Standard Chartered PLC
Full Rating Report

Key Rating Drivers

**Standalone Strength:** Standard Chartered PLC (SC) and its main operating entity Standard Chartered Bank’s (SCB) ratings primarily reflect the entities’ strong global network and cross-border franchise, solid liquidity and sound capitalisation. These strengths are partly offset by moderate asset quality risks and modest, albeit improving, profitability. Fitch Ratings equalises the two entities’ Viability Ratings (VRs) because of their aligned risk profiles and the low common equity double leverage (112% at end-2018).

**Strong Cross-border Franchise:** SC’s wide global network is its main franchise strength. It enables it to compete for large corporate and institutional clients, including multinationals. The group also maintains leading retail franchises in a few selected markets.

**Better Asset Quality:** SC’s asset quality continues to improve, as indicated by Stage 3 loans falling to 2.7% of loans at amortised cost at end-2018, a higher share of investment-grade corporate exposures, and given more stringent underwriting implemented over the past years. Exposure to emerging markets and a degree of volatility remains inherent in SC’s country footprint and operations.

**Targeting Earnings Improvement:** Earnings should benefit from volume growth (including asset-light growth), cost control and continued focus on strategic clients and products. Turning around underperforming operations in Korea, India, Indonesia and UAE looks challenging but necessary for the group to reach its 10% return on tangible equity target in 2021. Execution risk would be magnified by economic slowdown, competition and greater geopolitical uncertainty.

**Well Capitalised:** The common equity Tier 1 (CET1) ratio target of 13%-14% and latest CET1 ratio of 13.9% at end-1Q19 are commensurate with the risk profile. We believe that these levels are sufficient to accommodate capital inefficiencies arising from local capital requirements. We expect planned growth and shareholder distributions to be financed from higher earnings and measures to optimise risk-weighted assets (RWAs).

**Well-Managed Liquidity:** Holdings of high-quality liquid assets comfortably exceed regulatory requirements. The group is mainly deposit funded and deposits in key markets significantly exceed loans. Deposit stability is supported by a reasonable share of operational deposits.

**Junior Debt Uplift:** Fitch rates the Long-Term Issuer Default Rating (IDR) of SCB one notch above its VR to reflect the presence of a significant buffer of qualifying junior debt. In addition we expect senior holding-company debt to become eligible for total loss absorbing capital and minimum requirement for eligible liabilities (MREL) requirements from 2019.

Rating Sensitivities

**Financial Profile:** SC and SCB’s IDRs and VRs would come under pressure if loan or earnings deterioration undermines capital strength. They could be upgraded if earnings (and thus capital generation ability) improve significantly and sustainably without an increase in risk appetite.

**Short-Term IDRs:** SC and SCB’s short-term IDRs and debt ratings were place Under Criteria Observation in May 2019, following the publication of a new Short-Term Ratings Criteria. They could be upgraded by one notch subject to Fitch reviewing its assessment of funding and liquidity feeding into the group’s VRs.

**Junior Debt Buffer:** SCB’s Long-Term IDR and senior debt ratings are sensitive to the amount of junior debt relative to RWAs and to our assumptions about its long-term sustainability.

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**Related Research**

Standard Chartered PLC - Ratings Navigator
Global Economic Outlook (June 2019)

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Operating Environment

SC is headquartered in the UK but, due to its international operations, Fitch blends key characteristics of SC’s main markets when it assesses SC’s operating environment. The group earns most of its income in developed markets (Hong Kong, Singapore, South Korea and the UK), but significant parts of SC’s business are domiciled in or is in relation to emerging markets in Asia, Middle East and Africa. SC is regulated by the UK Prudential Regulation Authority in the UK and is subject to additional local regulation and supervision on its subsidiaries (the largest being Hong Kong, Singapore, Korea, China).

Economic activity across the Asia-Pacific region weakened in late 2018 and early 2019 due to sharply lower global trade flows. Fitch expects further slowdown in China, which could be exacerbated by tariffs imposed by the US, especially if it were to have spill-over effects across the region, as well as on world growth. Conversely, fiscal policies in Asia-Pacific continue to support infrastructure spending and monetary conditions are becoming more accommodative after the interest-rate rises in some economies last year to stabilise currencies. Economic fundamentals remain strong in SC’s two largest markets Hong Kong and Singapore.

Operating Environments Vary Across SC’s Region

(GDP per capita (USDk))

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP (%)</th>
<th>MPI 2019f</th>
<th>MPI 2020f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>25</td>
<td>3</td>
<td>2.0</td>
</tr>
<tr>
<td>Singapore</td>
<td>10</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td>Korea</td>
<td>7</td>
<td>1</td>
<td>2.0</td>
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<tr>
<td>China</td>
<td>5</td>
<td>1</td>
<td>6.0</td>
</tr>
<tr>
<td>India</td>
<td>6</td>
<td>1</td>
<td>6.6</td>
</tr>
</tbody>
</table>

Note: Fitch’s Macro-Prudential Indicator (MPI) signals the potential for banking system stress over the medium term, from 1 (low) to 3 (high). Source: Fitch Ratings

Company Profile

Network Is Main Franchise Strength

Providing international corporates and institutions access to its unique global network is SC’s strength. This is complemented by some strong local franchises, despite most of them being in small markets. SC’s on-shore presence in the key Asia-Pacific markets of Hong Kong, Singapore, India, South Korea, Taiwan, Thailand and Indonesia is significant but these domestic franchises compare less favourably with those of leading local peers.

Extracting value from its network is particularly important for the Corporate and Institutional Banking (CIB) business, where the group manages client relationships globally. CIB generates the majority of its income from financial markets activities, transaction banking (trade, cash, and securities services) and corporate finance. Its more profitable clients are ones that interact with the bank across products and jurisdictions. Banking to local corporates and SMEs is provided by the Commercial Bank (CB), which is a less profitable division.

In retail banking, SC’s focus is on wealthier clients although the group maintains an appetite for mass market personal banking in some markets. Retail banking offers mortgages, unsecured lending products (personal loans, credit cards), wealth management, current and savings accounts to around nine million retail and small businesses in 26 markets.

The relatively small private bank is focused on high-net-worth and ultra-high-net-worth clients. Private banking is not profitable due to increased investments for hiring relationship managers and in technology infrastructure, and as yet insufficient revenue growth.
Hub Structure increases Focus on Asia

SC’s legal entity structure is evolving. Standard Chartered Bank (Hong Kong) is now fully owned by SC (previously: 51% owned by SCB and 49% by SC through a holding company). This entity is planned to become the parent bank of a North Asia hub encompassing the operations in Hong Kong, China, Korea and Taiwan (excluding the branches in Japan, Macau and Taiwan), subject to regulatory approvals. In 2019, the group consolidated its Singapore operations, previously held in a subsidiary and a branch of SCB, into the subsidiary Standard Chartered Bank (Singapore) Limited.

These changes should allow the group to manage funding costs more efficiently, by making better use of the strong deposit bases it has in Hong Kong and Singapore. This should benefit profitability and allow the group to pursue growth opportunities in Asia.

Brexit has a lower impact on SC’s businesses given its international focus. However, SC has prepared its German subsidiary, Standard Chartered Bank AG, to become the booking entity for clients domiciled in the EU to ensure business continuity in the event of a ‘no deal’ Brexit.

Management and Strategy

Strategic Update Targeting Better Profitability

The group’s updated strategy for 2019-2021 mainly aims to improve the bank’s returns. It comes after several years of de-risking, carried out by the current management team since 2015. We believe that management will show progress towards the new targets, but meeting them will be challenging given unfolding geopolitical risks around US – China trade relations and difficult competitive environments (particularly in the turnaround markets).

The headline profitability target set for 2021 is to achieve a return on tangible equity above 10%, from 5.1% in 2018, before restructuring and litigation. Management plans to achieve this by driving interest and non-interest income growth, keeping costs under control, and optimising capital usage.

A number of the envisaged measures appear to be within management’s control, like business exits, optimising liquidity costs via the legal entity restructuring and reviewing processes and staff allocation to save costs. The bank should also benefit from measures it has implemented in the past three years, such as more focused customer targeting, increased digitalisation and reducing risk on the balance sheet.

Around 150bp of return on tangible equity uplift is expected from four turnaround markets. In India, cost efficiency is weak given the high costs of maintaining a branch network in a large country, and low margins in retail banking. Increased reliance on digital channels is targeted to bring costs down while maintaining client reach. Weak productivity and high costs also remain an issue in Korea, and difficult to address due to local labour protection laws, although some progress has been demonstrated. Business growth is aimed at priority, wealth and network
clients, which are strategic for the group overall but underweight in the Korean operations. In Indonesia, the group is testing new digital strategies in retail banking, which are likely take time to show any success or become meaningful in scale. The joint-venture PT Permata has been deemed non-core but no option for disposal has been revealed yet. Challenges in UAE include difficult macroeconomic conditions and strong competition. SC’s approach to the country includes cost actions and promotion of wealth and network business.

The updated financial targets also include maintaining a CET1 ratio in the range of 13%-14%, higher than the previous target of 12%-13%. We expect that profitability and RWA-optimisation measures to allow it to keep this target and create sufficient capacity for higher dividend payments and other shareholder returns.

**Risk Appetite**

**More Stringent Underwriting Standards Than In the Past**
SC’s underwriting standards are more stringent than in the past, having been significantly tightened since 2015. In CIB, it mainly targets multinational corporates and financial institutions with cross-border business. CB customers tend to be local mid-sized companies. Underwriting has and continues to be tightened in this division. In retail lending, the group mainly targets affluent retail customers, but maintains a mass-market unsecured lending appetite in selected jurisdictions.

In 2018, top 20 corporate concentrations increased to 56% of Tier 1 capital from 50% 2017, but at the same time the credit quality of corporate exposures improved, to 62% share of investment-grade customers. Exposures in CIB and CB are predominantly short term (70% have less than one year maturity) which provides flexibility to exit borrowers should their risk profile weaken. In retail lending, the share of unsecured lending was kept stable at 15% of retail loans in 2018. Mortgage lending is done at conservative loan-to-value (LTV) ratios as evidenced by a 45% average LTV and just 2% of the mortgage portfolio being extended at more than 80% LTV.

Exposure to emerging markets and commodity producers and traders remains inherent in SC’s country footprint and operations. Assets employed in China were USD30.3 billion at end-2018 based on management view\(^1\) and cross-border exposure\(^2\) was USD43.5 billion. A high 85% of the cross-border exposure had a tenor of below one year. Assets employed in India were USD29.9 billion and cross-border risk USD16.2 billion (of which 65% short-term). Commodities exposure is no longer disclosed but it consisted of USD37.8 billion credit exposure to commodities producers and traders and USD10.6 billion to commodities-related sectors at end-2016.

**Controls Enhancements Targeting Non-Financial Risks**

The group’s credit-risk management framework is well developed, having been strengthened after credit impairments increased in 2015. More recent enhancements were aimed at how non-financial risks are measured and to take a more forward-looking approach to embedding risks in decision-making.

The bank has had to improve its anti-money-laundering (AML) and sanction controls, after being subject to regulatory investigations, an independent monitoring between 2012 and 2018, and to fines. In early 2019, SC agreed to pay a USD947 million fine to US authorities over breaches of US sanctions and regulations between 2007 and 2014. It was also fined GBP102 million by the UK Financial Conduct Authority for AML weaknesses in its UK correspondent banking business and its branches in the UAE during the same time.

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1. Management view is based on the location from which the client relationship is managed, which may differ from where the assets are booked.
2. Cross-border exposure refers to exposure that could potentially be at risk from transfer and convertibility restrictions, or other government restrictions.
Manageable Market Risk
Market risk largely extends to foreign-exchange and interest-rate mismatches, and is adequately managed. The principal structural foreign exposures amounted to USD30.8 billion at end-2018, after hedges. These arise from investments in subsidiaries and branches. The largest exposures are to Hong Kong dollar, Indian rupee and Chinese renminbi. The group has taken hedges on the exposure to Korean won, Chinese renminbi, Taiwanese dollar and Indian rupee, but typically does not completely hedge the risk.

Interest-rate risk is managed by the local treasury functions. The group reported positive income sensitivity to a 50bp parallel increase of overall USD210 million in 2018 (2017: USD330 million). Trading market risk is small (USD13.8 million maximum total trading value at risk in 2018, one day, 97.5% confidence), and related to client volumes.

SC is also exposed to price volatility from holdings of equity shares (USD2 billion, 5% of Fitch Core Capital (FCC)), commodities (USD2.5 billion, 6.6% of FCC) and in its assets held for sale (USD1 billion, 2.7% of FCC) which are mainly made up of a principal finance portfolio invested in pan-Asian funds expected to be sold in 2019.

Financial Profile
Asset Quality
*Improved Loan Quality, but Wholesale Lags Other Parts Of Its Loan Portfolio*
SC’s loan quality continued to improve, as indicated by Stage 3 loans falling to 2.5% and early alerts to 1.6% of gross loans at end-1Q19 (excluding reverse repurchase agreements). This resulted from efforts since 2015 to exit higher credit-risk exposures and implement stricter, risk-sensitive underwriting. It also benefitted from benign economic conditions in most of its markets. The liquidation portfolio’s gross value reduced to USD1.4 billion at end-2018 and is no longer reported separately. A complete exit of this portfolio over time would allow the group’s Stage 3 ratio to trend down by around another 37bp.

SC’s loan book is biased towards large corporate and institutional banking, followed by retail banking clients. Asset quality is significantly weaker in the wholesale portfolio, which has a Stage 3 ratio of 4% of gross loans and reverse repos to customers at amortised cost. Within this, the worst performing segments are construction, trading, mining and quarrying, food and household products, which have Stage 3 loans of less than 6%.

Retail and wealth products are performing well overall (0.9% Stage 3 ratio) but asset-quality metrics vary across the bank’s countries of operation. Credit-risk losses in retail banking in the past were driven by unsecured lending, reflecting exposure to mass market clients (which are less but still strategic in many markets), weaker underwriting, and the impact of regulatory actions.

Mortgages are well performing (0.5% Stage 3) and represent a larger 29% of gross loans. Mortgages in Hong Kong and Singapore, which make up a large part of the book, benefit from conservative underwriting (partly driven by regulation) and SC’s targeting of affluent customers.

*Other assets*
Net customer loans represented only 37% of assets at end-2018. A further 18% of assets is made up of debt securities at amortised cost and fair value through other comprehensive income (FVOCI), which are reasonably high-quality (95% investment-grade, and 44% rated AAA). Derivatives and reverse repurchase agreements recognised on the balance sheet of USD107.4 billion (16% of assets) are largely collateralised.
Earnings and Profitability

Further Earnings Improvements Targeted

SC’s operating profit3 before tax of USD3.4 billion in 2018 was up 27% yoy, mainly due to the benefit of credit impairment charges that halved yoy. However its operating return on RWA of 1.3% (1Q19: 2.1%) remains weak relative to similarly-rated peers. The measure should further improve subject to execution on a series of measures announced in early 2019.

Among the group’s divisions, retail banking performed better than the group in 2018 (2.2% operating return on RWA), driven by operations in Greater China and North Asia, which houses the strong Hong Kong franchise. CIB benefitted from an increased focus on financial institutions and OECD clients, which have been targeted for growth, and from higher income from transaction banking. The division is the biggest income contributor, but returns are still modest (1.3% operating return on RWA). CB incurred higher relative loan impairments than other divisions, in particular in Africa and Middle East contributing to a modest 0.7% operating return on RWA. Private banking continues to be loss-making, due to high investments and lagging revenue growth.

SC’s operating income increased by 3% in 2018, benefitting from rates and volume tailwinds and from a stronger focus on core and profitable customers. However, including the negative income contribution from restructuring activities, this was below the rate of increase in operating expenses. In 1Q19, revenue fell by 2% yoy due to currency headwinds and lower business activity.

For the next three years, the group targets a 5%-7% cumulative average growth rate in income. We see this target as difficult to achieve without an increase in risk appetite given potentially stronger headwinds from trade tensions, moderating global growth and intense competition. However, our expectation is that a degree of revenue growth will be achieved from volumes growth, focused customer targeting and optimised liquidity management across legal entities.

Operating expenses increased by 3.4% in 2018, more or less in line with the bank’s guidance. Over the next years, the target is to grow expenses below the rate of inflation, which will require targeted cost reductions. These should be supported by a continued focus on digitisation and further process and staff location optimisations.

The restructuring-related loss of USD409 million in 2019 was 31% lower yoy. This figure, which includes income, expenses and impairments related to the group’s restructuring, also includes USD169 million front-loaded charges in relation to the next three years’ strategic priorities. About USD500 million such charges are expected by 2021, which suggests a lower impact than in the past.

The group booked USD1.1 billion provisions to settle regulatory investigations by US authorities and the FCA into SC’s financial crime controls and practices in 2018 and 1Q19. We do not foresee fines of such magnitude recurring in the near term.

Capitalisation and Leverage

Well Capitalised

SC’s CET1 ratio was 13.9% at end-1Q19, having dropped in the quarter from 14.2% at end-2018 due to RWA growth, which included seasonal effects in market risk RWA and a one-off increase due to IFRS 16. The ratio compares well with that of UK and international peers.

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3 We have excluded provisions for regulatory matters and small net gains on sale of businesses from operating profit in 2018. In other years the main items excluded from operating income and expenses are: impairment of goodwill, gains on sales of businesses, own credit gains/losses and related charges due to change in calculation methodology.
The group aims to maintain a CET 1 ratio in the range of 13%-14%. This supports the VR and provides good headroom over the 10% consolidated requirement. It also mitigates loss in capital fungibility due to local requirements in several markets, including additional capital required in Singapore and Germany where operations have been consolidated in local subsidiaries.

Shareholder pay-outs accelerated in 2019 when the group announced it would pay USD694 million dividends, equivalent to 63% of the net profit of 2018. It also announced a USD1 billion share buy-back that will lower its CET1 ratio by about 35bp.

Over the next years SC targets higher dividends and further share buy-backs which we believe will be financed from profits and RWA optimising measures.

The RWA growth over the next years is budgeted below the growth in client assets at around 2% CAGR by 2021. This includes relief of about USD9 billion if the Indonesian joint venture PT Permata is exited and USD2.5 billion from the principal finance portfolio that is likely to be exited in 2019. This also includes USD0.9 billion from a discontinued ship leasing portfolio and further USD9 billion relief from other optimisation initiatives. Controlled RWA growth comes ahead of a 5%-10% foreseen increase from 2022 because of Basel III reform implementation.

The Bank of England indicated that SC’s minimum requirement for own funds and eligible liabilities (MREL) will be 25.7% of RWAs by 2022, including buffers. SC estimates that its MREL position was around 27.2% of RWA and around 9.5% of leverage exposure end-2018. Ongoing MREL issuance by the holding company mainly refines maturing instruments, including legacy Tier 2 issued by SCB.

### Funding and Liquidity

#### Mainly Deposit Funded

SC is primarily funded by customer deposits, which made up 72% of funding at end-2018. Deposits are mainly sourced from corporate and institutional banking, as well as retail clients. They appear reasonably sticky as about half of overall deposits are current and savings accounts and about half of transaction banking deposits are operating accounts. However, during the latter part of 2018, the share of current and savings accounts has decreased as rising interest rates have motivated some clients to switch to time deposits.

The bank’s consolidated gross loans-to-deposits ratio decreased to a low 65% at end-2018, which reflects a preference for deposit funding and a low share of loans on balance sheet. Loans in disclosed key markets are generally more than covered by customer deposits. India and the UAE have the highest net loans-to-deposits ratios at 102%.

Funding efficiency is expected to improve in Singapore and in North Asia, following legal entity restructuring that should result in a better ability to deploy low-cost deposits to fund lucrative business, or replace higher-cost instruments.

SC has regular market access through instruments such as senior debt and subordinated debt issued by the holding company, covered bonds issued by Korea and structured notes issued in Hong Kong. Non-deposit funding adds funding diversification and addresses upcoming MREL requirements.

Debt maturities are well spread. Holding company debt refinancing needs are of USD3.9 billion senior debt in 2019, of which USD3.3 billion was raised by early July 2019. Issuance amounted to USD5 billion in 2018. Maturities in 2020 include USD2 billion SC senior debt, as well as capital instruments (USD2 billion SC AT 1 and USD2.3 billion Tier 2 issued by SC and SCB).
Liquidity Well Managed
SC’s liquidity buffer increased to USD150 billion (2017: USD132 billion) in 2018. The group’s consolidated liquidity coverage ratio of 154% was well above requirements. Average weighted high-quality-liquid assets of USD145 billion in 2018 were made up of Level 1 securities (55%), cash and reserves (39%) and Level 2A and B liquid assets (6%). SC’s subsidiaries adhere to local liquidity requirements, which results in a moderate loss in liquidity fungibility.

Junior Debt Buffer
SCB’s IDR is rated one notch above its VR, factoring in the protection afforded by the buffer of qualifying junior debt. Fitch expects SC to downstream holding-company senior debt to SCB in a subordinated form to meet its internal total loss-absorbing capital and MREL requirements.

Debt Ratings
SC and SCB’s senior debt ratings are rated in line with their IDRs, while subordinated debts are notched down once from the respective issuer’s VR to reflect below-average recovery prospects in case of non-performance. Ratings on hybrid regulatory capital securities issued by SC and SCB are notched down five times, reflecting above-average (two notches) loss-severity risk and higher risk of non-performance (three notches) as coupon payments are fully discretionary. SCB’s legacy upper Tier 2 securities are notched down three times, with one notch for loss severity and two notches for non-performance.
## Peer Data Table

<table>
<thead>
<tr>
<th>Current Viability Rating</th>
<th>Standard Chartered</th>
<th>HSBC Holdings</th>
<th>The Hongkong and Shanghai Banking Corporation</th>
<th>Bank of China (Hong Kong) Ltd</th>
<th>DBS Group Holdings</th>
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<td><strong>Structural indicators</strong></td>
<td></td>
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<tr>
<td>Total assets (USDbn)</td>
<td>689</td>
<td>664</td>
<td>2,558</td>
<td>2,522</td>
<td>1,055</td>
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<tr>
<td>Total equity (USDbn)</td>
<td>44</td>
<td>45</td>
<td>170</td>
<td>174</td>
<td>99</td>
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<td>Fitch Core Capital (USDbn)</td>
<td>38</td>
<td>40</td>
<td>137</td>
<td>146</td>
<td>87</td>
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<td>Net income (USDm)</td>
<td>1,109</td>
<td>1,268</td>
<td>15,025</td>
<td>11,879</td>
<td>14,318</td>
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<td>Impaired loans/gross loans (%)</td>
<td>2.7</td>
<td>3.5</td>
<td>1.4</td>
<td>1.6</td>
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<td>Loan loss allowances/impaired loans (%)</td>
<td>70.7</td>
<td>64.2</td>
<td>64.8</td>
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<td>84.6</td>
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<td>Loan impairment charges/average gross loans (%)</td>
<td>0.2</td>
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<td>0.1</td>
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<td>Growth of gross loans (%)</td>
<td>1.5</td>
<td>9.2</td>
<td>2.1</td>
<td>11.6</td>
<td>6.1</td>
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<td><strong>Earnings &amp; profitability</strong></td>
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<tr>
<td>Operating profit/RWAs (%)</td>
<td>1.3</td>
<td>1.0</td>
<td>2.4</td>
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<td>Return on equity (%)</td>
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<td>8.5</td>
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<td>Return on assets (%)</td>
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<td>0.2</td>
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<td>Cost/income ratio (%)</td>
<td>72.9</td>
<td>72.7</td>
<td>62.9</td>
<td>67.9</td>
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<td><strong>Capitalisation &amp; leverage</strong></td>
<td></td>
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<tr>
<td>Fitch Core Capital/RWAs (%)</td>
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<td>CET1 ratio (%)</td>
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<td>Regulatory leverage ratio (%)</td>
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<td>5.7</td>
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<td>Impaired loans less loan loss allowances/FCC (%)</td>
<td>5.3</td>
<td>8.0</td>
<td>3.4</td>
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<td><strong>Funding &amp; liquidity</strong></td>
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<tr>
<td>Loans/customer deposits (%)</td>
<td>64.9</td>
<td>67.7</td>
<td>72.7</td>
<td>71.1</td>
<td>68.1</td>
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<tr>
<td>Customer deposits/total funding (%)</td>
<td>72.2</td>
<td>71.2</td>
<td>69.9</td>
<td>69.9</td>
<td>83.8</td>
</tr>
<tr>
<td>Liquidity coverage ratio (%)</td>
<td>154.0</td>
<td>146.0</td>
<td>154.0</td>
<td>142.0</td>
<td>161.0</td>
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Source: Fitch Ratings
## Standard Chartered PLC

### Income Statement

<table>
<thead>
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<tr>
<td><strong>USDm</strong></td>
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<td>Audited - Unqualified</td>
<td>Unaudited</td>
<td>Audited - Unqualified</td>
<td>Unaudited</td>
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<td>1. Interest Income on Loans</td>
<td>n.a.</td>
<td>10527</td>
<td>8465</td>
<td>8461</td>
<td>10266</td>
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<tr>
<td>2. Other Interest Income</td>
<td>2272</td>
<td>6737</td>
<td>5990</td>
<td>4549</td>
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<td>3. Dividend Income</td>
<td>n.a.</td>
<td>25</td>
<td>46</td>
<td>52</td>
<td>111</td>
</tr>
<tr>
<td><strong>4. Gross Interest and Dividend Income</strong></td>
<td>2272</td>
<td>17289</td>
<td>14481</td>
<td>13062</td>
<td>14724</td>
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<tr>
<td>5. Interest Expense on Customer Deposits</td>
<td>n.a.</td>
<td>5764</td>
<td>3859</td>
<td>3187</td>
<td>3472</td>
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<tr>
<td>6. Other Interest Expense</td>
<td>n.a.</td>
<td>4347</td>
<td>4347</td>
<td>1734</td>
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<tr>
<td>7. Total Interest Expense</td>
<td>n.a.</td>
<td>8471</td>
<td>8471</td>
<td>8471</td>
<td>8471</td>
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<tr>
<td><strong>8. Net Interest Income</strong></td>
<td>2272</td>
<td>8818</td>
<td>8227</td>
<td>7846</td>
<td>9518</td>
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<tr>
<td>9. Net Fees and Commissions</td>
<td>n.a.</td>
<td>3492</td>
<td>3512</td>
<td>3231</td>
<td>3607</td>
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<tr>
<td>10. Net Gains (Losses) on Trading and Derivatives</td>
<td>n.a.</td>
<td>1746</td>
<td>1562</td>
<td>2137</td>
<td>1629</td>
</tr>
<tr>
<td>12. Net Gains (Losses) on Other Securities</td>
<td>n.a.</td>
<td>38</td>
<td>235</td>
<td>192</td>
<td>336</td>
</tr>
<tr>
<td>13. Net Insurance Income</td>
<td>n.a.</td>
<td>749</td>
<td>832</td>
<td>621</td>
<td>628</td>
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<td>14. Other Operating Income</td>
<td>n.a.</td>
<td>1541</td>
<td>7942</td>
<td>6106</td>
<td>5930</td>
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<tr>
<td><strong>15. Total Non-Interest Operating Income</strong></td>
<td>1541</td>
<td>5962</td>
<td>6106</td>
<td>5930</td>
<td>5851</td>
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<td>16. Total Operating Income</td>
<td>3813</td>
<td>14780</td>
<td>14333</td>
<td>13776</td>
<td>15369</td>
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<td>17. Personnel Expenses</td>
<td>n.a.</td>
<td>7074</td>
<td>6758</td>
<td>6303</td>
<td>7119</td>
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<td>18. Other Operating Expenses</td>
<td>2415</td>
<td>3700</td>
<td>3654</td>
<td>3909</td>
<td>4054</td>
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<td><strong>19. Total Non-Interest Expenses</strong></td>
<td>2415</td>
<td>10774</td>
<td>10412</td>
<td>10212</td>
<td>11173</td>
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<tr>
<td>20. Equity-accounted Profit/ Loss - Operating</td>
<td>n.a.</td>
<td>66</td>
<td>241</td>
<td>332</td>
<td>192</td>
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<td><strong>21. Pre-impairment Operating Profit</strong></td>
<td>1464</td>
<td>4247</td>
<td>4253</td>
<td>3527</td>
<td>4388</td>
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<td>22. Loan Impairment Charge</td>
<td>78</td>
<td>607</td>
<td>1365</td>
<td>2605</td>
<td>4816</td>
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<td>23. Securities and Other Credit Impairment Charges</td>
<td>2</td>
<td>201</td>
<td>181</td>
<td>631</td>
<td>461</td>
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<td><strong>24. Operating Profit</strong></td>
<td>1384</td>
<td>3439</td>
<td>2707</td>
<td>291</td>
<td>-869</td>
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<tr>
<td>25. Equity-accounted Profit/ Loss - Non-operating</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
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<tr>
<td>26. Goodwill Impairment</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
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<tr>
<td>27. Non-recurring Income</td>
<td>44</td>
<td>9</td>
<td>28</td>
<td>284</td>
<td>288</td>
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<td>28. Non-recurring Expense</td>
<td>186</td>
<td>900</td>
<td>0</td>
<td>1417</td>
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<td>29. Change in Fair Value of Own Debt</td>
<td>n.a.</td>
<td>0</td>
<td>0</td>
<td>495</td>
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<td>30. Other Non-operating Income and Expenses</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
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<td><strong>31. Pre-tax Profit</strong></td>
<td>1242</td>
<td>2548</td>
<td>2415</td>
<td>409</td>
<td>-1523</td>
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<td>32. Tax expense</td>
<td>424</td>
<td>1439</td>
<td>1147</td>
<td>600</td>
<td>673</td>
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<tr>
<td>33. Profit/Loss from Discontinued Operations</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
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<tr>
<td><strong>34. Net Income</strong></td>
<td>818</td>
<td>1109</td>
<td>1268</td>
<td>-191</td>
<td>-2196</td>
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<tr>
<td>35. Change in Value of AFS Investments</td>
<td>n.a.</td>
<td>-61</td>
<td>136</td>
<td>-140</td>
<td>-385</td>
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<td>36. Revaluation of Fixed Assets</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
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<td>37. Currency Translation Differences</td>
<td>n.a.</td>
<td>-1180</td>
<td>1349</td>
<td>-787</td>
<td>-1913</td>
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<td>38. Remaining OCI Gains/(losses)</td>
<td>n.a.</td>
<td>434</td>
<td>-191</td>
<td>-486</td>
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<tr>
<td><strong>39. Fitch Comprehensive Income</strong></td>
<td>818</td>
<td>302</td>
<td>2562</td>
<td>-1604</td>
<td>-4490</td>
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<tr>
<td>40. Memo: Profit Allocation to Non-controlling Interests</td>
<td>n.a.</td>
<td>55</td>
<td>49</td>
<td>56</td>
<td>-2</td>
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<td>41. Memo: Net Income after Allocation to Non-controlling Interests</td>
<td>818</td>
<td>1054</td>
<td>1219</td>
<td>-247</td>
<td>-2194</td>
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<tr>
<td>42. Memo: Common Dividends Relating to the Period</td>
<td>n.a.</td>
<td>363</td>
<td>0</td>
<td>366</td>
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<tr>
<td>43. Memo: Preferred Dividends and Interest on Hybrid Capital</td>
<td>n.a.</td>
<td>98</td>
<td>113</td>
<td>252</td>
<td>190</td>
</tr>
</tbody>
</table>

Accounted for as Equity Related to the Period

---

**Fitch Ratings**

**Banks**

**July 2019**
### Standard Chartered PLC Balance Sheet

**31 Mar 2019**  
3 Months - 1st Quarter
USD$m

<table>
<thead>
<tr>
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<tr>
<td>1. Loans</td>
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<td></td>
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<tr>
<td>1.1 Residential Mortgage Loans</td>
<td>n.a.</td>
<td>75,716</td>
<td>78,778</td>
<td>73,507</td>
<td>73,688</td>
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<td>1.2 Other Mortgage Loans</td>
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<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
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<tr>
<td>1.3 Other Consumer/ Retail Loans</td>
<td>40,072</td>
<td>37,796</td>
<td>32,149</td>
<td>36,547</td>
<td>36,547</td>
</tr>
<tr>
<td>1.4 Corporate &amp; Commercial Loans</td>
<td>142,516</td>
<td>137,835</td>
<td>127,391</td>
<td>138,494</td>
<td>138,494</td>
</tr>
<tr>
<td>1.5 Other Loans</td>
<td>269,918</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>2. Less: Loan Loss Allowances</td>
<td>4,813</td>
<td>4,898</td>
<td>5,702</td>
<td>6,354</td>
<td>6,680</td>
</tr>
<tr>
<td>4. Gross Loans</td>
<td>269,918</td>
<td>258,304</td>
<td>254,409</td>
<td>233,047</td>
<td>248,729</td>
</tr>
<tr>
<td>5. Memo: Impaired Loans Included above</td>
<td>6,836</td>
<td>6,924</td>
<td>8,877</td>
<td>9,680</td>
<td>12,626</td>
</tr>
</tbody>
</table>

#### B. Other Earning Assets

1. Loans & Advances to Banks  
   - 3 Months - 1st Quarter: 59,873

2. Reverse Repos and Securities Borrowing  
   - 3 Months - 1st Quarter: 61,735

3. Derivatives  
   - 3 Months - 1st Quarter: 45,621

4. Trading Securities and at FV through Income  
   - 3 Months - 1st Quarter: 32,363

5. Securities at Amortised Cost / Held to Maturity  
   - 3 Months - 1st Quarter: 9,303

6. Other Securities  
   - 3 Months - 1st Quarter: n.a.

7. Total Securities  
   - 3 Months - 1st Quarter: 158,284

8. Memo: Government Securities Included Above  
   - 3 Months - 1st Quarter: 84,219

9. Memo: Total Securities Pledged  
   - 3 Months - 1st Quarter: 4,983

10. Equity Investments in Associates  
    - 3 Months - 1st Quarter: 2,307

11. Investments in Property  
    - 3 Months - 1st Quarter: n.a.

12. Insurance Assets  
    - 3 Months - 1st Quarter: n.a.

13. Memo: Total Earning Assets  
    - 3 Months - 1st Quarter: 10,523

#### C. Non-Earning Assets

1. Cash and Due From Banks  
   - 3 Months - 1st Quarter: 57,511

2. Memo: Mandatory Reserves included above  
   - 3 Months - 1st Quarter: 8,152

3. Foreclosed Assets  
   - 3 Months - 1st Quarter: n.a.

4. Fixed Assets  
   - 3 Months - 1st Quarter: 6,490

5. Goodwill  
   - 3 Months - 1st Quarter: 3,116

6. Other Intangibles  
   - 3 Months - 1st Quarter: 1,940

7. Current Tax Assets  
   - 3 Months - 1st Quarter: 492

8. Deferred Tax Assets  
   - 3 Months - 1st Quarter: 1,947

9. Disclosures Operations  
   - 3 Months - 1st Quarter: 3,816

10. Other Assets  
    - 3 Months - 1st Quarter: 383,896

#### 11. Total Assets  
   - 3 Months - 1st Quarter: 708,874

#### Liabilities and Equity

#### D. Interest Bearing Liabilities

1. Total Customer Deposits  
   - 3 Months - 1st Quarter: 377,974

2. Deposits from Banks  
   - 3 Months - 1st Quarter: 32,434

3. Repos and Securities Lending  
   - 3 Months - 1st Quarter: 44,401

4. Commercial Paper and Short-term Borrowings  
   - 3 Months - 1st Quarter: 32,120

5. Customer Deposits and Short-term Funding  
   - 3 Months - 1st Quarter: 410,408

6. Senior Unsecured Debt  
   - 3 Months - 1st Quarter: 21,739

7. Subordinated Borrowing  
   - 3 Months - 1st Quarter: 14,557

8. Covered Bonds  
   - 3 Months - 1st Quarter: n.a.

9. Other Long-term Funding  
   - 3 Months - 1st Quarter: n.a.

10. Total LT Funding  
    - 3 Months - 1st Quarter: 36,296

11. Memo: c/w maturities in less than 1 year  
    - 3 Months - 1st Quarter: n.a.

12. Trading Liabilities  
    - 3 Months - 1st Quarter: 3,226

13. Total Funding  
    - 3 Months - 1st Quarter: 410,408

14. Total Funding and Derivatives  
    - 3 Months - 1st Quarter: 410,408

15. Total Liabilities  
    - 3 Months - 1st Quarter: 657,773

#### E. Non-Interest Bearing Liabilities

1. Fair Value Portion of Debt  
   - 3 Months - 1st Quarter: n.a.

2. Credit impairment reserves  
   - 3 Months - 1st Quarter: n.a.

3. Reserves for Pensions and Other  
   - 3 Months - 1st Quarter: 1,729

4. Current Tax Liabilities  
   - 3 Months - 1st Quarter: 876

5. Deferred Tax Liabilities  
   - 3 Months - 1st Quarter: 563

6. Other Deferred Liabilities  
   - 3 Months - 1st Quarter: n.a.

7. Discontinued Operations  
   - 3 Months - 1st Quarter: 247

8. Insurance Liabilities  
   - 3 Months - 1st Quarter: n.a.

9. Other Liabilities  
   - 3 Months - 1st Quarter: 247,365

10. Total Liabilities  
    - 3 Months - 1st Quarter: 657,773

#### F. Hybrid Capital

1. Prefer. Shares and Hybrid Capital accounted for as debt  
   - 3 Months - 1st Quarter: 44,446

2. Pre. Shares and Hybrid Capital accounted for as Equity  
   - 3 Months - 1st Quarter: 6,455

#### G. Equity

1. Common Equity  
   - 3 Months - 1st Quarter: 44,446

2. Non-controlling Interest  
   - 3 Months - 1st Quarter: 273

3. Securities Revaluation Reserves  
   - 3 Months - 1st Quarter: (41)

4. Foreign Exchange Revaluation Reserves  
   - 3 Months - 1st Quarter: (5,612)

5. Fixed Asset Revaluations and Other Accumulated OCI  
   - 3 Months - 1st Quarter: (10)

6. Total Equity  
   - 3 Months - 1st Quarter: 44,468

7. Mem: Equity plus Pref. Shares and Hybrid Capital accounted for as Equity  
   - 3 Months - 1st Quarter: 51,101

8. Total Liabilities and Equity  
   - 3 Months - 1st Quarter: 708,874

9. Memo: Fitch Core Capital  
   - 3 Months - 1st Quarter: 38,828
### A. Interest Ratios

1. Interest Income/ Average Earning Assets
   - 3.4
   - 2.7
   - 2.4
   - 2.6
2. Interest Income on Loans/ Average Gross Loans
   - 4.1
   - 3.5
   - 3.4
   - 3.7
3. Interest Expense on Customer Deposits/ Average Customer Deposits
   - 1.5
   - 1.0
   - 0.9
   - 0.9
4. Interest Income/ Average Interest-bearing Liabilities
   - 1.6
   - 1.1
   - 0.9
   - 0.9
5. Net Interest Income/ Average Earning Assets
   - 2.0
   - 1.7
   - 1.5
   - 1.5
   - 2.0
   - 1.6
   - 1.3
   - 1.0
7. Net Interest Inc Less Preferred Stock Dividends/ Average Earning Assets
   - 2.0
   - 1.7
   - 1.5
   - 1.4

### B. Other Operating Profitability Ratios

1. Operating Profit/ Risk Weighted Assets
   - 7.5
   - 2.5
   - 2.9
   - 0.4
2. Pre-tax profit/RWA
   - 6.3
   - 2.5
   - 2.8
   - 0.3
3. Non-Interest Expense/ Gross Revenues
   - 41.7
   - 41.4
   - 42.6
   - 44.2
4. Loans and securities impairment charges/ Pre-impairment Op. Profit
   - 5.5
   - 19.0
   - 36.4
   - 91.8
5. Operating Profit/ Average Total Assets
   - 0.8
   - 0.5
   - 0.4
   - 0.0
6. Non-Interest Income/ Gross Revenues
   - 40.4
   - 40.3
   - 42.6
   - 44.2
7. Non-Interest Expense/ Average Total Assets
   - 31.4
   - 31.4
   - 31.4
   - 31.4
8. Pre-impairment Op. Profit/ Average Earning Assets
   - 34.1
   - 34.1
   - 34.1
   - 34.1
9. Pre-impairment Op. Profit/ Average Equity
   - 13.4
   - 9.5
   - 9.6
   - 7.9
10. Pre-impairment Op. Profit/ Average Total Assets
    - 34.1
    - 21.4
    - 21.4
    - 21.4
11. Operating Profit/ Average Equity
    - 12.7
    - 7.7
    - 6.1
    - 0.7

### C. Other Profitability Ratios

1. Net Income/ Average Total Equity
   - 7.5
   - 2.5
   - 2.9
   - (0.4)
2. Net Income/ Average Total Assets
   - 0.5
   - 0.2
   - 0.2
   - (0.0)
3. Fitch Comprehensive Income/ Average Total Equity
   - 31.4
   - 31.4
   - 31.4
   - (3.6)
4. Fitch Comprehensive Income/ Average Total Assets
   - 34.1
   - 34.1
   - 34.1
   - (0.3)
5. Taxes/ Pre-tax Profit
   - 34.1
   - 56.5
   - 47.5
   - 146.7
6. Net Income/ Risk Weighted Assets
   - 1.2
   - 0.4
   - 0.5
   - (0.1)

### D. Capitalization

1. FCC/ FCC-Adjusted Risk Weighted Assets
   - 14.5
   - 14.7
   - 14.2
   - 13.5
2. Tangible Common Equity/ Tangible Assets
   - 6.3
   - 5.6
   - 6.1
   - 5.9
3. Equity/ Total Assets
   - 6.3
   - 6.4
   - 6.8
   - 6.7
4. Basel Leverage Ratio
   - 5.1
   - 5.2
   - 5.7
   - 5.7
5. Common Equity Tier 1 Capital Ratio
   - 13.9
   - 14.2
   - 13.6
   - 13.6
6. Fully Loaded Common Equity Tier 1 Capital Ratio
   - 13.7
   - 14.1
   - 13.6
   - 13.6
7. Tier 1 Capital Ratio
   - 16.3
   - 16.8
   - 16.0
   - 15.7
8. Total Capital Ratio
   - 20.8
   - 21.6
   - 21.0
   - 21.3
9. Impaired Loans less Loan Loss Allowances/ Fitch Core Capital
   - 5.2
   - 5.3
   - 8.0
   - 9.1
10. Impaired Loans less Loan Loss Allowances/ Equity
    - 4.5
    - 4.6
    - 7.0
    - 7.7
11. Cash Dividends Paid & Declared/ Net Income
    - 34.1
    - 34.1
    - 37.5
    - (131.9)
12. Risk Weighted Assets/ Total Assets
    - 37.8
    - 37.5
    - 42.2
    - 41.7
13. Risk Weighted Assets - Standardised/ Risk Weighted Assets
    - n.a.
    - n.a.
    - n.a.
    - n.a.
    - n.a.
    - n.a.
    - n.a.
    - n.a.

### E. Loan Quality

1. Impaired Loans/ Gross Loans
   - 2.5
   - 2.7
   - 3.5
   - 4.2
2. Growth of Gross Loans
   - 4.5
   - 1.5
   - 9.2
   - (6.3)
3. Loan Loss Allowances/ Impaired Loans
   - 70.4
   - 70.7
   - 64.2
   - 65.6
4. Loan Impairment Charges/ Average Gross Loans
   - 0.1
   - 0.2
   - 0.5
   - 1.0
5. Growth of Total Assets
   - 2.9
   - 3.8
   - 2.6
   - 1.0
6. Loan Loss Allowances/ Gross Loans
   - 1.8
   - 1.9
   - 2.2
   - 2.7
7. Net Charge-offs/ Average Gross Loans
   - n.a.
   - 0.8
   - 0.8
   - 1.0
8. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets
   - 2.5
   - 2.7
   - 3.5
   - 4.2

### F. Funding and Liquidity

1. Loans/ Customer Deposits
   - 71.4
   - 64.9
   - 67.7
   - 67.6
2. Liquidity Coverage Ratio
   - 156.3
   - 154.0
   - 146.0
   - 133.0
3. Customer Deposits/ Total Funding (including Pref. Shares & Hybrids)
   - 90.7
   - 72.2
   - 71.2
   - 69.3
4. Interbank Assets/ Interbank Liabilities
   - 184.6
   - 191.6
   - 181.5
   - 162.4
5. Net Stable Funding Ratio
   - n.a.
   - n.a.
   - n.a.
   - n.a.
6. Growth of Total Customer Deposits
   - (5.0)
   - 5.9
   - 9.0
   - (0.4)
## Standard Chartered PLC

### Reference Data

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<td><strong>A. Off-Balance Sheet Items</strong></td>
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<td>1. Managed Securitized Assets Reported Off-Balance Sheet</td>
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<td>n.a.</td>
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<td>2. Other off-balance sheet exposure to securitizations</td>
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<td>n.a.</td>
<td>n.a.</td>
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<td>3. Guarantees</td>
<td>n.a.</td>
<td>36,511</td>
<td>31,429</td>
<td>32,286</td>
<td>29,694</td>
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<td>4. Acceptances and documentary credits reported off-balance sheet</td>
<td>n.a.</td>
<td>3,982</td>
<td>5,808</td>
<td>4,120</td>
<td>4,852</td>
</tr>
<tr>
<td>5. Committed Credit Lines</td>
<td>n.a.</td>
<td>147,726</td>
<td>147,976</td>
<td>173,985</td>
<td>182,467</td>
</tr>
<tr>
<td>6. Other Contingent Liabilities</td>
<td>n.a.</td>
<td>5,441</td>
<td>6,210</td>
<td>6,016</td>
<td>n.a.</td>
</tr>
<tr>
<td>7. Other Off-Balance Sheet items</td>
<td>n.a.</td>
<td>n.a.</td>
<td>6</td>
<td>9,891</td>
<td>6,996</td>
</tr>
<tr>
<td>8. Total Assets under Management</td>
<td>n.a.</td>
<td>n.a.</td>
<td>54,218</td>
<td>57,000</td>
<td>57,000</td>
</tr>
<tr>
<td><strong>B. Average Balance Sheet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Average Loans</td>
<td>264,111</td>
<td>257,342</td>
<td>253,215</td>
<td>250,391</td>
<td>278,885</td>
</tr>
<tr>
<td>2. Average Earning Assets</td>
<td>457,117</td>
<td>512,329</td>
<td>546,399</td>
<td>542,625</td>
<td>566,213</td>
</tr>
<tr>
<td>3. Average Total Assets</td>
<td>698,818</td>
<td>682,936</td>
<td>655,944</td>
<td>649,388</td>
<td>687,118</td>
</tr>
<tr>
<td>4. Average Managed Securitized Assets (CBS)</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>5. Average Interest-Bearing Liabilities</td>
<td>550,729</td>
<td>540,928</td>
<td>565,842</td>
<td>561,951</td>
<td>606,890</td>
</tr>
<tr>
<td>5. Average Common equity</td>
<td>46,967</td>
<td>48,438</td>
<td>49,230</td>
<td>49,464</td>
<td>47,848</td>
</tr>
<tr>
<td>7. Average Equity</td>
<td>44,272</td>
<td>44,686</td>
<td>44,465</td>
<td>44,518</td>
<td>44,491</td>
</tr>
<tr>
<td>8. Average Customer Deposits</td>
<td>387,869</td>
<td>383,335</td>
<td>372,905</td>
<td>354,150</td>
<td>387,370</td>
</tr>
<tr>
<td><strong>C. Maturities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Debt Maturing &lt; 3 months</td>
<td>n.a.</td>
<td>16,903</td>
<td>15,095</td>
<td>17,373</td>
<td>26,947</td>
</tr>
<tr>
<td>Senior Debt Maturing 3-12 Months</td>
<td>n.a.</td>
<td>15,217</td>
<td>16,529</td>
<td>13,710</td>
<td>16,493</td>
</tr>
<tr>
<td>Senior Debt Maturing 1-5 Years</td>
<td>n.a.</td>
<td>10,251</td>
<td>11,685</td>
<td>13,804</td>
<td>14,506</td>
</tr>
<tr>
<td>Senior Debt Maturing &gt; 5 Years</td>
<td>n.a.</td>
<td>11,488</td>
<td>10,093</td>
<td>7,483</td>
<td>10,851</td>
</tr>
<tr>
<td>Total Senior Debt on Balance Sheet</td>
<td>n.a.</td>
<td>53,859</td>
<td>53,402</td>
<td>52,370</td>
<td>68,797</td>
</tr>
<tr>
<td><strong>D. Risk Weighted Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Risk Weighted Assets</td>
<td>268,206</td>
<td>258,297</td>
<td>279,748</td>
<td>269,445</td>
<td>302,925</td>
</tr>
<tr>
<td>2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>3. Fitch Core Capital Adjusted Risk Weighted Assets</td>
<td>268,206</td>
<td>258,297</td>
<td>279,748</td>
<td>269,445</td>
<td>302,925</td>
</tr>
<tr>
<td><strong>E. Fitch Core Capital Reconciliation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Total Equity as reported (including non-controlling interests)</td>
<td>44,646</td>
<td>43,897</td>
<td>45,352</td>
<td>43,195</td>
<td>45,025</td>
</tr>
<tr>
<td>2. Fair-value adjustments relating to own credit risk on debt issued</td>
<td>(266)</td>
<td>(539)</td>
<td>(119)</td>
<td>(312)</td>
<td>(664)</td>
</tr>
<tr>
<td>3. Non-loss-absorbing non-controlling interests</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5. Other intangibles</td>
<td>5,200</td>
<td>1,940</td>
<td>1,761</td>
<td>2,386</td>
<td>1,026</td>
</tr>
<tr>
<td>6. Deferred tax assets deduction</td>
<td>266</td>
<td>266</td>
<td>290</td>
<td>396</td>
<td>396</td>
</tr>
<tr>
<td>7. Net asset value of insurance subsidiaries</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8. First loss tranches of off-balance sheet securitizations</td>
<td>86</td>
<td>123</td>
<td>141</td>
<td>168</td>
<td>199</td>
</tr>
<tr>
<td>9. Fund for general banking risks if not already included and readily convertible into equity</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>10. Fitch Core Capital</td>
<td>38,828</td>
<td>37,913</td>
<td>39,789</td>
<td>36,477</td>
<td>39,124</td>
</tr>
</tbody>
</table>
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