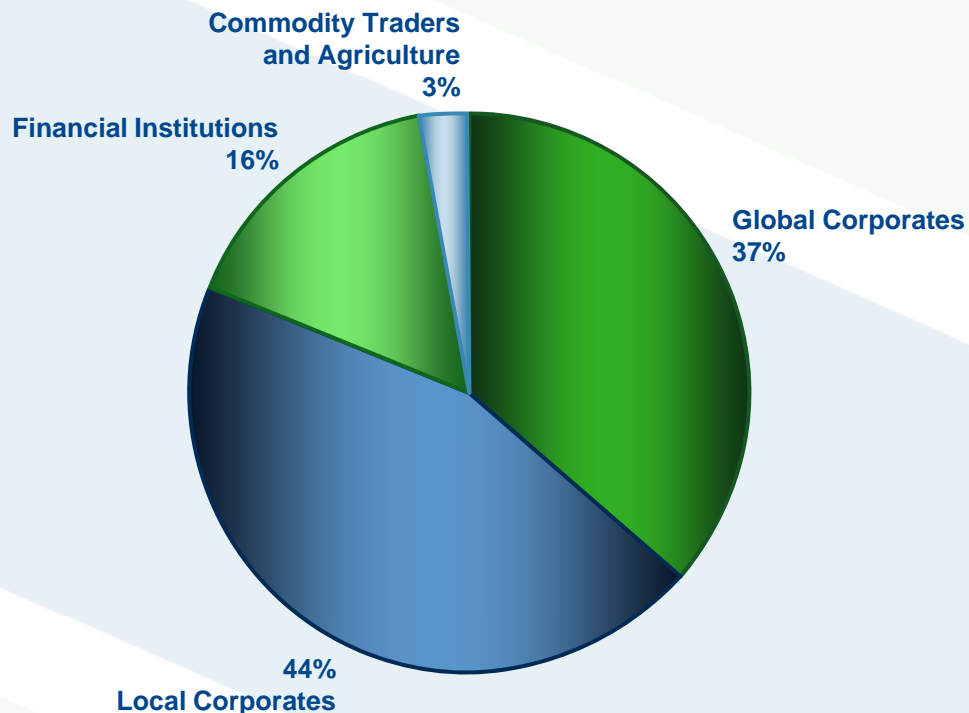


Diversification of CF income

- NII accounts for 50% of Corporate Finance income (vs. 41% H1 10)
- 18% uptick in NII YoY
- 61% of NFI from small-mid sized deals (vs. 44% H1 10)¹

¹ Fee income refers to only upfront NFI arising out of new deals

India – client segments



- Clients diversified into Global Corporates (37%), Local Corporates (44%), Financial Institutions (16%) and CTA (3%)
- Close watch on economy and investor sentiment
- Tight underwriting criteria
- Robust early alert process and cautious stance

Wholesale Banking impairment

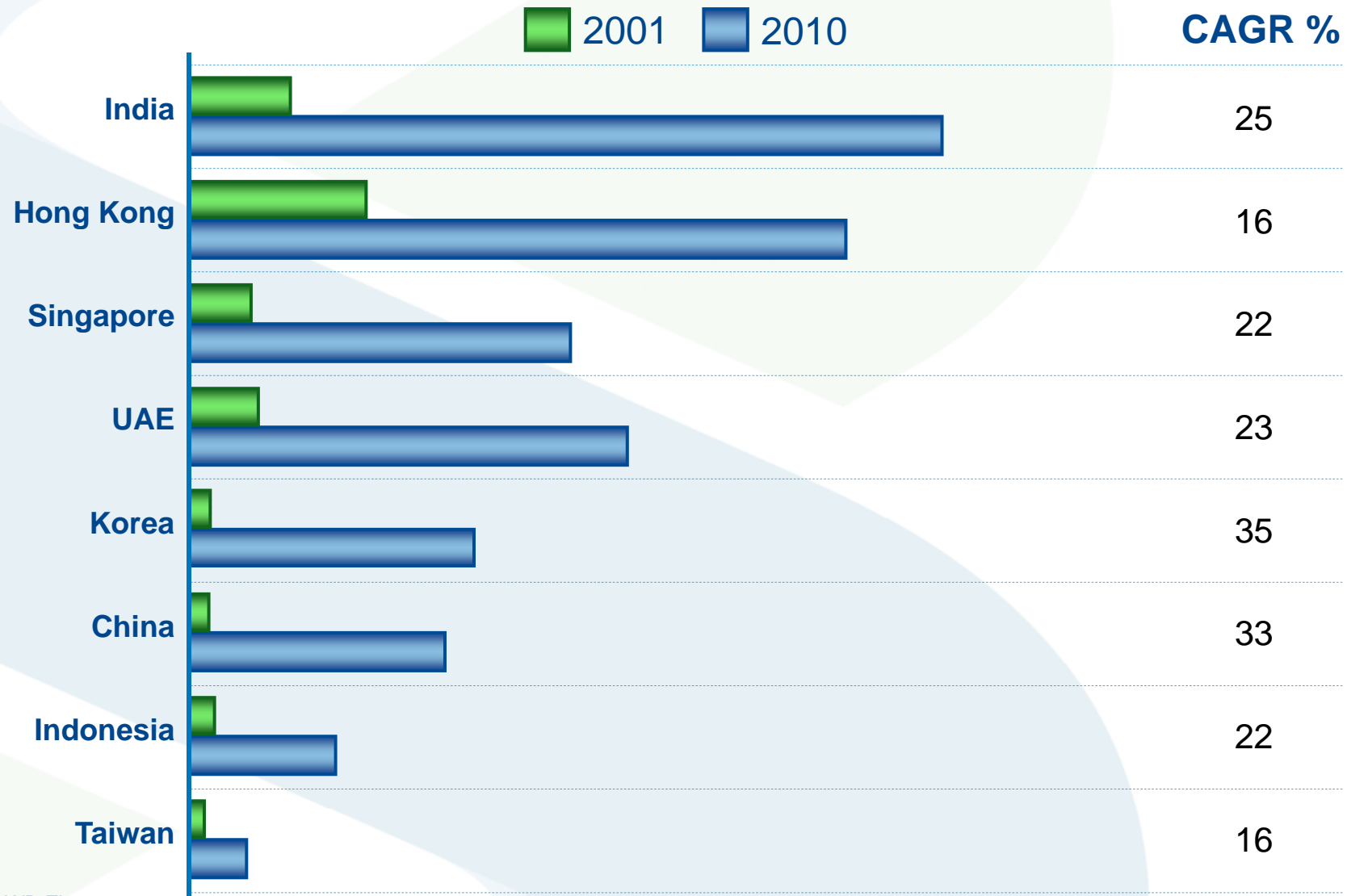
US\$m	H1 10	H2 10	H1 11	H1 11 vs H1 10 %	H1 11 vs H2 10 %
Loan impairment	(138)	(167)	(201)	46	20
Other impairment	(46)	(18)	(68)	48	nm
Total impairment	(184)	(185)	(269)	46	45
Loans and advances to customers (US\$bn)*	117.2	130.0	142.7	22	10
% IIP** on new accounts	52	74	15		
Cover ratio (%)	56	50	53		
Uncovered net at risk (%)	32	37	34		

* Excludes portfolio impairment provision

** Individual impairment provision

Building local scale

Client revenue by key geographies (US\$m)



Source: WB Finance

Our performance has been recognised by the market



- ### Asia Risk Commodity Rankings 2011
- #1 Overall for Precious Metals
 - #1 for Silver Options
 - #1 for Oil (Exchange Traded)
 - #1 for Metals (Derivatives Research)



- ### Asia Risk Institutional Rankings 2011
- #1 for Currency Derivatives in Asia
 - #1 for Cross Currency Swaps in RMB, INR, SGD
 - #1 for Currency Forwards in RMB, INR and SGD
 - #1 for Currency Options in HKD
 - #1 for Interest Rate Swaps in RMB, IDR, INR, THB



- ### Deal of the Year 2011
- Sovereigns, Supras and Agencies Deal of the Year in Middle East (Bonds) - Govt of Dubai Dual Tranche
 - Deal of the Year in the Middle East (Loans) - Qatar Aviation Lease Co.



- ### AsiaMoney Fixed Income Poll 2011
- Best Interest Rates Research & Market Coverage for CNH
 - Best Sales Services in Credit Derivatives for HKD and CNY



- ### Asia Risk Corporate Rankings 2011
- #1 Overall for Derivatives in Asia
 - #1 for Interest Rate Derivatives
 - #1 for Vanilla Hedging in Currency Derivatives in G7 ex-yen, RMB, HKD, IDR, KRW, PHP and THB



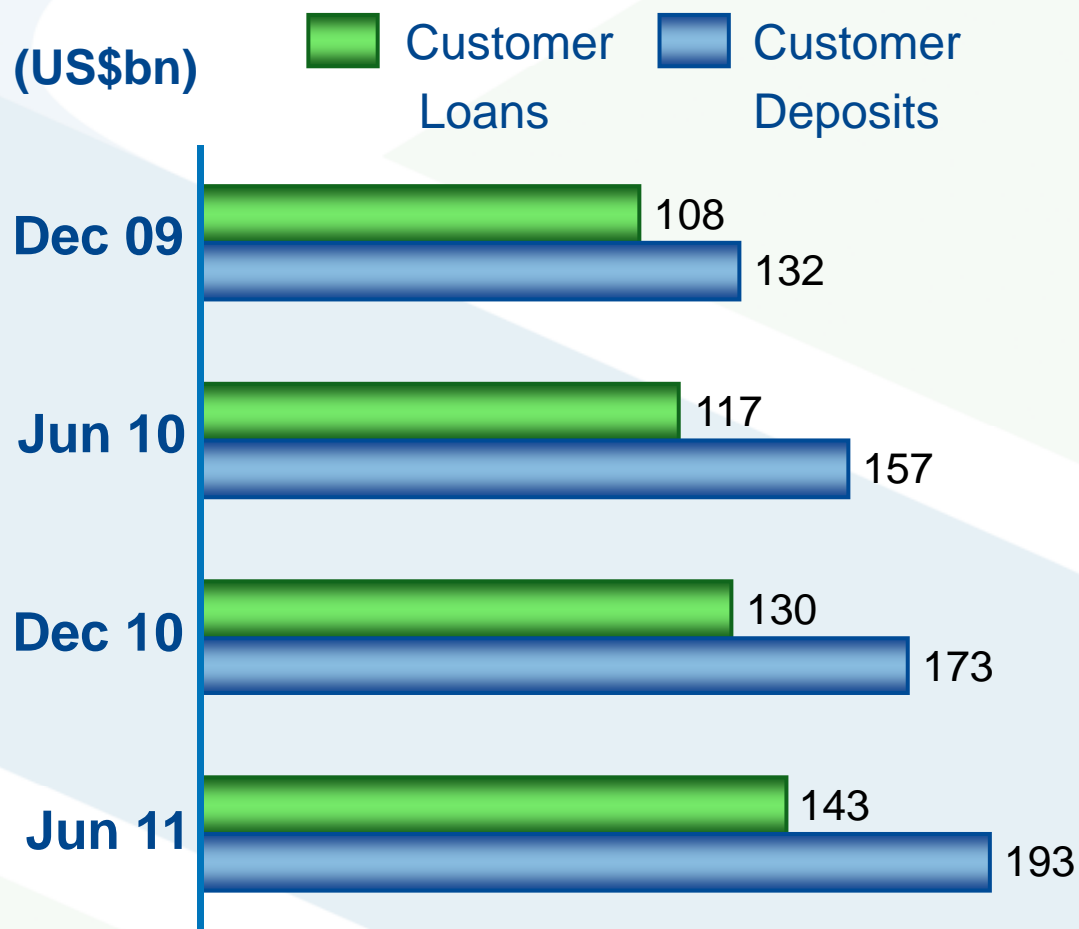
- ### Global Finance Best Foreign Exchange Provider 2011
- Best Foreign Exchange Provider in Africa
 - Best Foreign Exchange Provider in Asia-Pacific
 - Best Foreign Exchange Provider in Southeast Asia
 - Best Foreign Exchange Provider in India



- ### Asset Asian Awards 2011
- Best Transaction Bank in Asia
 - Best Trade Finance Bank in HK
 - Best Trade Finance Bank (Foreign), India



Strong Balance Sheet management

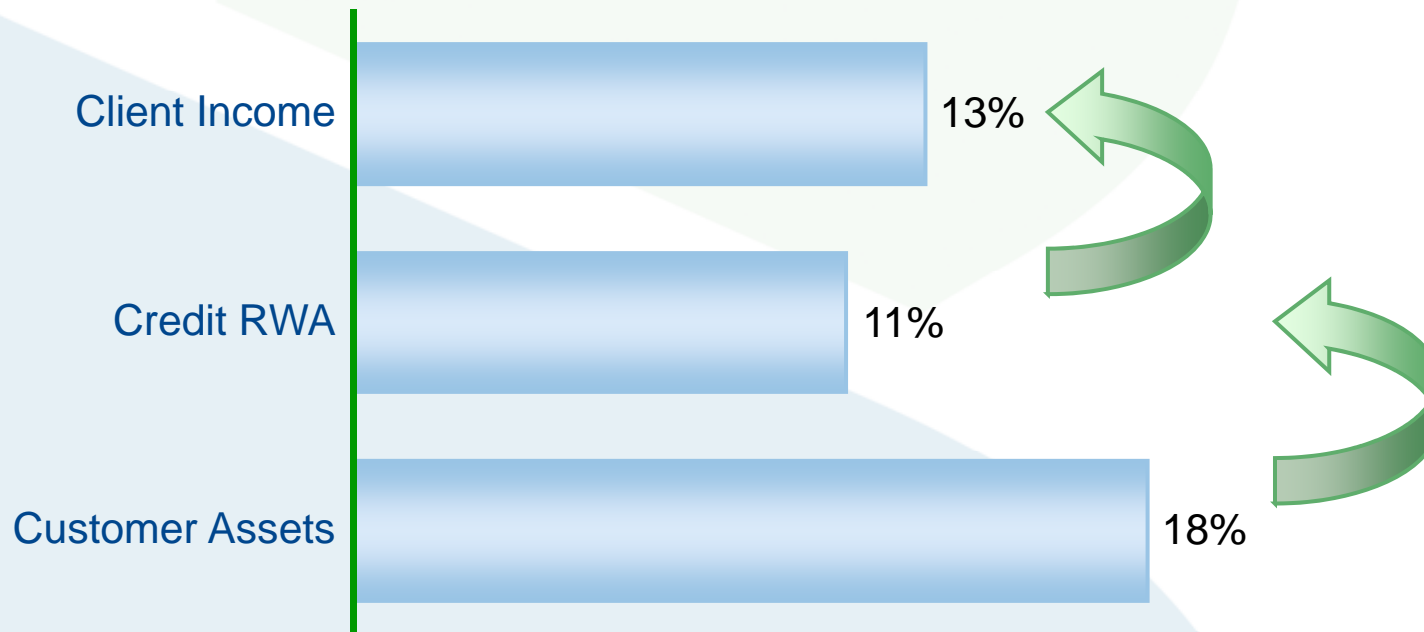


Net liquidity JAWS* (US\$bn)	A/D ratio
-	81.8
16	74.5
3	75.1
7	74.1

Net Liquidity JAWS = Increase in customer deposits net of increase in customer loans in the same period
 Customer loans and customer deposits shown above are A/D qualifying customer loans and deposits

Capital optimisation remains a key area of focus

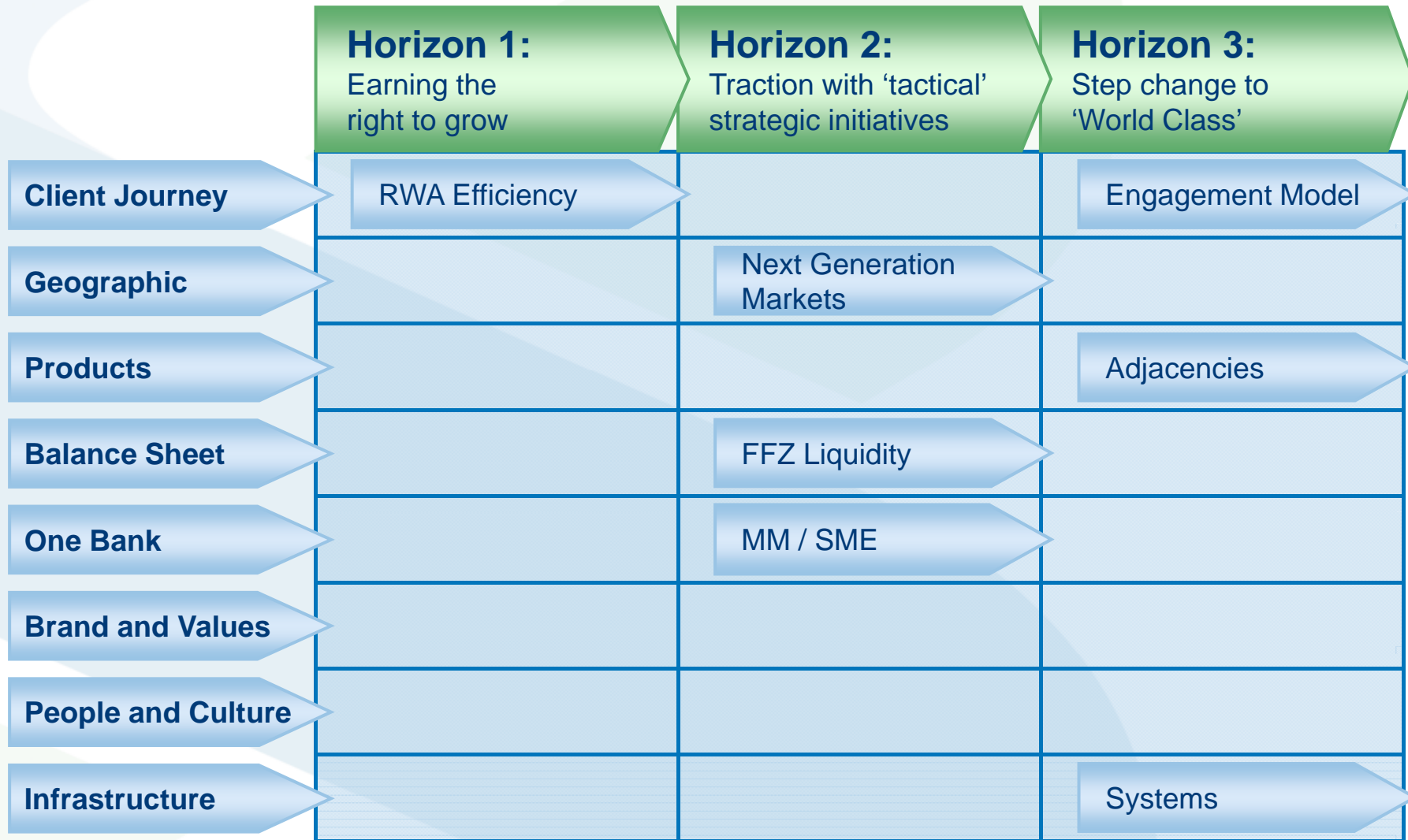
Client Income, Credit RWA and Customer Assets Growth H1 09 - H1 11 (CAGR %)



Wholesale Banking RoRWA increased from 6.7% (H1 09) to 7.2% (H1 11)

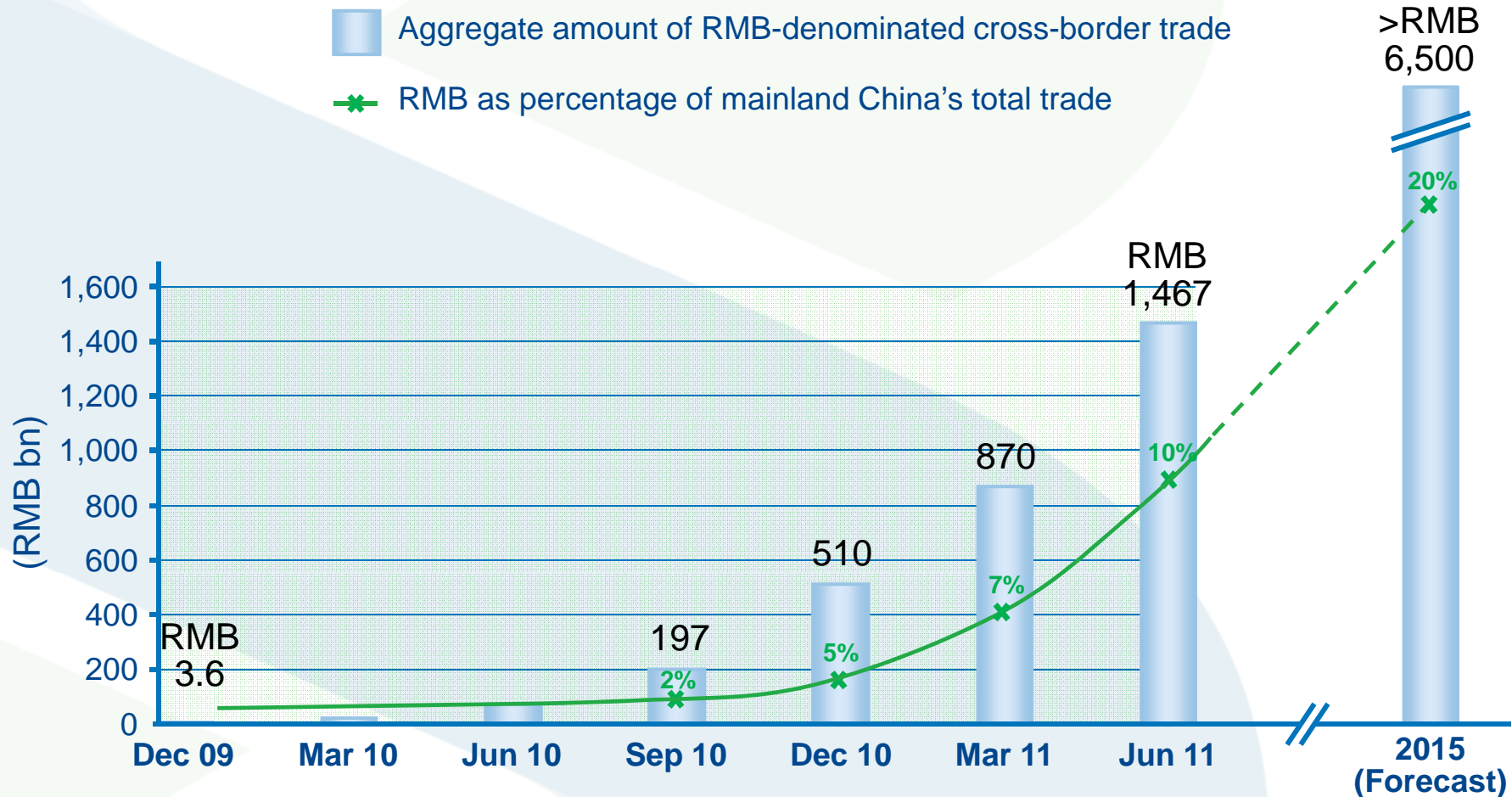
Source: SCB data. Client Income excludes GSAM; Client Income used to calculate RoRWA is based on a 12 month rolling average

Execution through Eight Initiatives






Huge opportunity on RMB internationalisation...

RMB trade settlement: zero to 1.5 trillion RMB in less than two years



Source: People's Bank of China, Hong Kong Monetary Authority, Standard Chartered Research

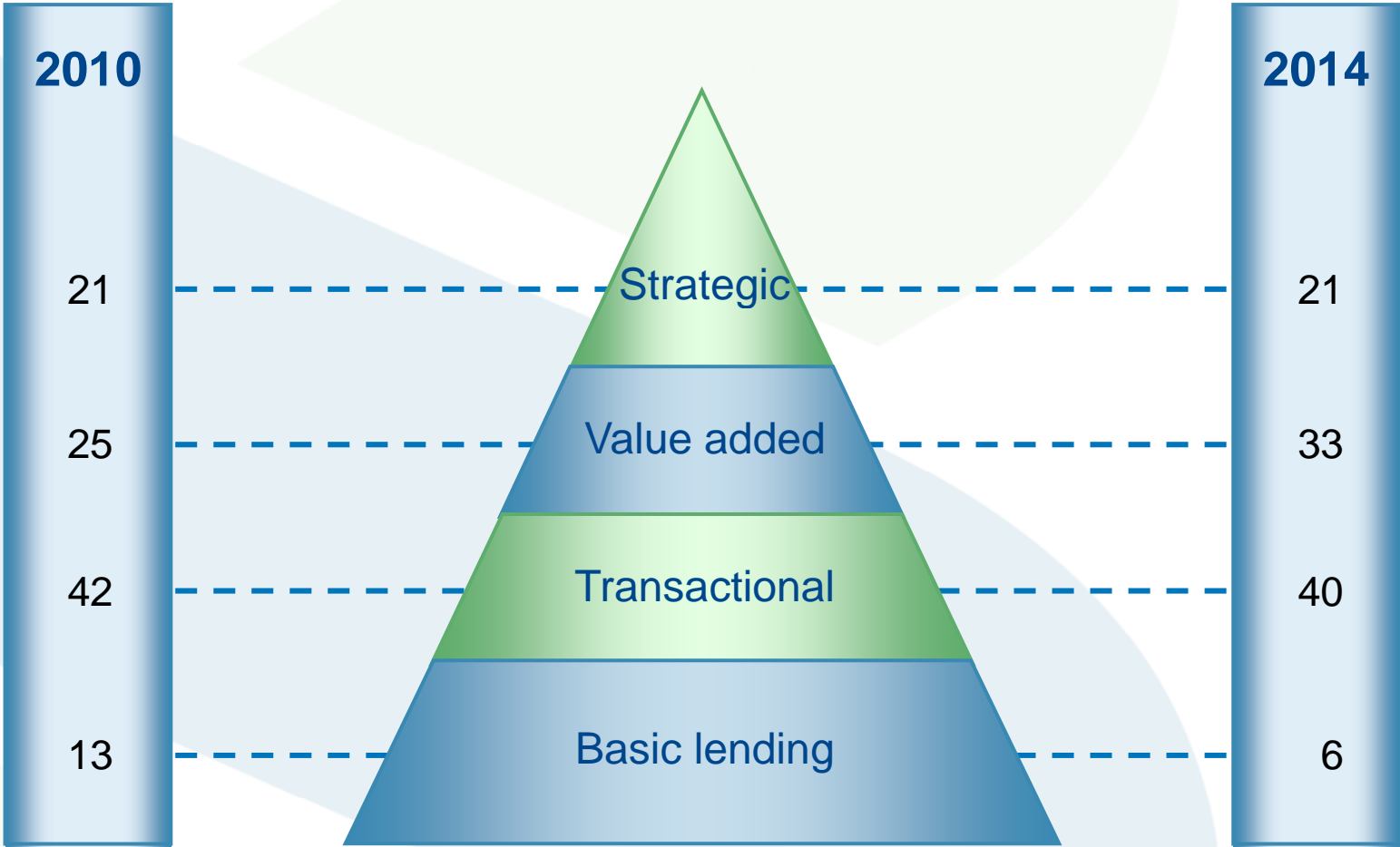
...and we are at the leading edge of innovation in RMB internationalisation

- RMB Services now cover **30 markets** (H1 11)  19 markets (FY 2010)
- Total amount of Liabilities **RMB 33.2 bn** (H1 11)  +115% (FY 2010)
- **3rd** largest RMB clearing bank in China, behind Bank of China and ICBC  4th largest clearing bank in China (FY 2010)
- SCB China won the Best RMB Cross-Border Settlement
- Bank Award from Trade Finance Magazine and the China Trade Finance Web

Commercial Banking will remain at the heart of the business



Client income by product (%)



- We operate in attractive markets
- We have a clear and consistent strategy with significant growth potential
- Our Commercial Banking foundation provides us with the platform to deliver enhanced capabilities
- We have deepened our client relationships and delivered market leading transactions
- We are well-positioned and well invested for future growth as competition returns to our markets