

Consumer Banking

Steve Bertamini

Group Executive Director &
CEO Consumer Banking

Leading the way
in Asia, Africa and the Middle East



Forward looking statements



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Tuesday 16 November - Consumer Banking & Wholesale Banking day

08:00 - 12:15 Consumer Banking, Steve Bertamini and Andrew Bester

14:00 - 17:30 Wholesale Banking, Mike Rees and Vivek Ahuja

Wednesday 17 November - Asia day

08:00 - 11:00 Asia, Jaspal Bindra and Singapore, Ray Ferguson and management team

11:00 -12:30 Indonesia and Permata, Tom Aaker and David Fletcher and management teams

13:30 -15:00 Taiwan, Sunil Kaushal and management team

Thursday 18 November - India day

08:15 - 09:00 External speaker, Subir Gokam, Deputy Governor, Reserve Bank of India

09:00 - 15:00 India, Neeraj Swaroop and management team

12:30 - 13:30 Peter Sands, CEO priorities

Friday 19 November - Group day

10:00 - 11:00 Risk, Richard Goulding

11:00 - 12:00 Capital and Liquidity, Pam Walkden

13:30 - 14:00 Technology and Operations, Jan Verplancke

14:00 - 14:45 People, Tracy Clarke

14:30 - 16:00 Trip wrap up, Richard Meddings

- Strong growth prospects in our footprint markets and we continue to see significant opportunities
- Both businesses have good momentum and we are well positioned to benefit from growth
- Remain firmly focused on foundations of good banking
- Here for good -
Here for the long run, Here for people, Here for progress

Consumer Banking agenda

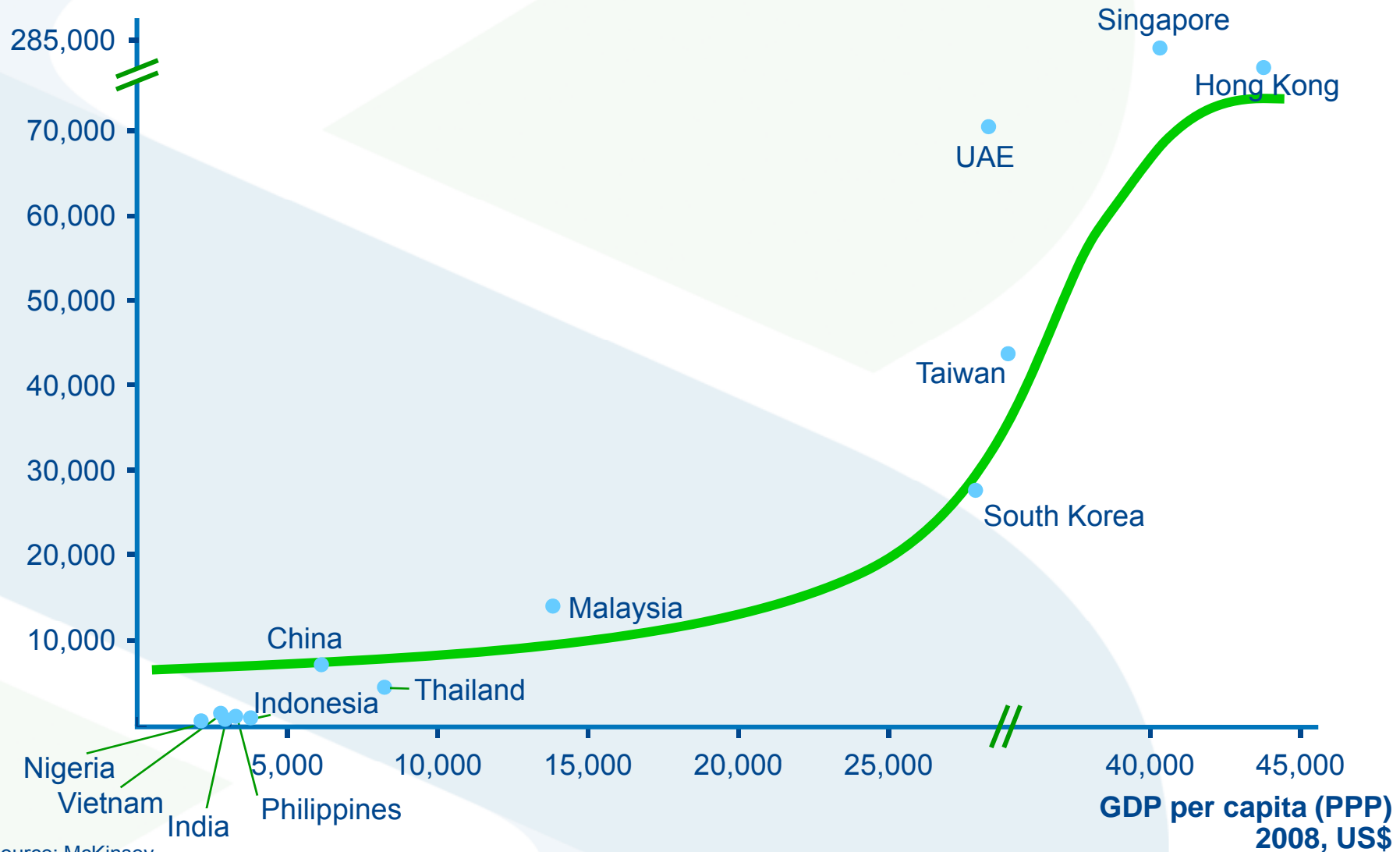
08:15 – 09:00	Consumer Banking strategy	Steve Bertamini
09:00 – 09:30	CB financial performance	Andrew Bester
09:30 – 09:50	Tea & coffee break	
09:50 – 10:10	Wealth Management	Judy Hsu,
10:10 – 10:55	H V Segments: Private, SME & Premium Banking	Shayne Nelson, Som Subroto, Foo Mee Har
10:55 – 11:15	Delivering customer focused banking	James Galloway
11:15 – 12:15	CB Q&As & recap	CB Management team
12:15 – 12:30	Travel to mock branch	
12:30 – 12:50	Mock branch visit	
13:05 – 14:00	Lunch with the CB Management team	

Consumer Banking key messages

- Significant opportunity across our footprint
- CB transformation on track and delivering
- Well positioned to weather current challenges - competition, margins
- Continue to pace investments for long term growth

Our markets provide significant headroom for growth...

Banking assets per capita
2008, US\$



Source: McKinsey

The World's Best International Consumer Bank in each of our chosen markets and segments

PARTICIPATION MODEL

- Focus on High Value Segments*
- Three standard models
- Prioritised investment
- Hub and spoke, shared utilities

CUSTOMER FOCUS

- Distinctive Customer Value Propositions and world class RMs
- Main bank relationship & Payroll driven
- Needs based bundling

'BACK TO BASICS'

- Re-engineering and COE's
- Liquidity and secured lending
- Strong risk and cost discipline
- Performance management

* High Value Segments (HVS) - SME, Private, Priority

New participation models based on market attractiveness and competitive position

Universal markets

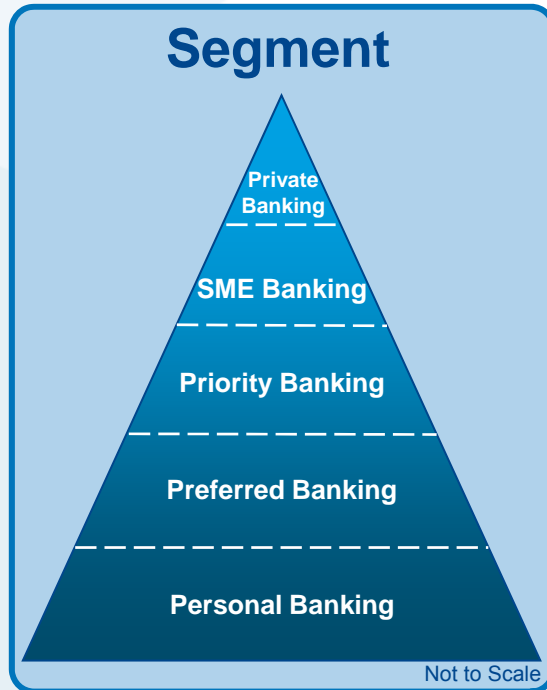
- Target all segments with emphasis on High Value Segments
- Offer full range of products
- Nationwide distribution

Focused markets

- Focus primarily on High Value Segments in select cities
- Payroll driven unsecured offer for Personal Banking
- Branch catchment area optimisation

Lean premium markets

- Optimise High Value Segments
- Focus on liabilities and secured assets
- Payroll driven unsecured offer for Personal Banking



- Create world-class customer value propositions
- Drive segment performance and customer experience

Geography



- Four core regions: SEA, NEA, Korea, West
- Deliver overall country performance
- Manage investments and trade-offs across the franchise

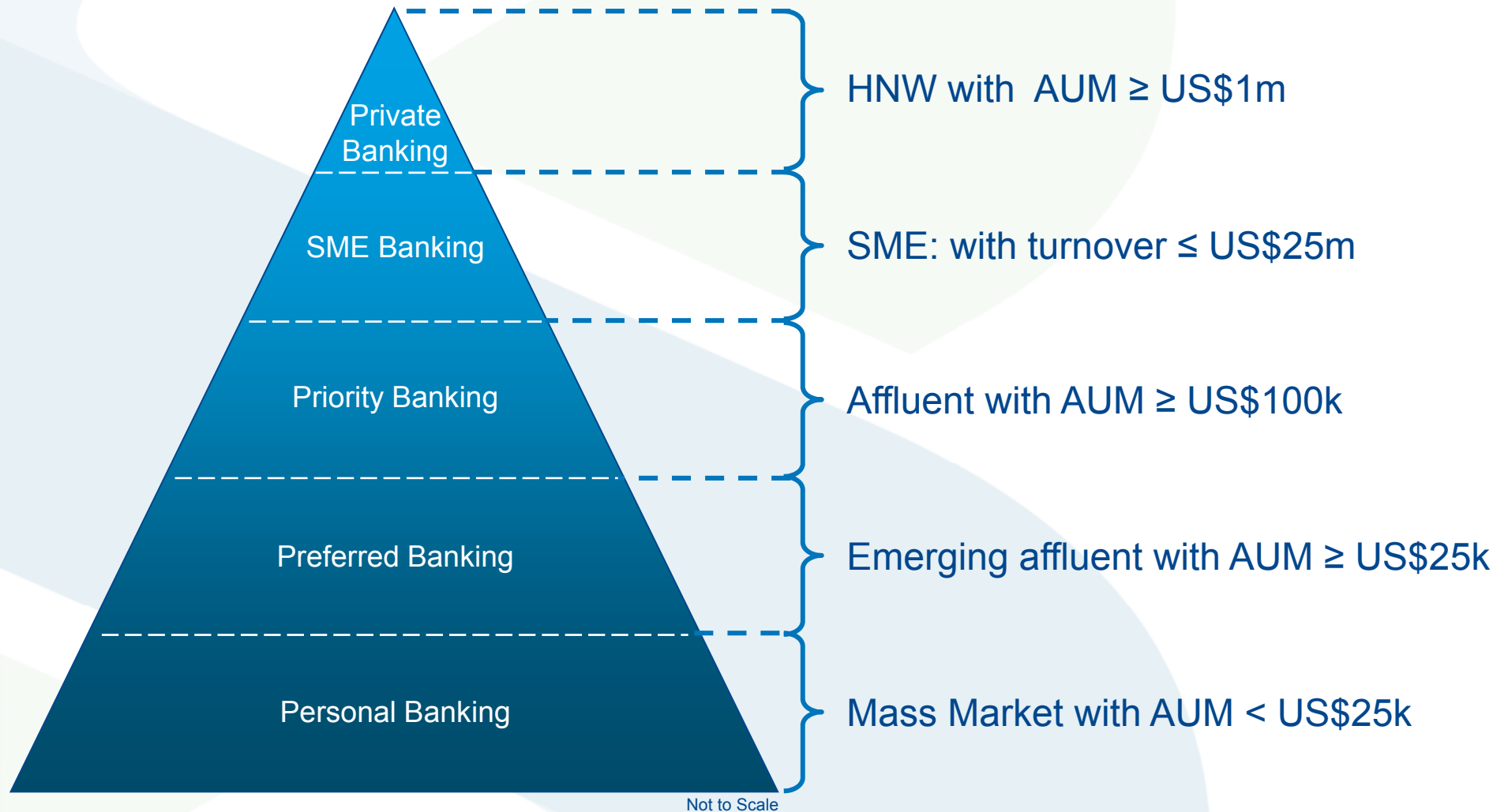
Product



- Provide segment specific solutions and capabilities
- Optimise product portfolios
- End to end product delivery standards

Customer segments

Program criteria



Program criteria are indicative and vary by countries based on local market environment.

Customer focused propositions

Private Bank

The Standard Chartered
Private Bank

SME Banking

Standard Chartered

AMBITION KNOWS NO LIMITS, SHOULDN'T YOUR BUSINESS KNOW NO BORDERS?

SME Banking

Speedy decisions for your applications. Providing quick response on all your new business applications and growth ideas.

Lending solutions to fund your growth. Providing financial support for all your expansion plans.

Committed to your business. Giving you the ability to drive your growth further with additional capital.

Priority Banking

What's your Priority?

PRIORITY Banking

The best solutions are those that work around you.

- No matter what your priorities, we'll help you achieve them all.
- Invest with confidence
- Be rewarded for a total banking relationship
- Personalised service
- Easy access to money globally
- Have more time to pursue passion
- Build a solid property portfolio

Preferred Banking

more convenient
more personal
more rewarding
preferred

preferred banking

It's time to move into a new class of banking. Convenient, personal and more rewarding. More of what you prefer.

Faster and simpler banking. Convenient, whether in person or online. Use iBreeze interactive banking for a simpler way to manage your finances.

Personal, helpful, useful. Preferred Bankers are ready to personally serve you.

Redefining customer experience

iPhone Breeze



Express Banking Centres



New branch design



Innovative solutions

Segment-led propositions



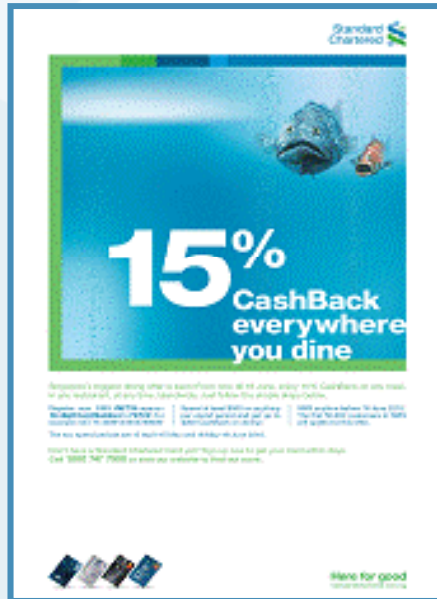
Strategic alliances



Campaigns & new products



Differentiation from 4 market firsts



- Strong performance post promotion
- More than 46,000 participants



- Pay online or from your iPhone anytime, anywhere
- One stop, secure, convenient



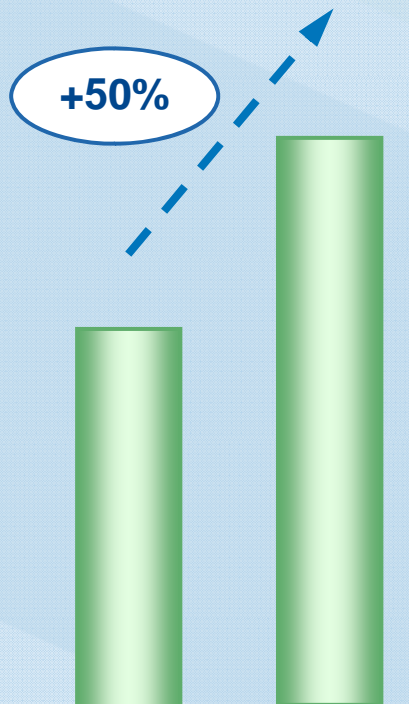
- 94% customers served within 8 minutes
- 84% of these customers served under 5 minutes



- 15 minutes approval in principle
- 20%+ total applications

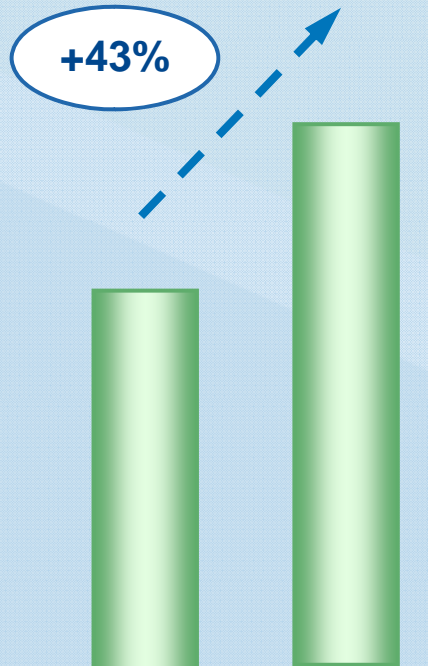
SC Way is showing encouraging early results in 13 countries...

Conversations per week



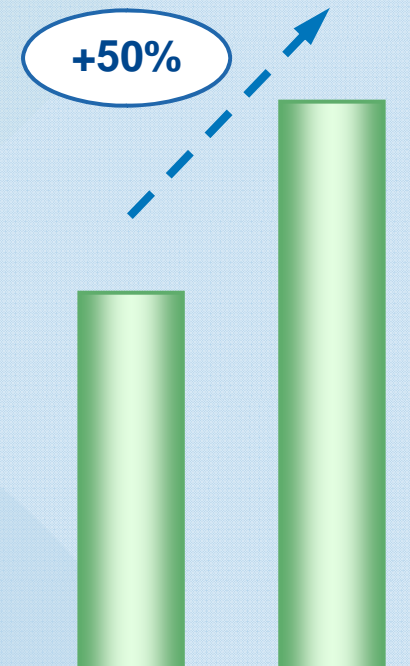
Baseline SC Way

Successful conversations per week



Baseline SC Way

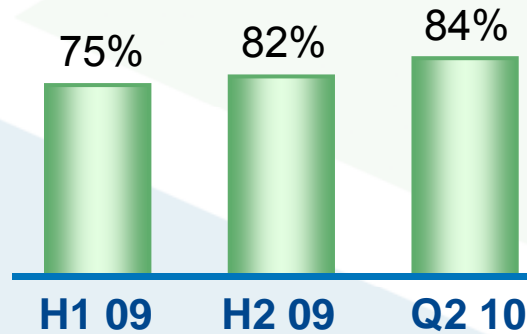
Solutions sold per week



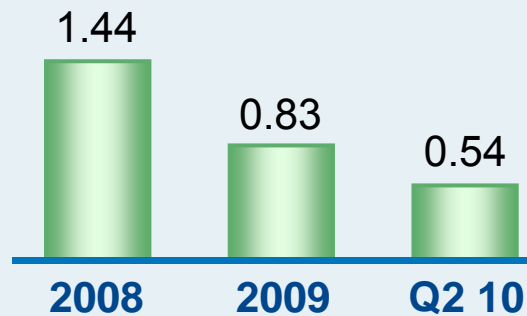
Baseline SC Way

Key customer experience and advocacy metrics showing good results

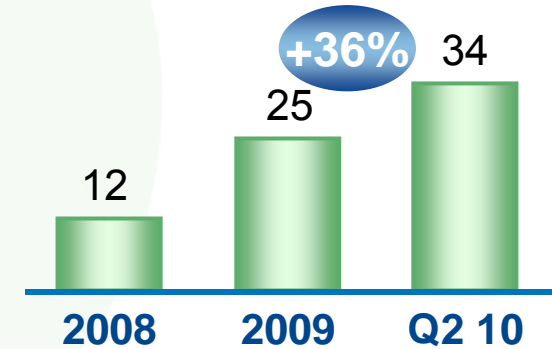
First call resolution



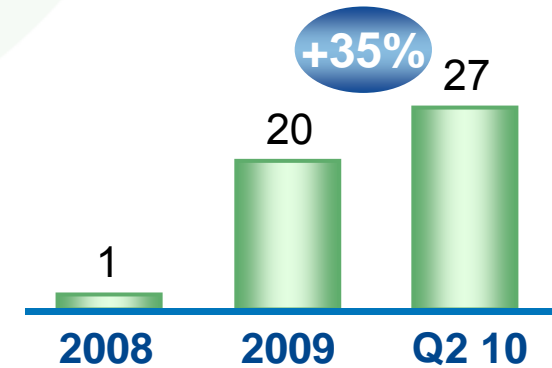
Complaints / '000 accts



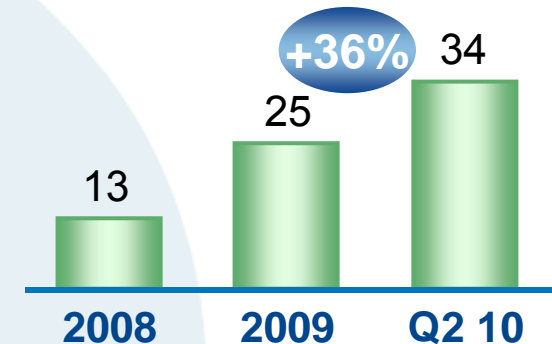
Total global NPS*



Priority Banking NPS*



Personal Banking NPS*

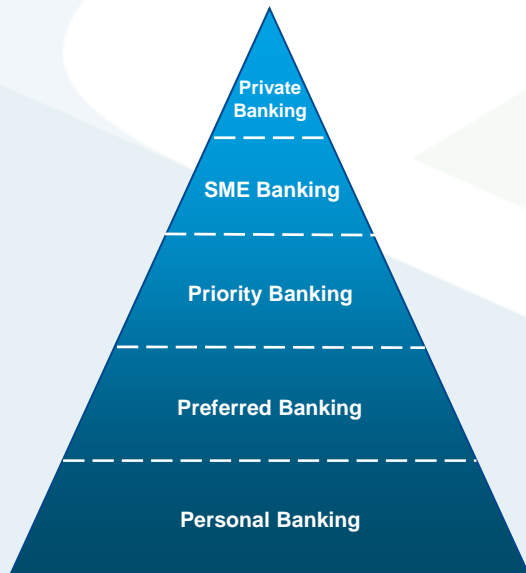


Source: SCB data

*the marks "Net Promoter", "NPS", and "Net Promoter Score" are trademarks of Satmetrix Systems, Inc., Bain & Company, and Fred Reichheld.

Organisational model

Segment



Not to Scale

- Create world-class customer value propositions
- Drive segment performance and customer experience

Geography



- Four core regions: SEA, NEA, Korea, West
- Deliver overall country performance
- Manage investments and trade-offs across the franchise

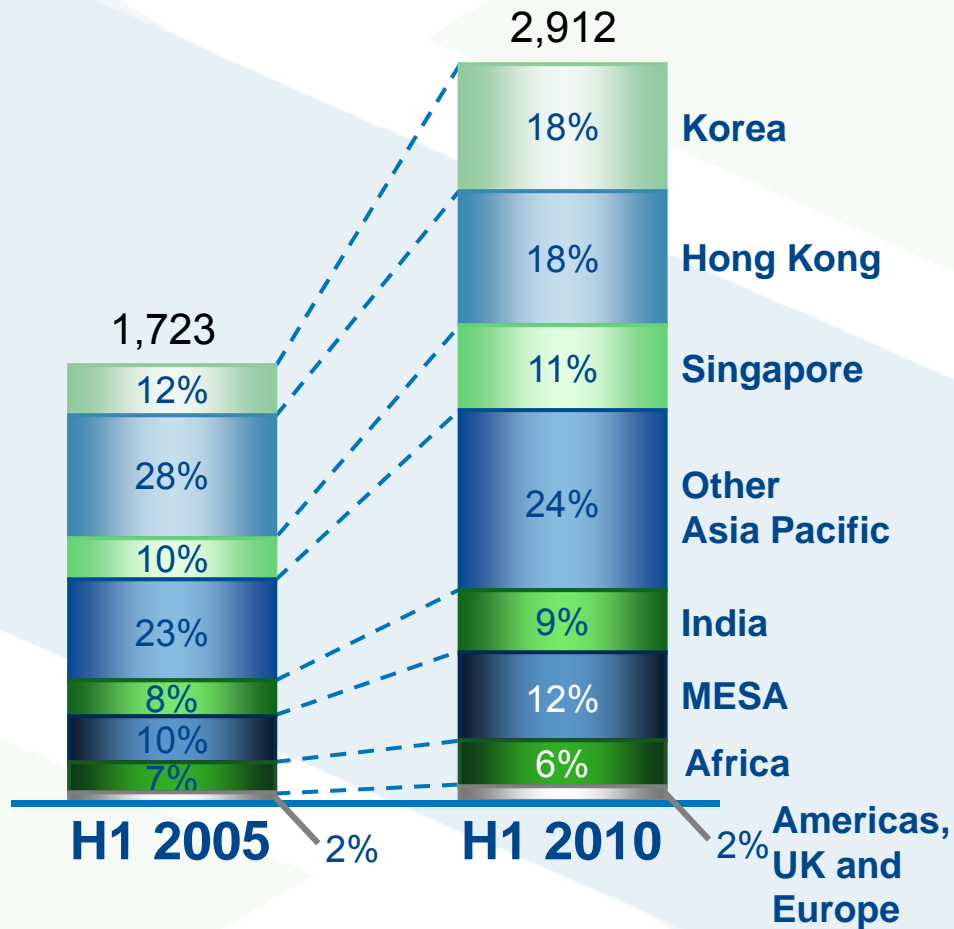
Product



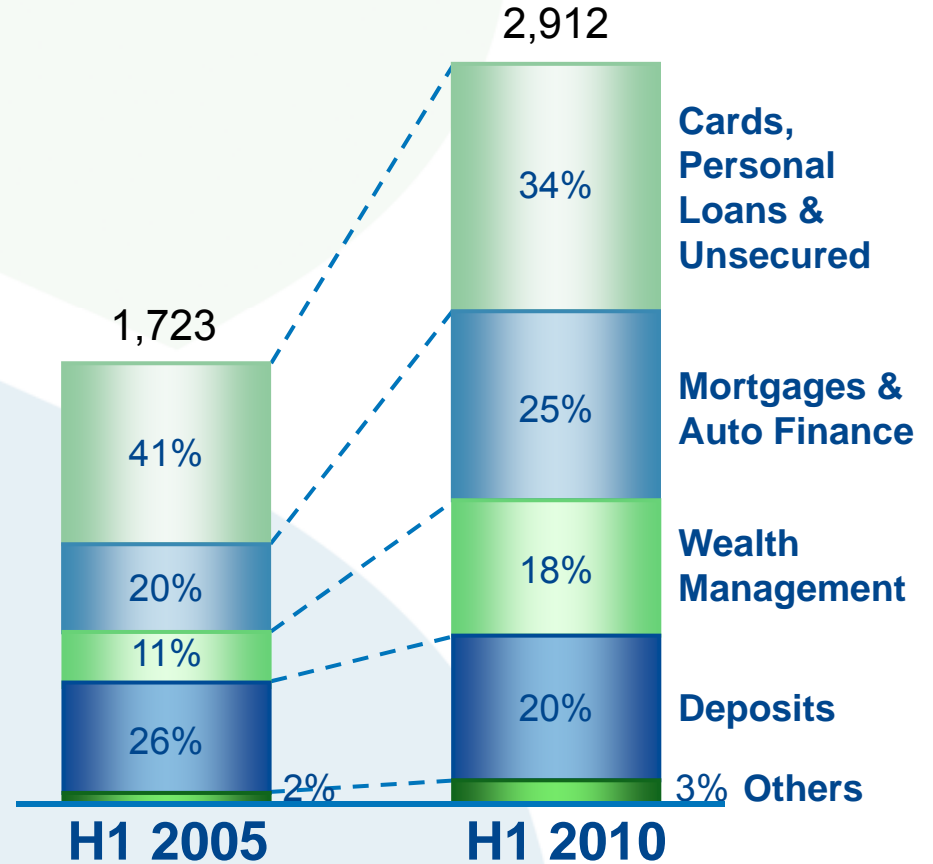
- Provide segment specific solutions and capabilities
- Optimise product portfolios
- End to end product delivery standards

CB is well positioned with an increasing diversified portfolio

Income mix by geography
US\$m



Income mix by product
US\$m



Source: SCB data

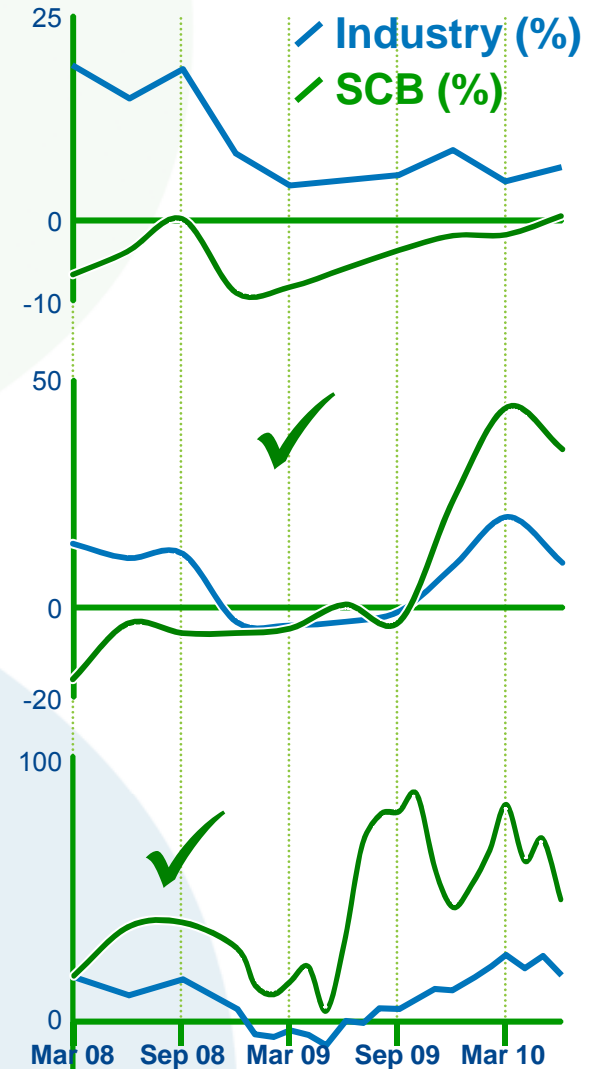
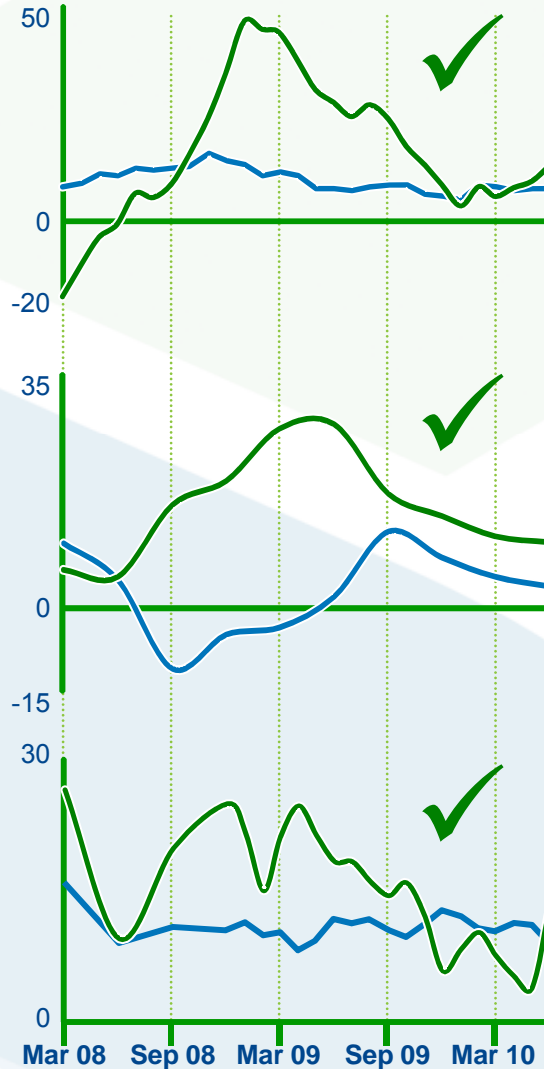
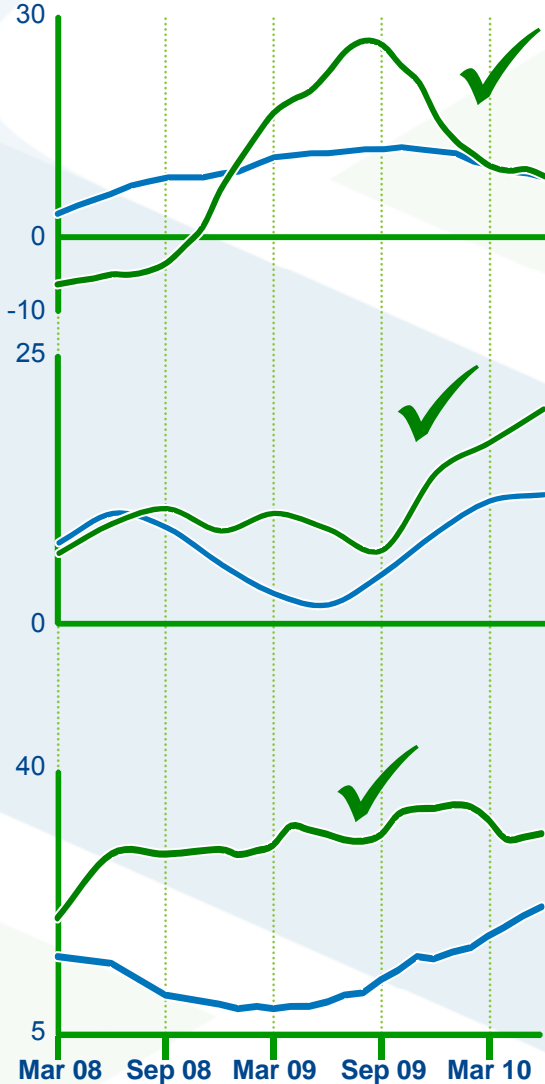
Gaining / sustaining market share

Mortgages growth

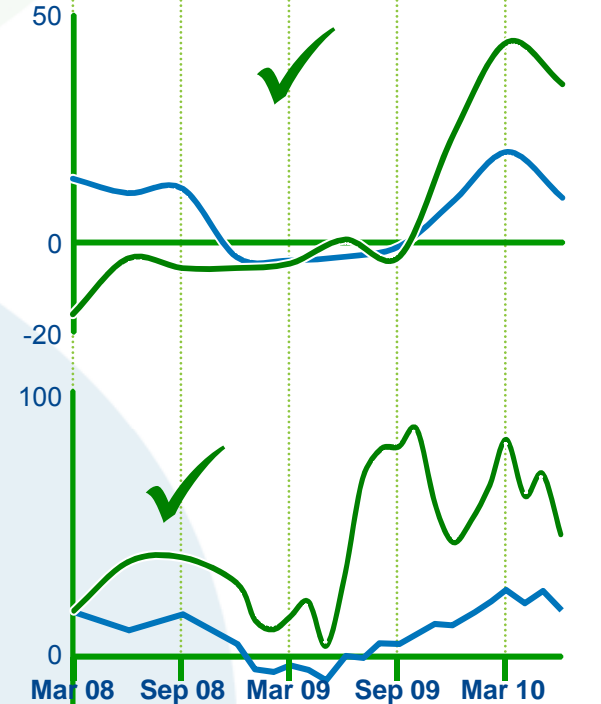
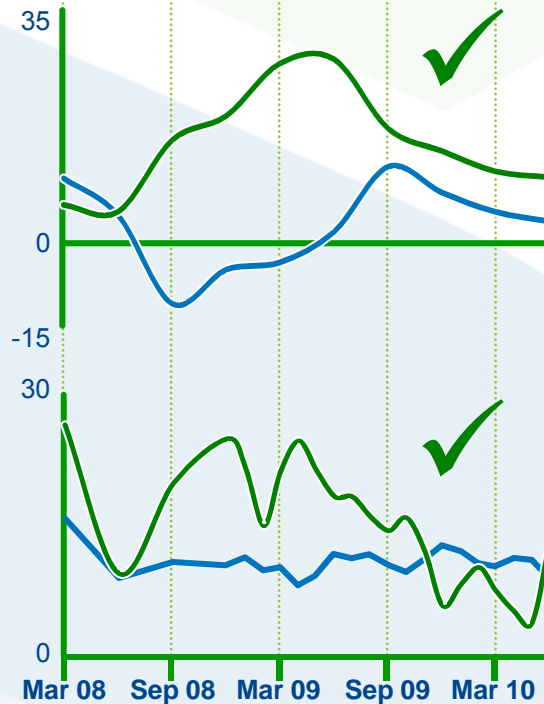
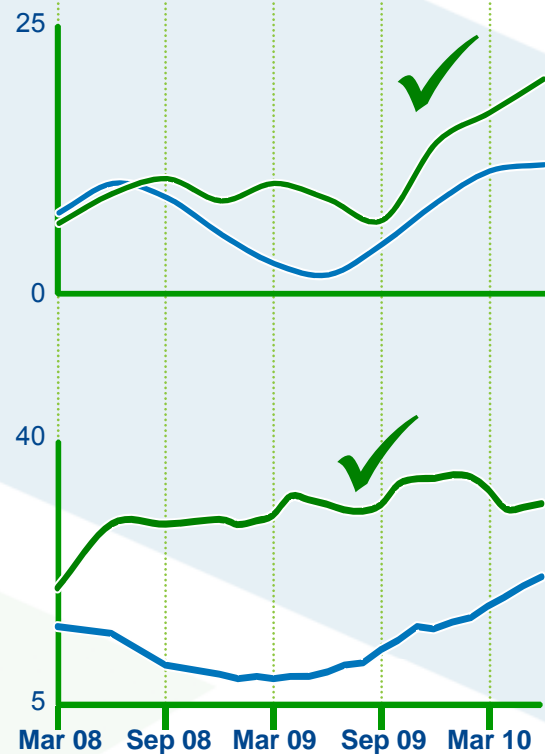
Retail deposits growth

Card spend growth

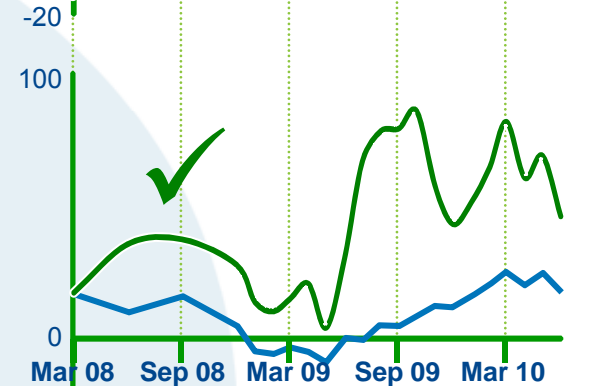
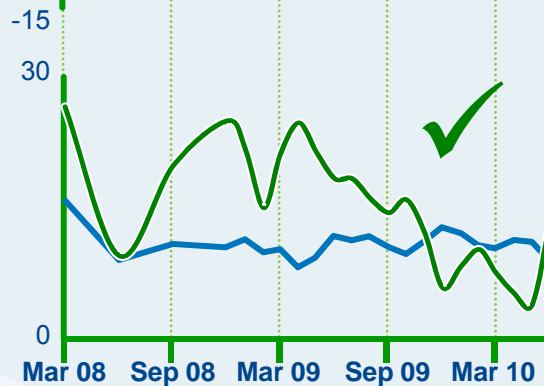
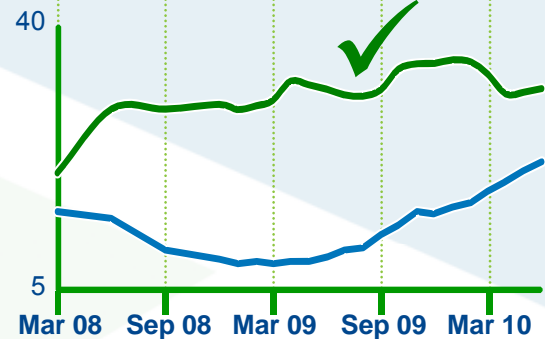
Korea



Hong Kong

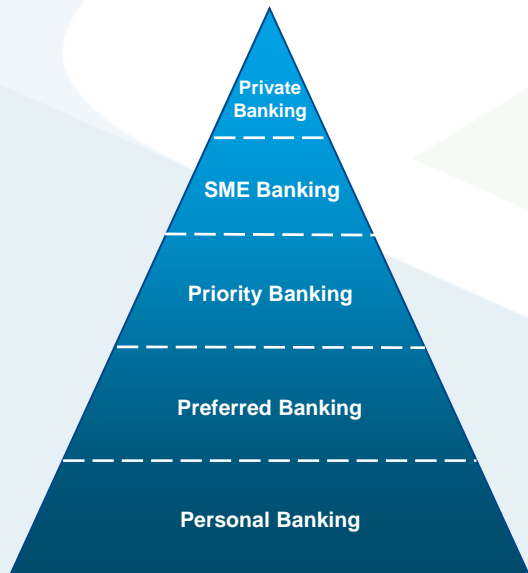


Singapore



Source: SCB data

Segment



Not to Scale

- Create world-class customer value propositions
- Drive segment performance and customer experience

Geography



- Four core regions: SEA, NEA, Korea, West
- Deliver overall country performance
- Manage investments and trade-offs across the franchise

Product

Wealth Management

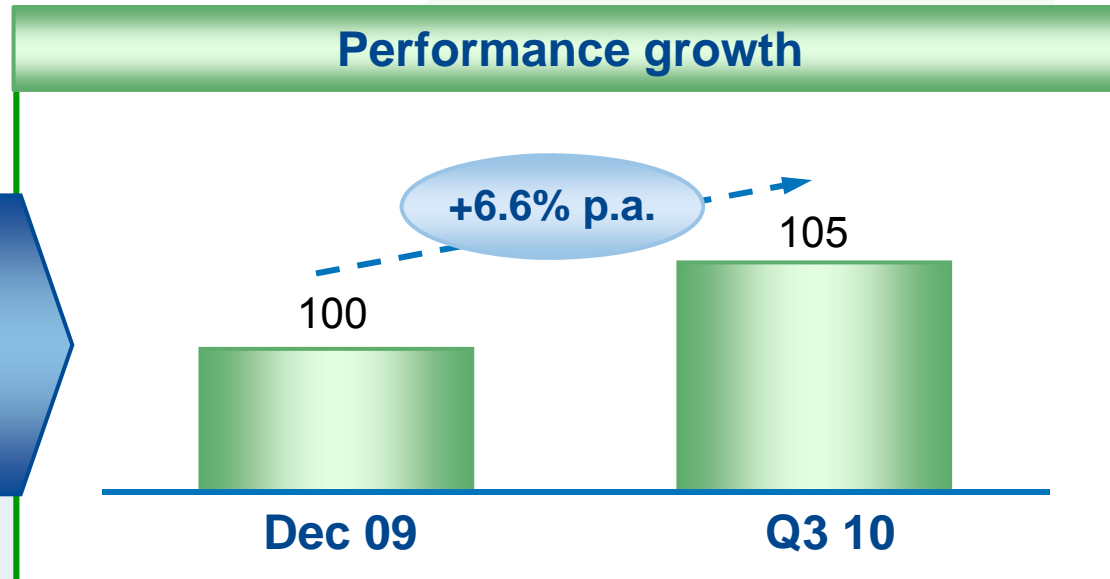
Retail Products

SME Products

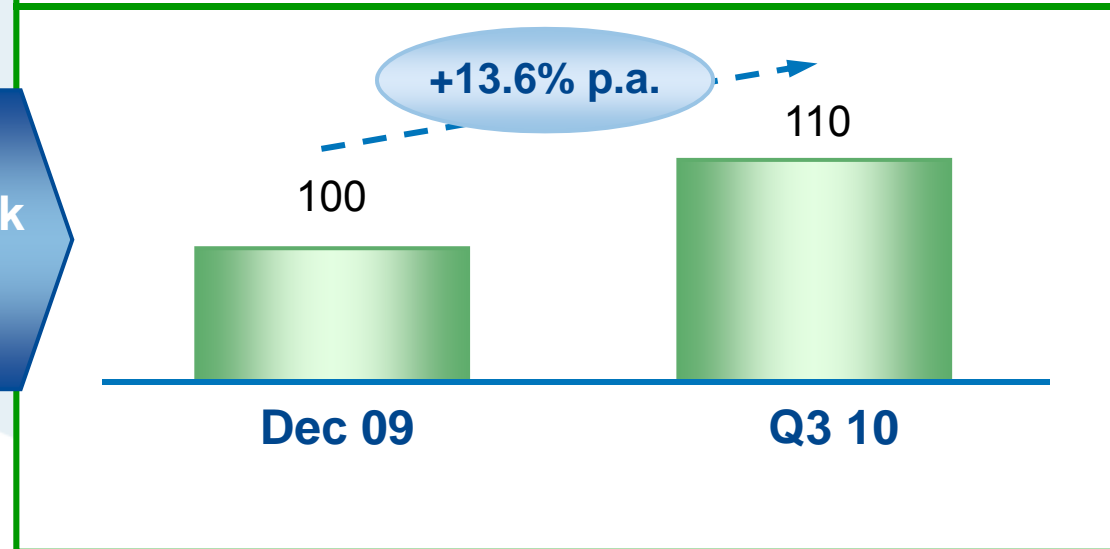
- Provide segment specific solutions and capabilities
- Optimise product portfolios
- End to end product delivery standards

Products Per Customer increasing

Portfolio
Indexed



New to Bank
Indexed



Source: SCB data

Unsecured - turning on good growth



Spent £100,000 or more in the specified areas to enjoy the following fabulous gifts:

Spent £100,000 or more in other Spend Period

Final 100 Contributions to £100 for each Spend Area

Final 100 Contributions to £200 for each Spend Area

Spent £100,000 or more in other Spend Period

Spent £100,000 or more in other Spend Period

Final 100 Contributions to £100 for each Spend Area

Final 100 Contributions to £200 for each Spend Area

Spent £100,000 or more in other Spend Period

Final 100 Contributions to £100 for each Spend Area

Final 100 Contributions to £200 for each Spend Area

You feel crushed by high interest rates we make your loan more affordable

Interest rate drops by up to **6%**
↓ Don't lose out!

Take a personal loan now and save on your repayments

No other loan can compare to a Standard Chartered Personal Loan.

- Enjoy the highest loan amounts of up to UGX 60 million
- Fast loan processing and approval within 24 hours, guaranteed
- Flexible repayment periods of up to 60 months
- No need to have a Standard Chartered account to qualify

This offer is valid until 31st May 2010. Transfer your loan today and start saving on your repayment. Call 0414 340077. We will come to you.

Standard Chartered

SmartCredit

先担保个人贷款

Standard Chartered 渣打银行

20% OFF

15% OFF

更低利率 让您梦想启航

Here for good

- Target discrete market opportunities
- Good growth opportunities leveraging bureau and/or payroll in larger markets
- Portfolio shift to lower risk segments
- 2010 loan impairment as a % of average balances is 69% of 2007 levels

CB Agenda

PARTICIPATION MODEL

- Increase product holdings per customer
- Increase bundle penetration and focus on unsecured solutions
- Optimise income through pricing and margin management
- Selectively seek inorganic opportunities

CUSTOMER FOCUS

- Deliver the Customer Charter and SC Way
- Develop, empower and strengthen frontline organisation
- Roll-out new CVPs for Personal & Islamic banking
- Expand use of external customer guarantees & increase online channel usage
- Implement standardised WM investment specialist model and portfolio advisory proposition

'BACK TO BASICS'

- Maintain asset and deposit growth momentum
- Implement standardised MI and Analytics to drive insights into business performance
- Continue to drive re-engineering initiatives for productivity and service improvements
- Maintain disciplined risk and cost management

Consumer Banking key messages

- Significant opportunity across our footprint
- CB transformation on track and delivering
- Well positioned to weather current challenges - competition, margins
- Continue to pace investments for long term growth

Consumer Banking

Andrew Bester

CFO, Consumer Banking

Leading the way
in Asia, Africa and the Middle East



- CB transformation on track
- Good momentum on balance sheet and increased market share
- Significant decline in loan impairment
- Continued investment in CB transformation
 - in branding
 - in infrastructure
 - in front office and sales
- Steady income growth; Wealth Management improving; Margin pressure remains

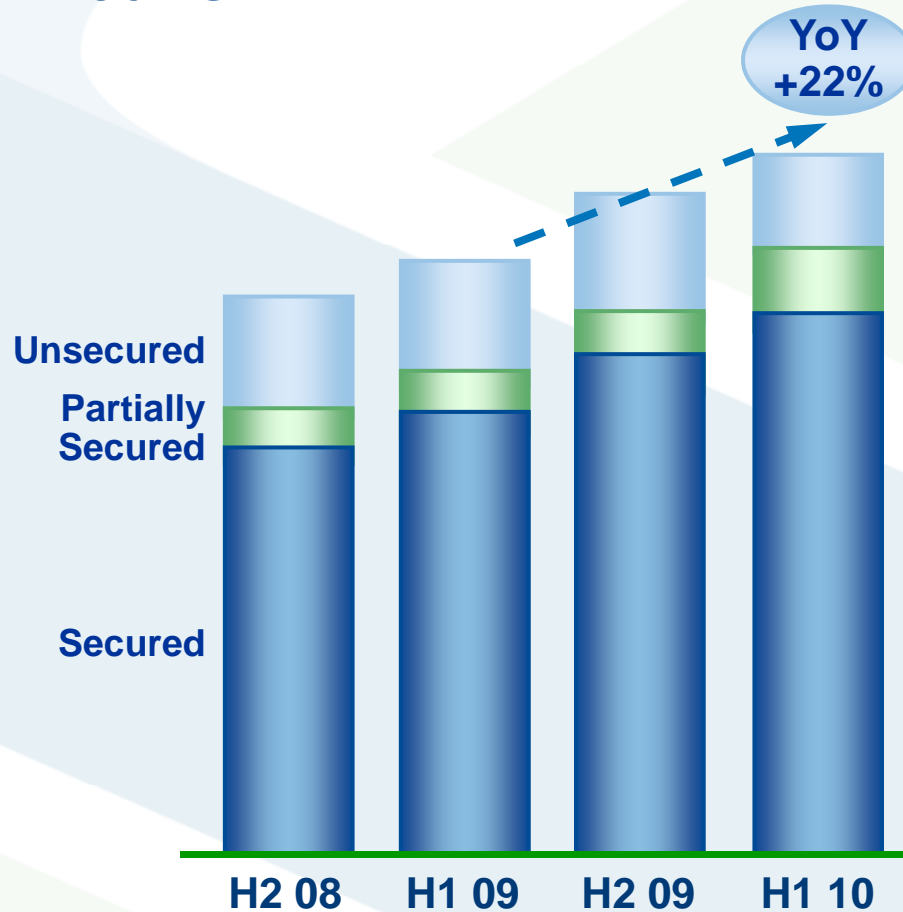
Consumer Banking performance

US\$m	H1 09	H2 09	H1 10	YOY %	H1 10 vs H2 09 %
Income	2,685	2,944	2,912	8	(1)
Expenses	(1,780)	(1,929)	(1,966)	10	2
Operating profit before impairment	905	1,015	946	5	(7)
Loan impairment	(563)	(489)	(299)	(47)	(39)
Other impairment	6	(7)	(4)	nm	(43)
Operating profit	348	519	643	85	24

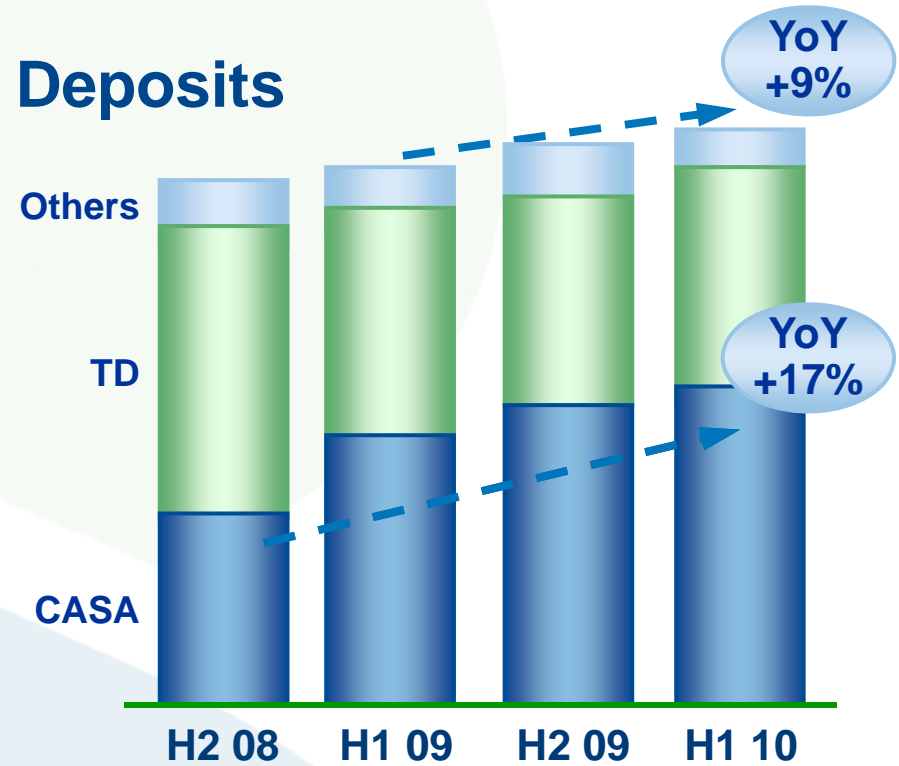
Source: SCB accounts

Sustained growth

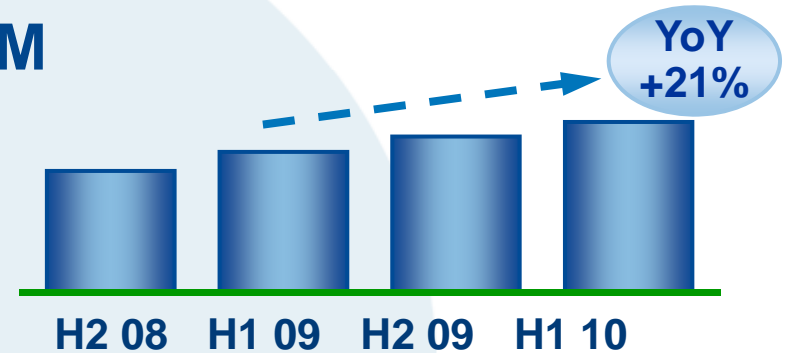
Loans



Deposits



AUM



Source: SCB accounts

Balance sheet strong liquidity management

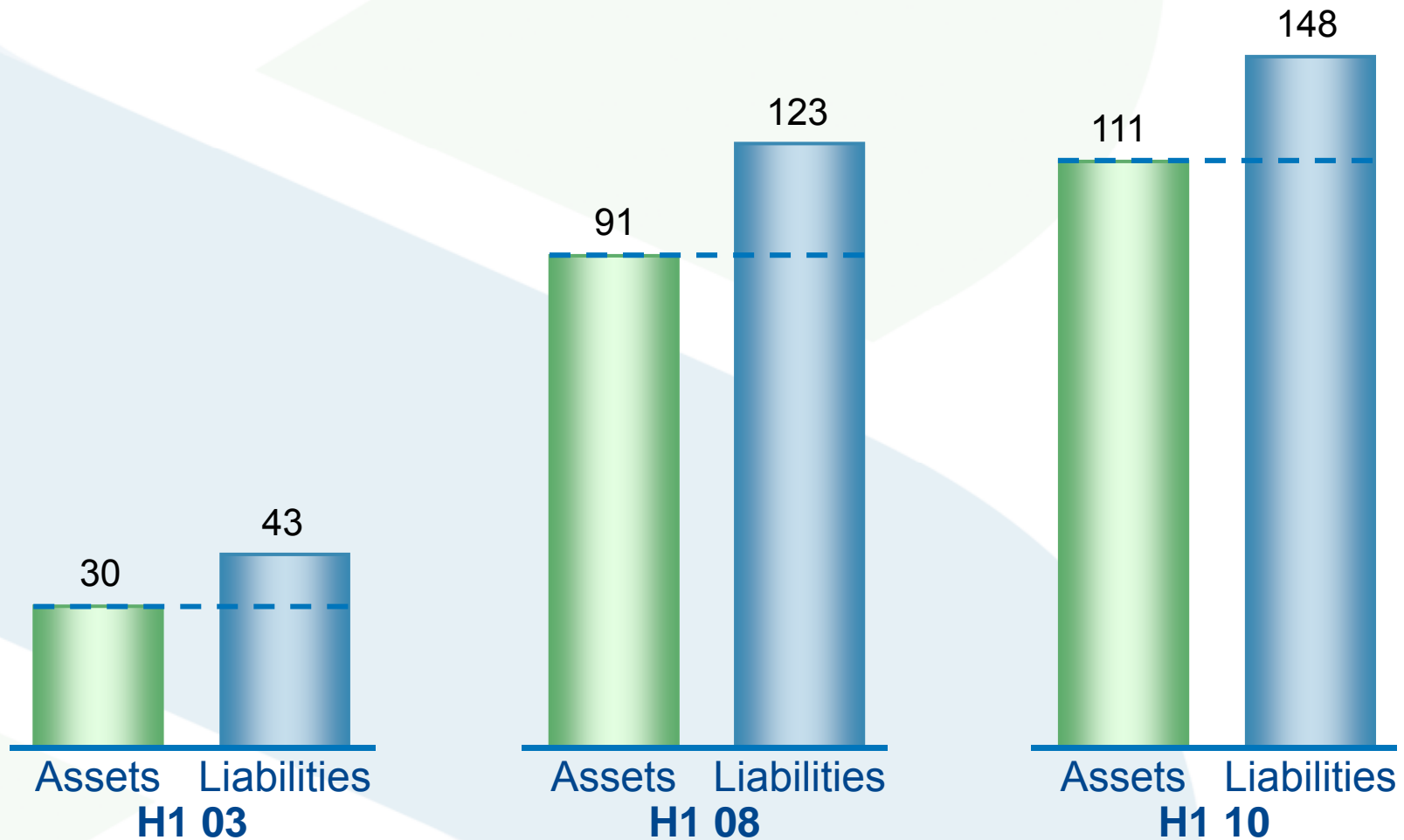
Net surplus
US\$13bn

2.5x

Net surplus
US\$32bn

1.2x

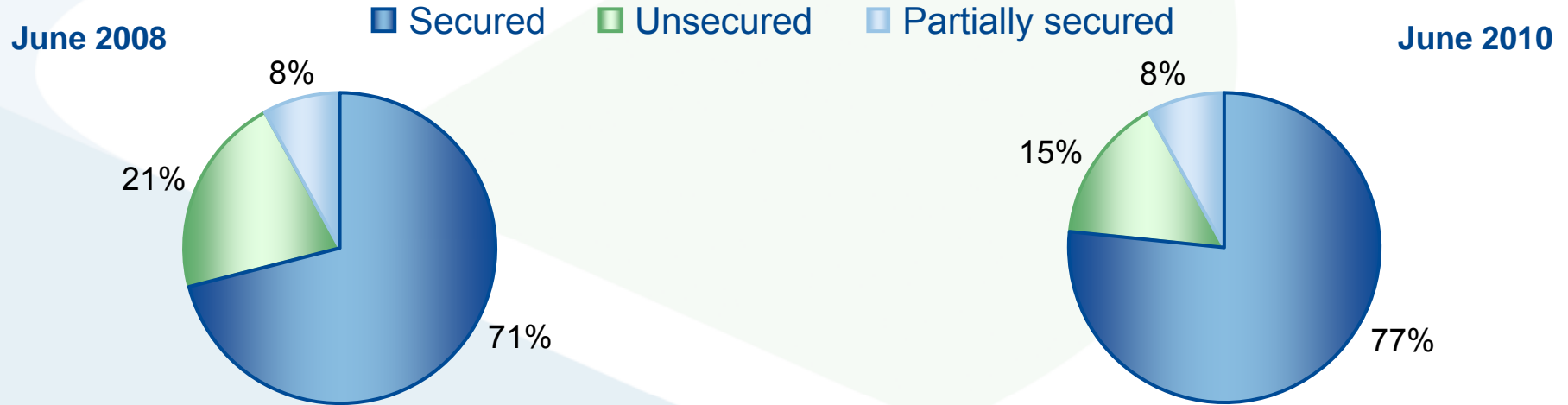
Net surplus
US\$37bn



Source: SCB accounts

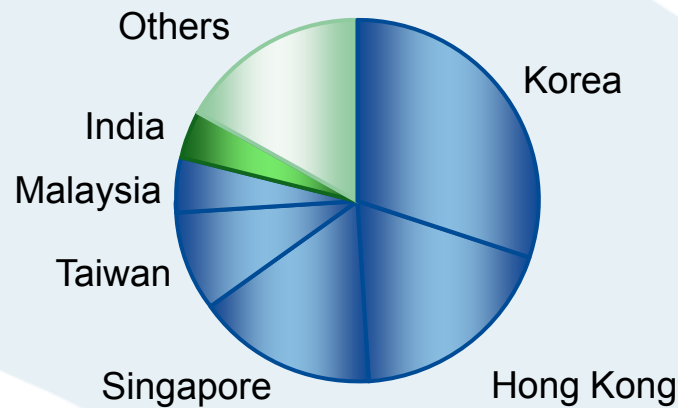
Portfolio composition

Portfolio mix



Geographical distribution (%)

■ Loss rate <1% ■ Loss rate 1-2% ■ Loss rate >2%



Consumer Banking loan impairment trend

		Q2 09	Q3 09	Q4 09	Q1 10	Q2 10	H1 10
Mortgages	LI/ANR	0.31%	0.08%	0.16%	0.03%	0.07%	0.05%
	30dpd/ENR	1.19%	0.99%	0.90%	0.70%	0.70%	0.70%
	Loan book (US\$bn)	51	55	58	60	61	61
	LI (US\$m)	40	11	23	5	12	17
SME	LI/ANR	1.96%	1.48%	1.33%	0.68%	0.52%	0.60%
	90dpd/ENR	2.42%	1.91%	1.61%	1.37%	1.10%	1.10%
	Loan book (US\$bn)	12	14	13	14	14	14
	LI (US\$m)	54	44	43	24	20	44
Other Including personal loans & credit cards	LI/ANR	3.21%	3.52%	2.81%	2.09%	1.76%	1.93%
	30dpd/ENR	3.40%	2.77%	2.68%	2.68%	2.58%	2.58%
	Loan book (US\$bn)	22	22	24	25	28	28
	LI (US\$m)	208	199	169	129	109	238
Total	LI/ANR	1.35%	1.13%	0.98%	0.62%	0.54%	0.58%
	30dpd/ENR	1.92%	1.60%	1.39%	1.26%	1.20%	1.20%
	Loan book (US\$bn)	85	90	95	100	103	103
	LI (US\$m)	302	254	235	158	141	299

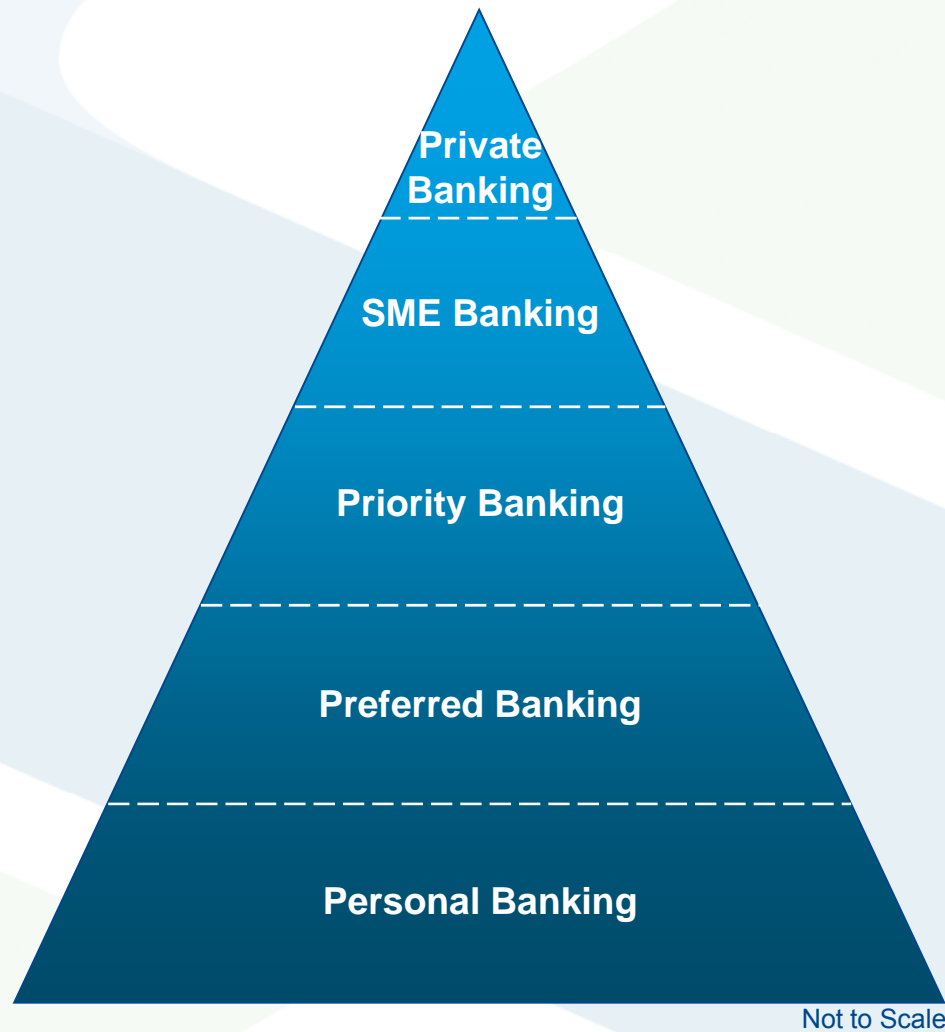
Source: SCB accounts NOTE: LI - Loan impairment, ANR - Average net receivables, ENR - End period net receivables

Income by products - additional disclosure

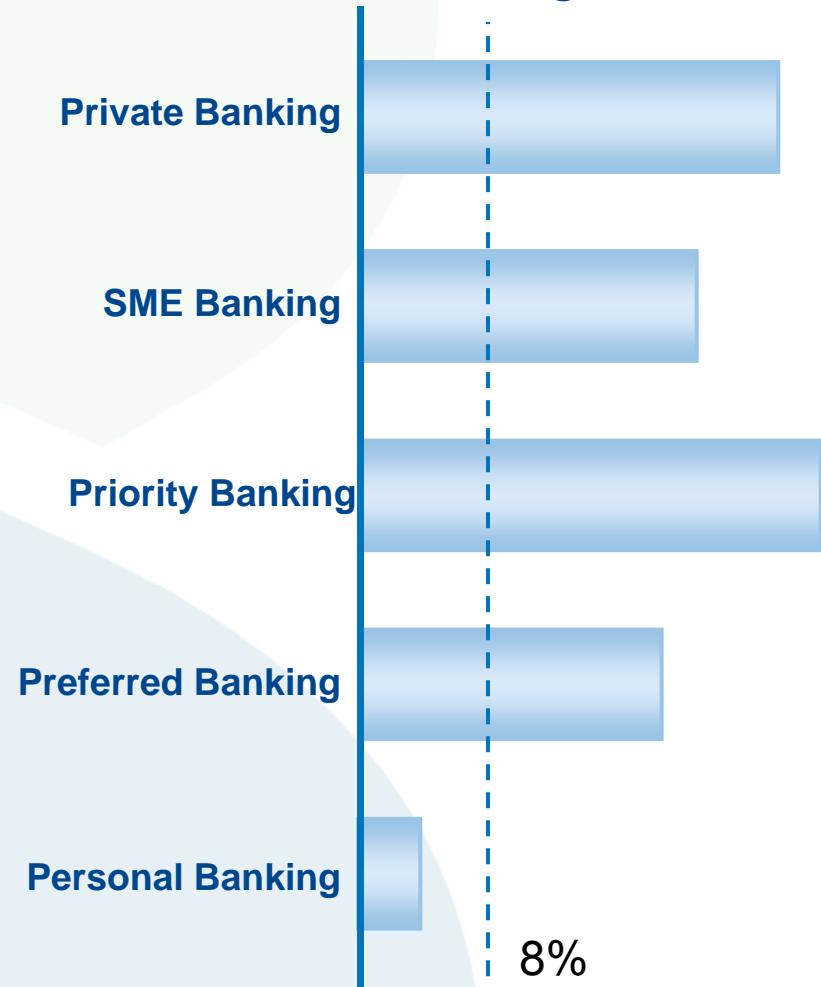
US\$m	H1 09	H1 10	YOY %
Cards, Personal Loans and Unsecured Lending	954	988	4
Mortgages and Auto Finance	540	733	36
Wealth Management and Deposits	1,100	1,106	1
Wealth Management	400	535	34
Deposits	700	571	(18)
Others	91	85	(7)
Total Income	2,685	2,912	8

Source: SCB data

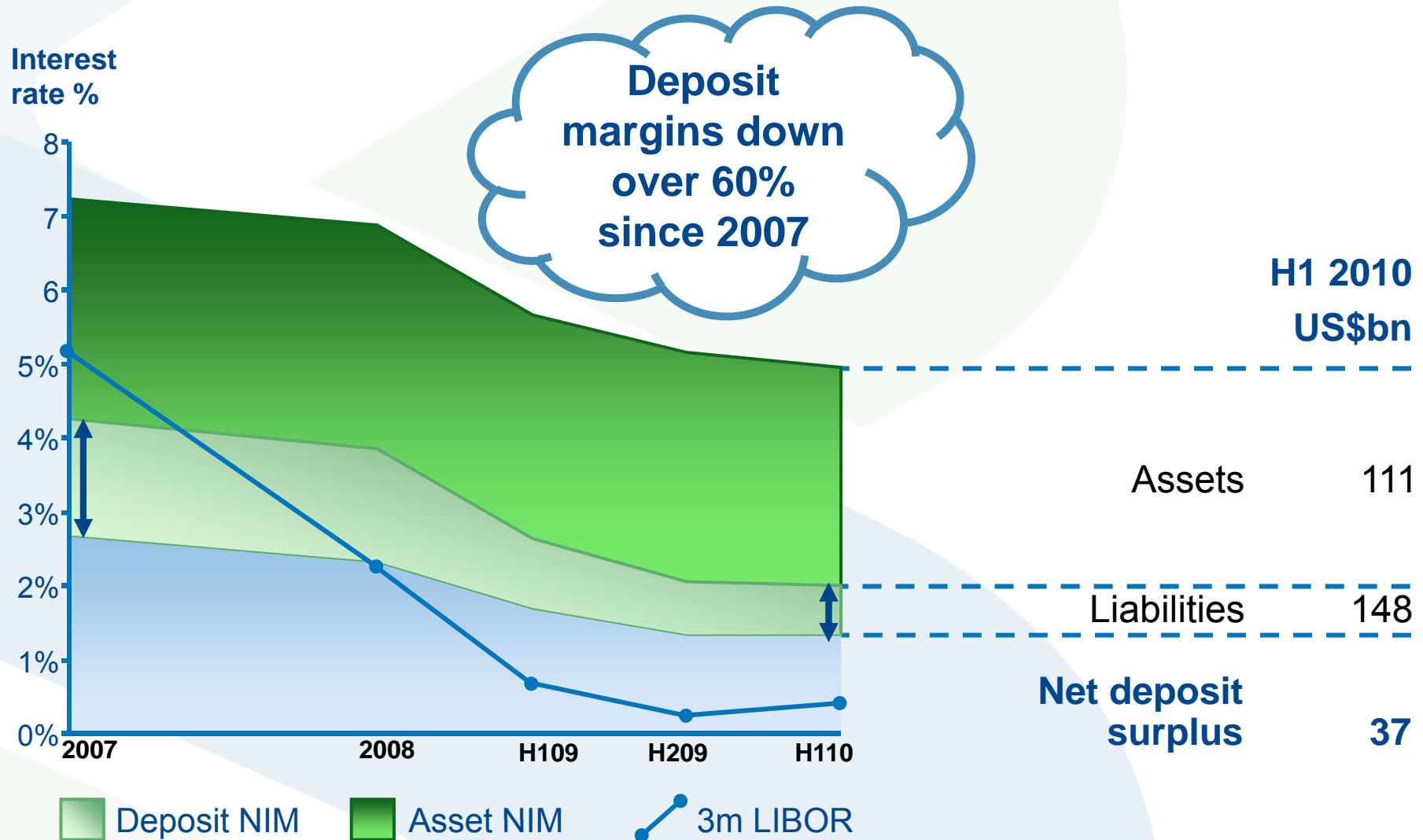
Income by segment mix



H1 2010 vs H1 2009
Income growth %



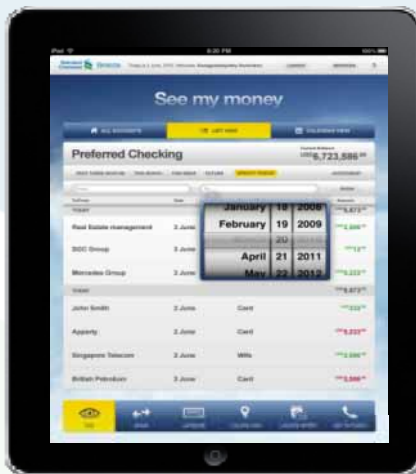
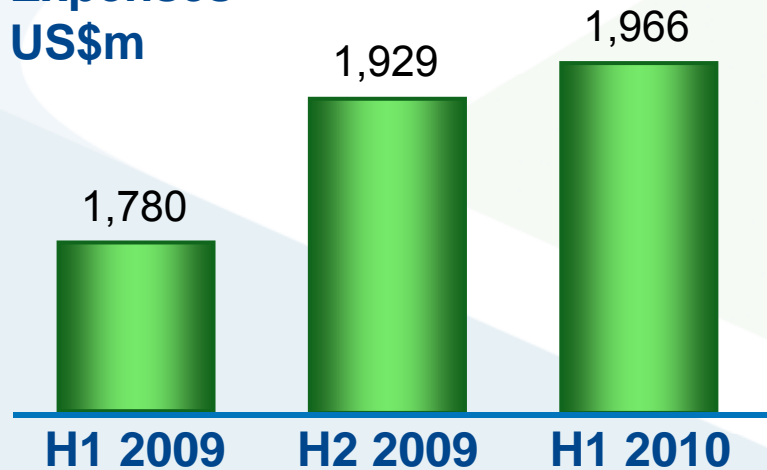
Consumer Banking margin dynamics



Source: SCB accounts

Investments weighing long term vs short term

Expenses US\$m



- Increase sales capacity
 - Over 600 RMs
- Priority hubs in major franchise cities e.g. Seoul, Hong Kong, Singapore
- Build into equities and unsecured products
- Transformation investments
 - On-line mobile capabilities
 - CRM systems
 - SC way
- Branches, Express Banking Centres in India, China, Hong Kong, Taiwan, Korea
- Marketing spend up 50%

Source: SCB data

What's going well?

- High value segments
- Good balance sheet momentum - gaining market share
- Asset quality holding up
- Low loan impairment
- Transformation of KPIs indicating execution traction

Key focus areas

- Executing Consumer Banking agenda
- Increasing competition
- Structural low margins
- Long term vs short term trade-offs
- Driving Personal Banking

- We're on track
- Gaining market share
- Improved impairment created investment window

Wealth Management

Judy Hsu

Global Head, Wealth Management

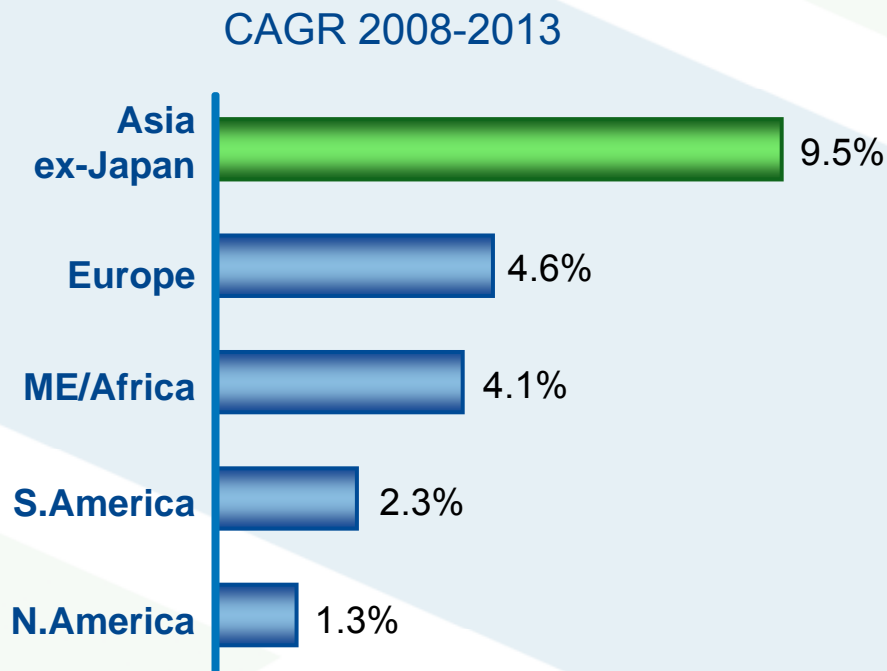
Leading the way
in Asia, Africa and the Middle East



We are well positioned to capture the growth opportunity

Market growth rate

- Asia is projected to have the fastest growth in Wealth Management



Standard Chartered

- We are one of the largest banks in Asia and well positioned to capture the opportunities

High Value customers

> 2 million

Number of branches

> 1,700

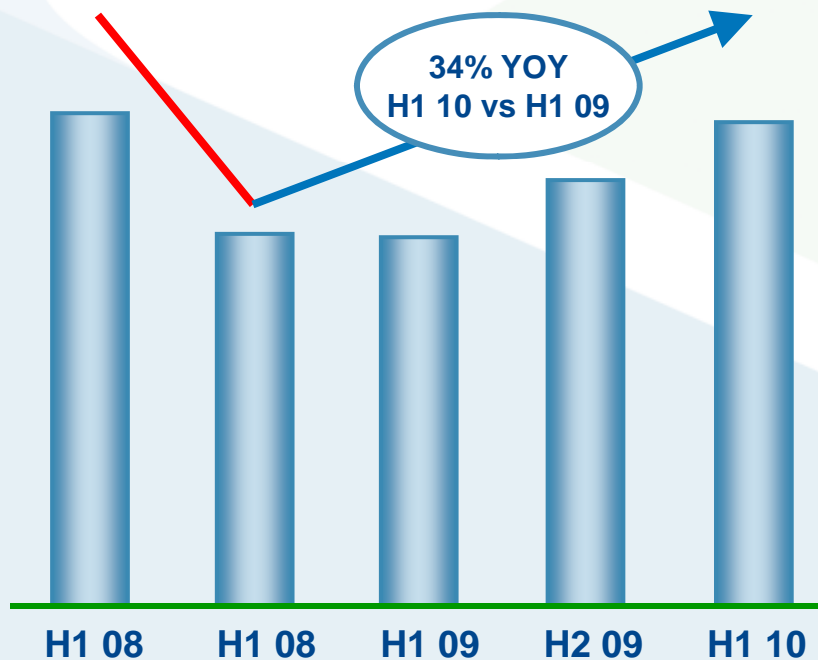
Number of RMs

> 5,400

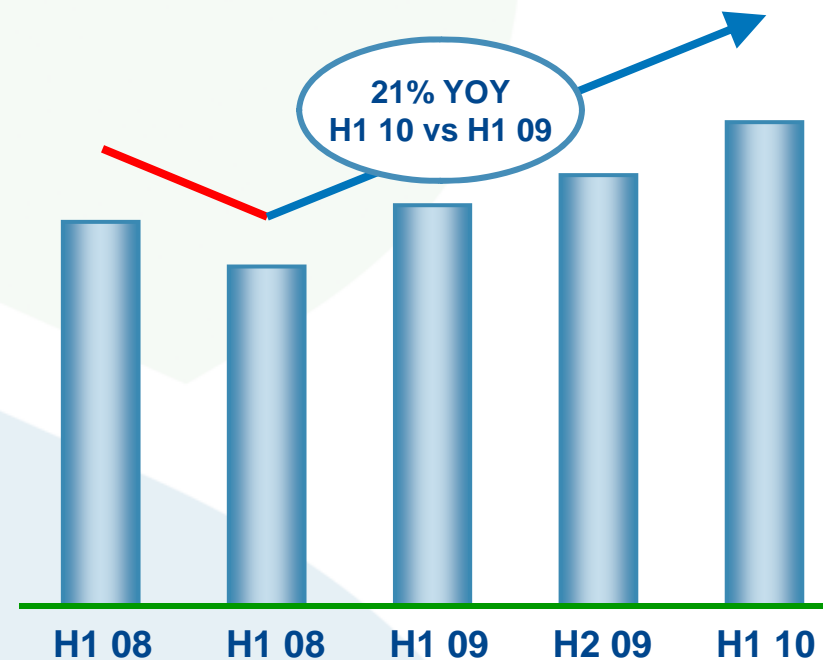
Source: BCG Wealth Market Sizing Database 2009. AuM for 2009-2013 are based on projected estimates.

2010 financial performance: rebound in both fees and AUM

Wealth fees



AUM



- Wealth income bottomed out in H1 09
- Post crisis, industry is still undergoing significant changes in regulations and customer behaviour
- Our wealth strategy is well aligned to adapt to these changes

Source: SCB data

A compelling value proposition

Expertise in our footprint

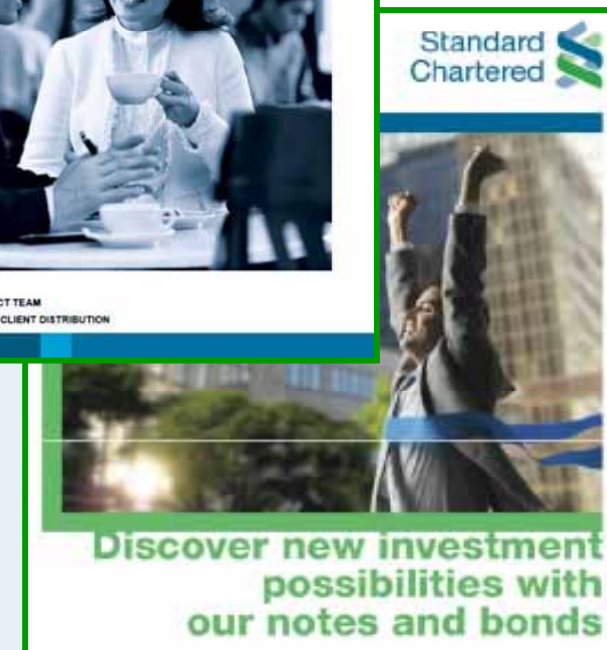
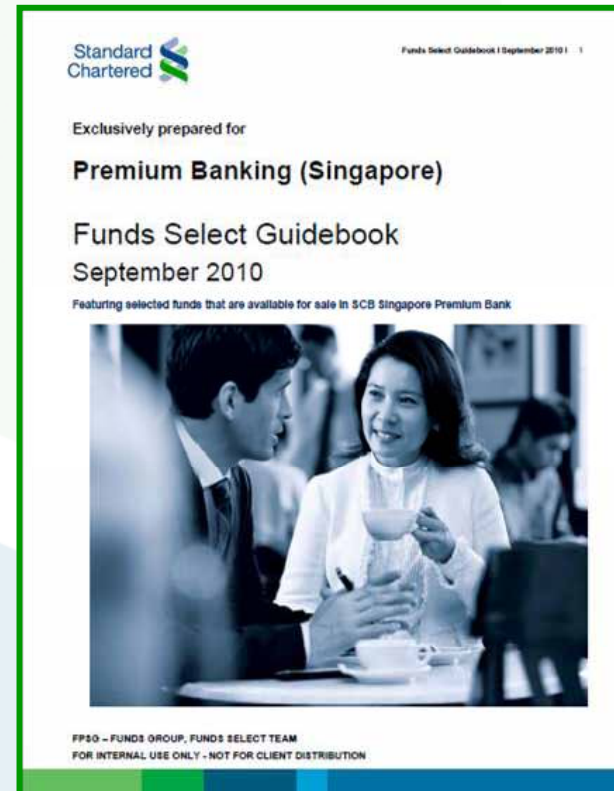
- Superior market insight & investment ideas leveraging on our expertise in Asia, Africa & ME
- One Bank collaboration to offer cross-geographic investment opportunities
- Product leadership in CNY

PRICE (as at 04 March 10)	BLOOMBERG	REUTERS	CHANGE IN EPS (%)
HK\$8.53	2342 HK	2342.HK	2009E - 2010E - 2011E 14%
12 MONTH RANGE	MARKET CAP		
HK\$1.75 - 9.72	HK\$9,074m (US\$1,169m)		

A compelling value proposition

World class needs-based solutions

- Comprehensive set of financial solutions tailored to customer needs
- Open-architecture platform to provide best-in-class products
- Global consistency & governance
- Enhanced equities proposition



Structured advisory process

- Customer focused and objective advice through detailed needs analysis and risk profiling
- Systematic approach to portfolio construction & on-going portfolio reviews
- Transparent performance reporting



Delivering a strong value proposition

Convenience and speed 24 x 7

- Remote transaction capabilities for equities, FX and mutual funds anytime, anywhere
- Online portfolio reports
- Straight through multi-product dealing platform for RMs



- Our Wealth Management business is performing well and we have built back to pre-crisis levels
- Wealth Management in Asia is a large and growing market
- We are well positioned to capture the opportunity leveraging on our key enablers, distribution reach and strong brand

Consumer Banking High Value Segments

Shayne Nelson

Global Head, Private Banking

Som Subroto

Global Head, SME Banking

Foo Mee Har

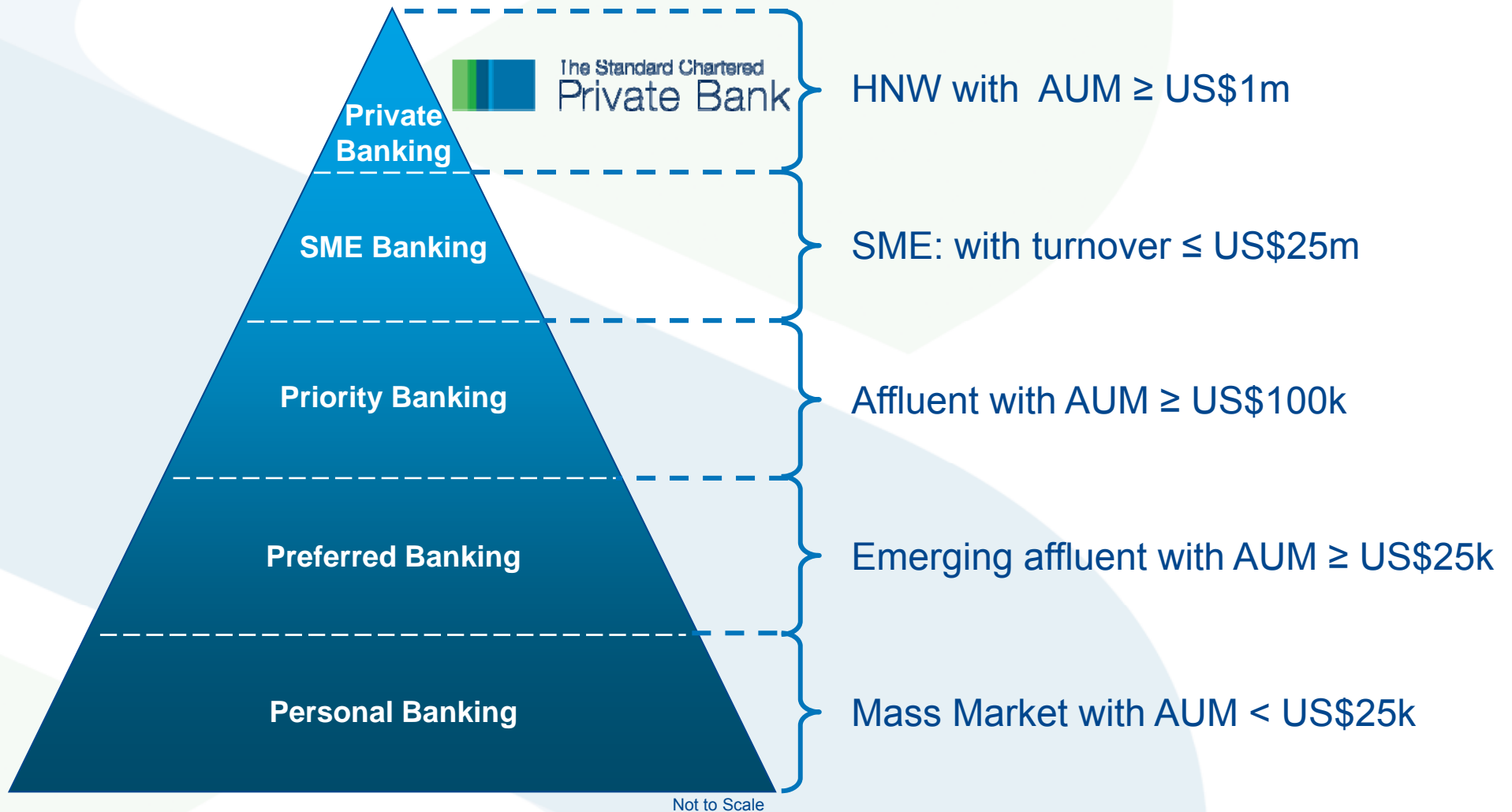
Global Head, Premium Banking

Leading the way
in Asia, Africa and the Middle East

Standard
Chartered 

Focus on high value segments - Private Banking

Program criteria



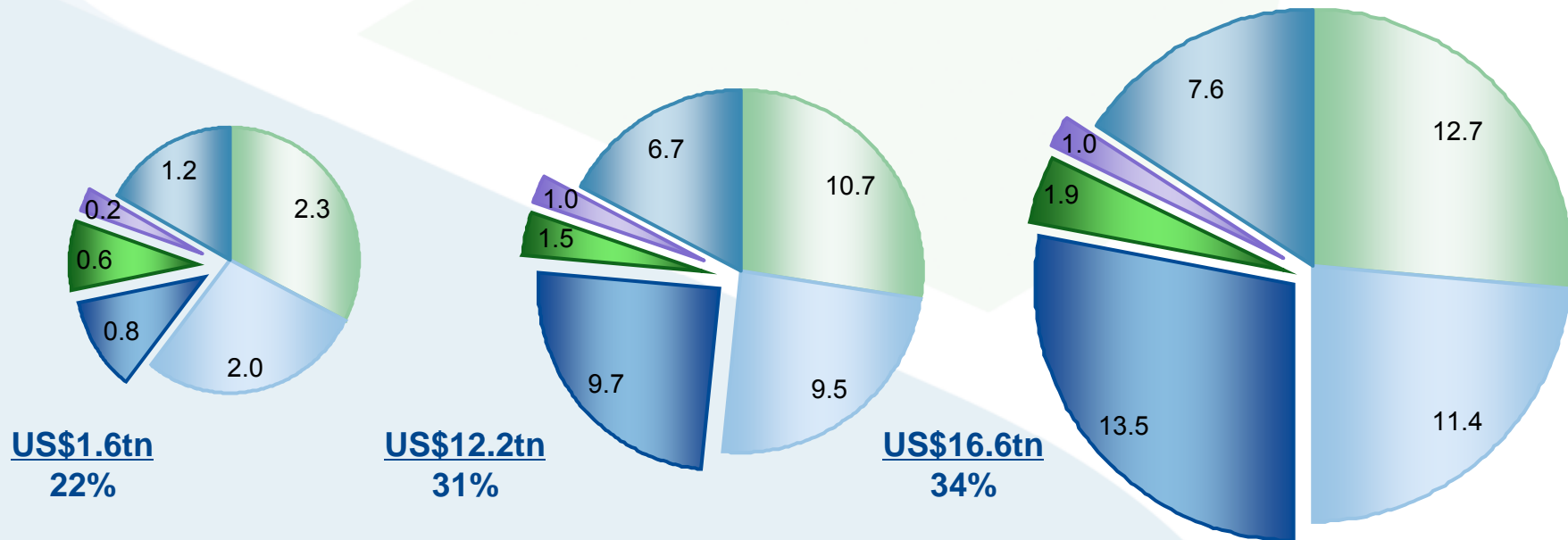
Note: Program criteria are indicative and vary by countries based on local market environment

Strong wealth creation in our core regions

1986 *
HNWI total US\$7.2tn

2009 †
HNWI total US\$39tn

2013 E ‡
HNWI total US\$48.5tn



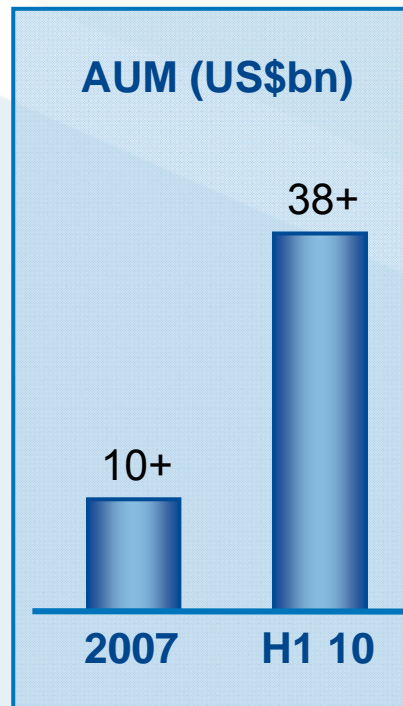
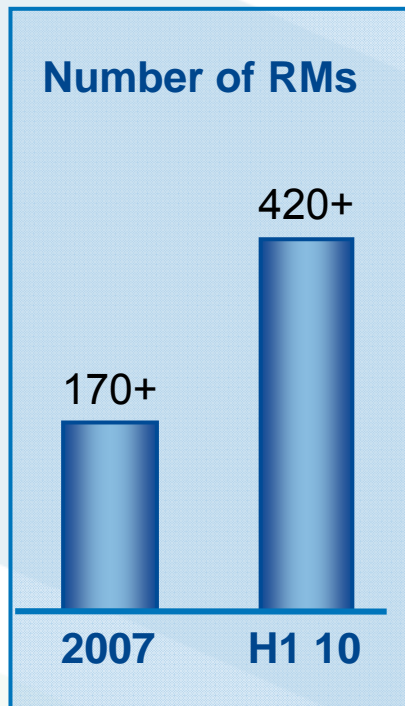
■ North America
 ■ Europe
 ■ Asia
 ■ Middle East
 ■ Africa
 ■ Latin America

Source: * Weldon 1998 † MLCG World Wealth 2010 ‡ MLCG World Wealth 2009

Successful launch and strong growth

Continued to strengthen the Private Banking franchise...

...with recognition from peers



Clear strategy and strong Customer Value Proposition

PARTICIPATION MODEL

- In and for Asia, Africa and the Middle East
- Differentiated client segments

CUSTOMER FOCUS

- Service excellence
- Holistic solutions
- Deepen relationships
- Trusted advisor

'BACK TO BASICS'

- Strong governance and risk control
- Improve productivity
- Invest in people
- Global platform

One bank as source for competitive advantage

One Bank collaboration

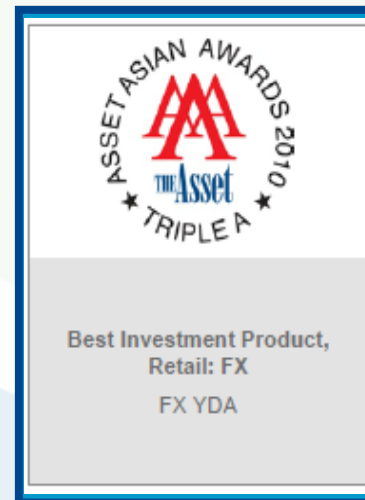
PB collaboration with other divisions

- Consumer Banking
- Priority Banking
 - SME Banking
 - Wholesale Banking

Collaboration benefits

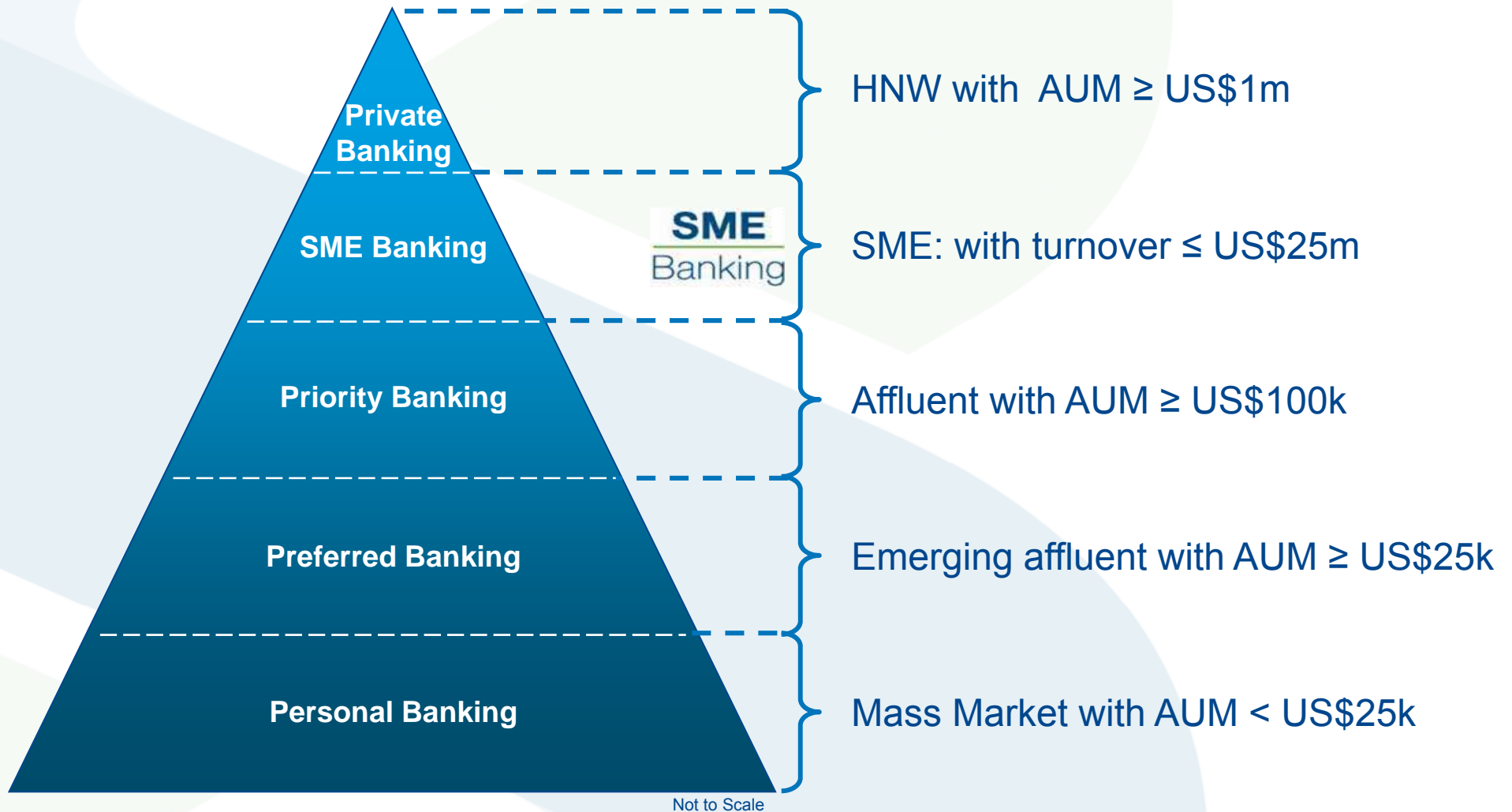
- Deepen client relationships
- Build value propositions
- Platform efficiencies

External recognition



Focus on high value segments - SME Banking

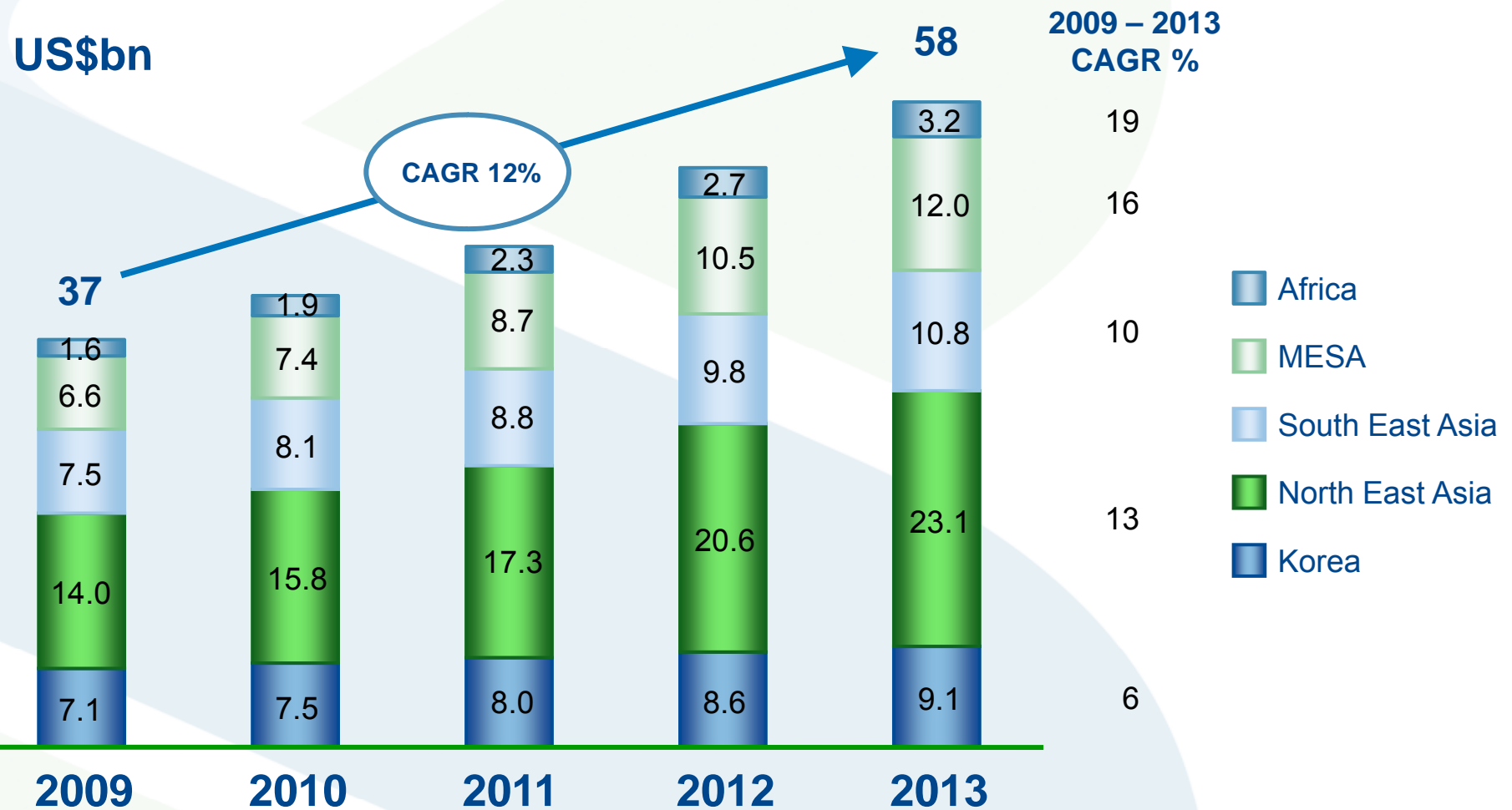
Program criteria



Note: Program criteria are indicative and vary by countries based on local market environment

Substantial opportunity in our markets

SME market pool projections for 5 regions (18 countries)



Source: SCB internal estimates. Market pool projections applicable only in regions/cities where SME Banking operates.

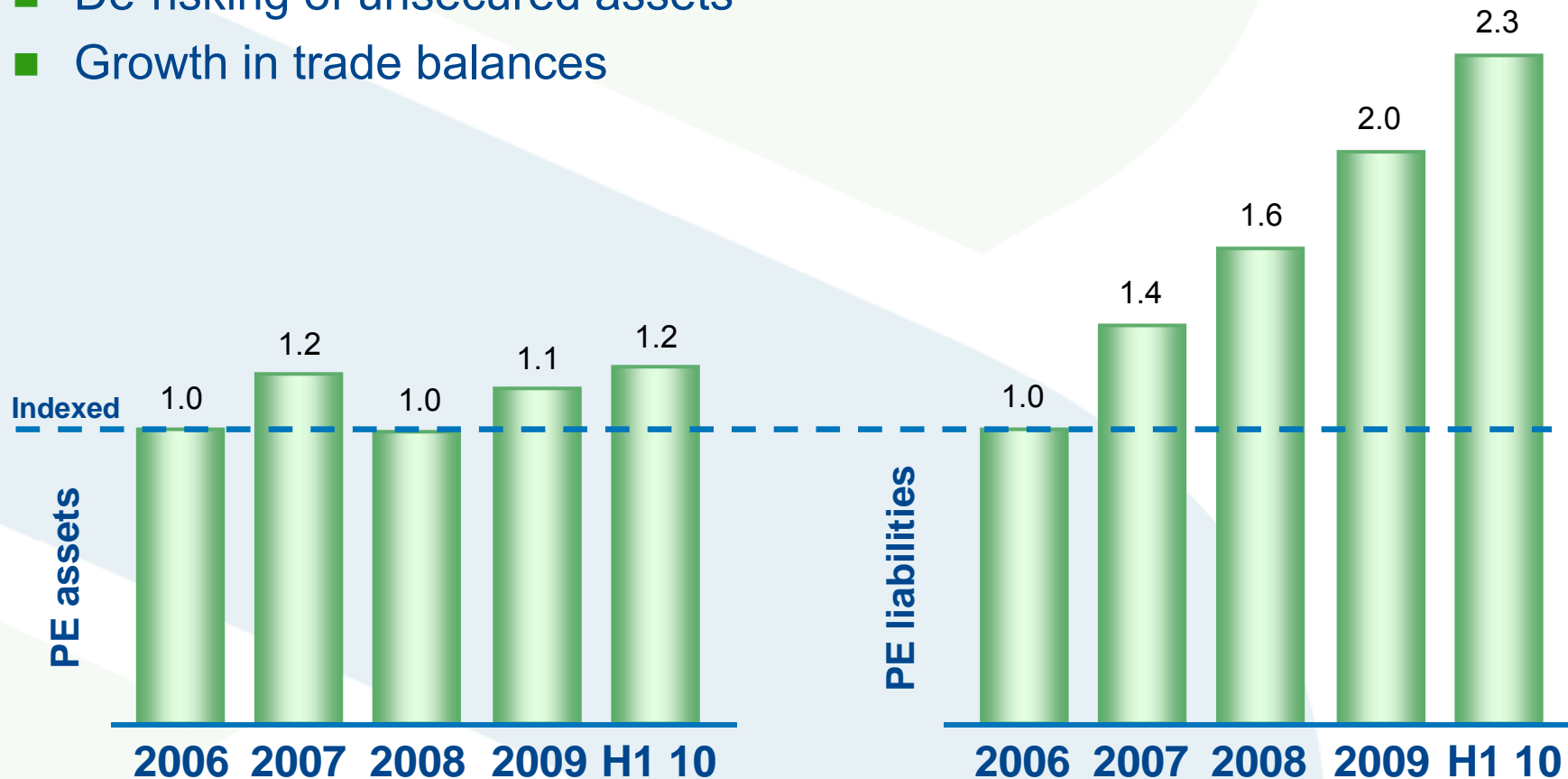
SME Banking: robust balance sheet momentum

Reshaping asset portfolio

- Collaborate in government guarantee schemes
- De-risking of unsecured assets
- Growth in trade balances

Deposit led growth

- Improving deposit mix
- Transactional convenience



Source: SCB data

Shifting to customer focused strategy

PARTICIPATION MODEL

- Cross border, trade & industry focus
- Deployment of hub-and-spoke structures leveraging shared utilities
- Alignment of risk appetite to the participation models

CUSTOMER FOCUS

- Superior service by specialists
- Differentiated customer value propositions for medium enterprises and smaller businesses
- Valued total relationships

‘BACK TO BASICS’

- Improving turnaround time for selected services
- Developing market leading RMs and maximising branches for sales and servicing
- Balanced business and superior risk management

Propositions tailored around business needs

Working Capital



IS SMOOTH CASH FLOW PART OF YOUR SMOOTH BUSINESS OPERATION?

SME Banking

Access to a range of working capital products to support your business. From invoice financing to supply chain finance, we have the solutions you need to keep your business running smoothly. Contact us today to find out more.

Here for good

We facilitate your cashflow mgmt so that you can focus on running your business

Business Expansion



Standard Chartered

雄心无界 版图无疆

— 您正在规划新市场，让您的业务版图无疆吗？
请与我们联系，我们将为您提供专业的建议。
服务热线：400 608 8333

标准银行，伴您一路成长。

Here for good

We provide fast turnaround so you get quick access to funds for your business expansion

Protection & Risk Management



Standard Chartered

IS YOUR BUSINESS PROTECTED FROM THE UNPREDICTABLE?

SME Banking

Access to a range of insurance products to protect your business. From fire and theft to business interruption, we have the solutions you need to keep your business protected. Contact us today to find out more.

Here for good

We help you protect your business in an unpredictable world

Yield



Standard Chartered

HAVE YOU PUT YOUR IDLE MONEY TO GOOD USE?

SME Banking

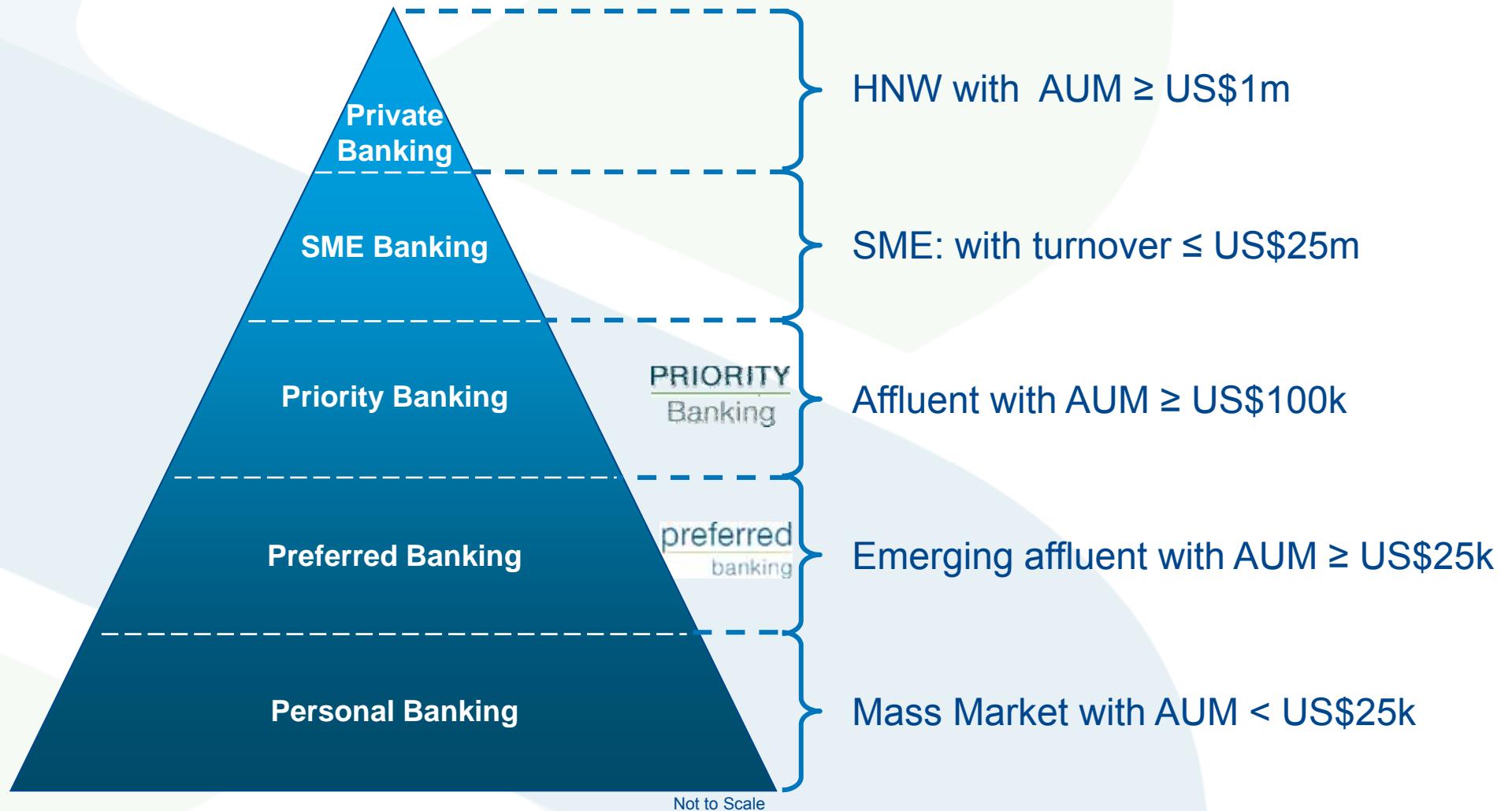
Access to a range of investment products to help you grow your wealth. From equities to fixed income, we have the solutions you need to make your money work for you. Contact us today to find out more.

Here for good

We provide solutions that lets your surplus cash work for you

Focused on High Value Segments - Premium Banking

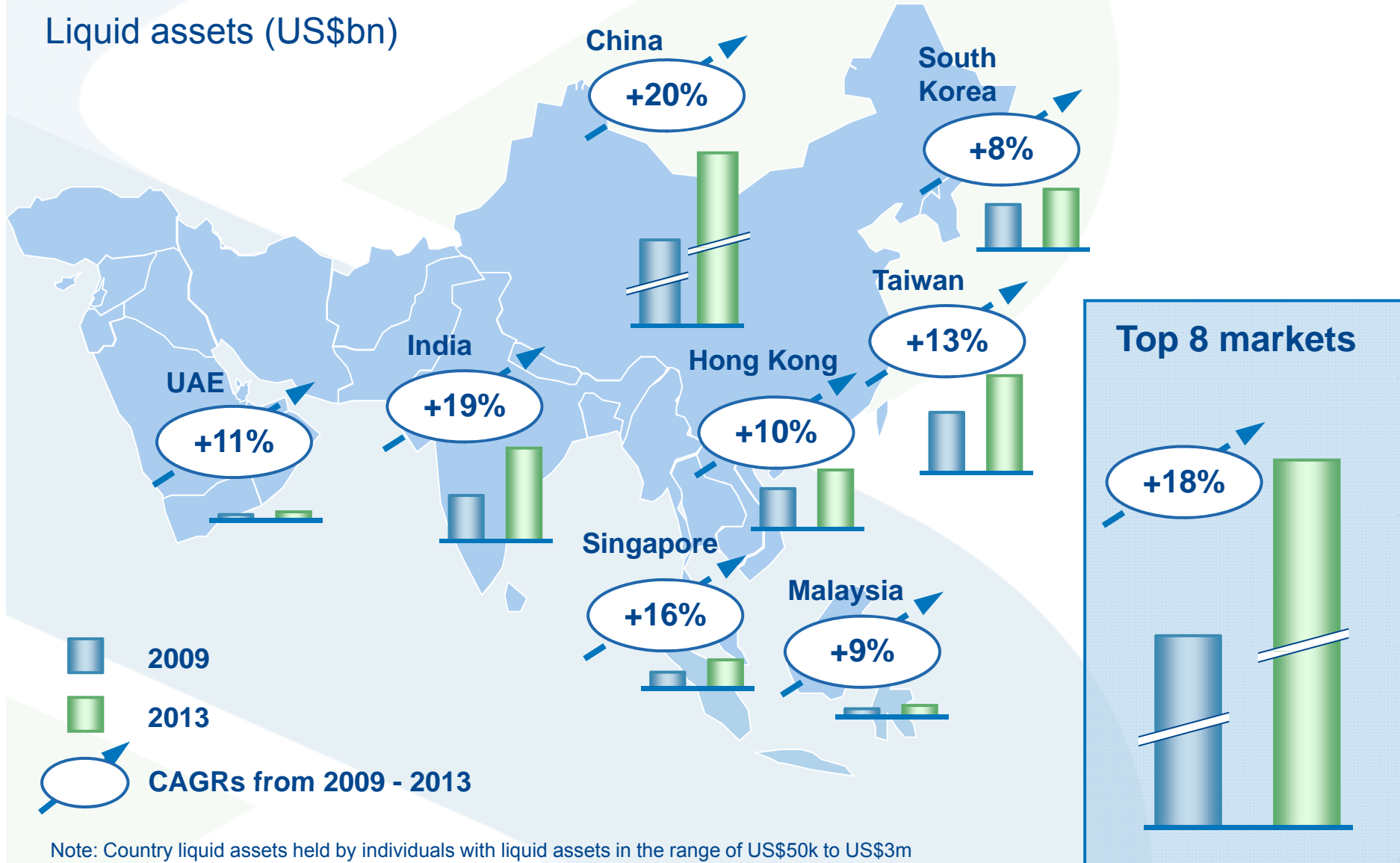
Program criteria



Note: Program criteria are indicative and vary by countries based on local market environment

Rapid affluent and emerging affluent segments growth

Liquid assets (US\$bn)



Note: Country liquid assets held by individuals with liquid assets in the range of US\$50k to US\$3m
 Source: Datamonitor

Clear customer-focused strategy

PARTICIPATION MODEL

- Core growth engine: affluent and emerging affluent segments
- International corridors
- Scalable, institutionalised RM force

CUSTOMER FOCUS

- Distinctive and compelling customer value propositions
- Addressing international mobility needs
- RMs as trusted, holistic advisors

'BACK TO BASICS'

- Service commitments and integrated across channels
- Seamless cross-border banking
- Systems and tools empowering RMs

Successful global launch of Priority Banking



PRIORITY Banking



Source: SCB Analysis; Compares June 2010 vs. Jun 2009

Introducing a new class of banking for the emerging affluent

preferred
banking



more Personal



more Convenient



more Rewarding



- Strong growth opportunities and uniquely positioned
- Clearly articulated strategy and capturing synergies
- Results on track

Delivering customer-focused banking

James Galloway

Group Head, Personal Banking &
Chief Marketing Officer

Leading the way
in Asia, Africa and the Middle East



- Continued improvement to customer experience and service quality by embedding the Customer Charter
- Translating service improvements into value through bundle solutions
- Customer value propositions and service commitments support our **Here for good** brand promise

Our team is here to give you...

Friendly, fast and accurate service

Solutions to your financial needs

Recognition of your overall banking relationship

**Our goal is to be the Bank YOU RECOMMEND
to friends and colleagues**

Our Customer Charter is being integrated into our business

People

- 1,591 'Here for customer' workshops for ~39,000 participants
- Day one readiness, branch plans, more empowerment

Product

- Solutions and bundles
- SCB Way sales framework

Place

- Branch re-design and better e-channels
- VOC & CVP inform service and standards in all channels

Price

- Pricing based on customer behaviors and risk
- Rewards & recognition – pan-bank rewards

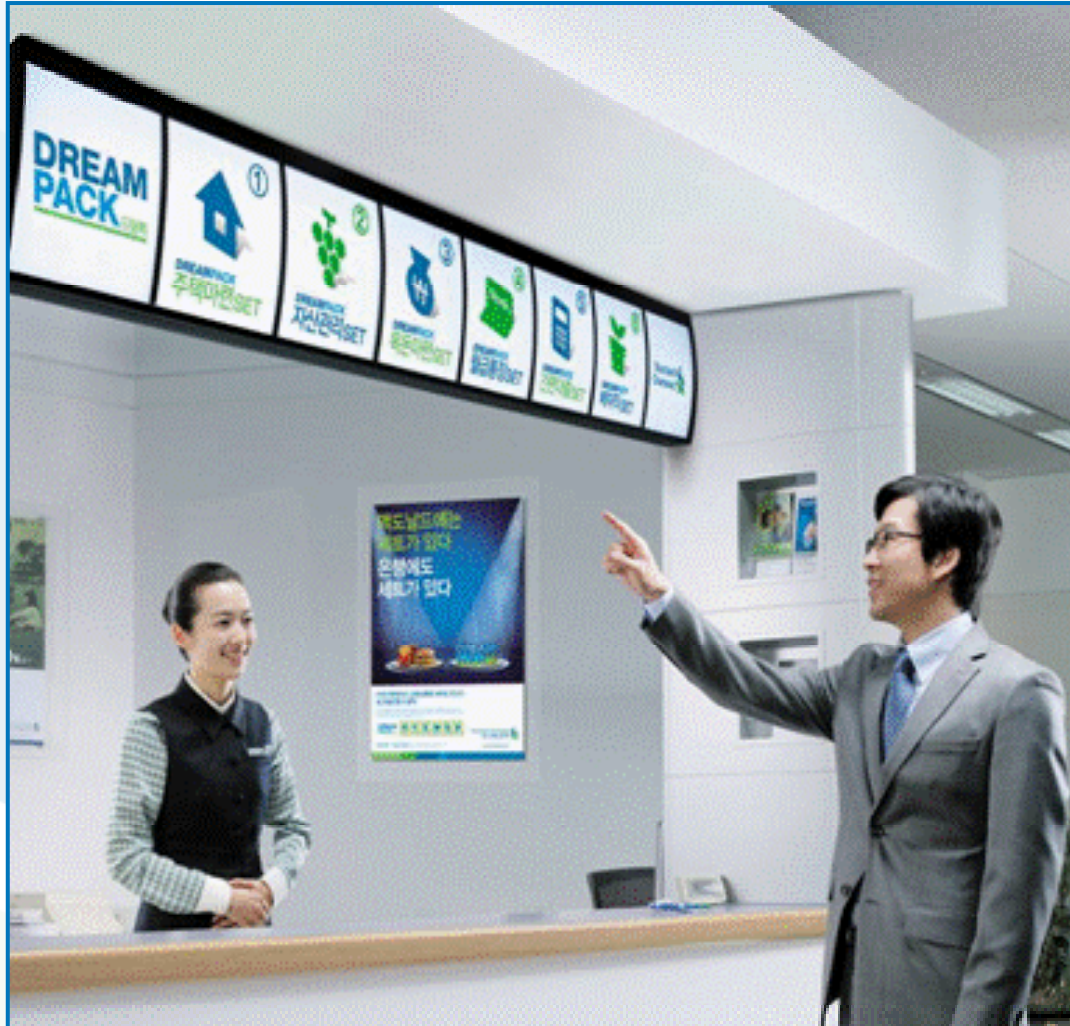
Promotion

- 'Here for good' and 'Customer Charter'
- Customer Charter proofs ads

Process

- Re-engineering for service quality
- Addressing critical moments of truth

Product bundles address customers' needs with added convenience



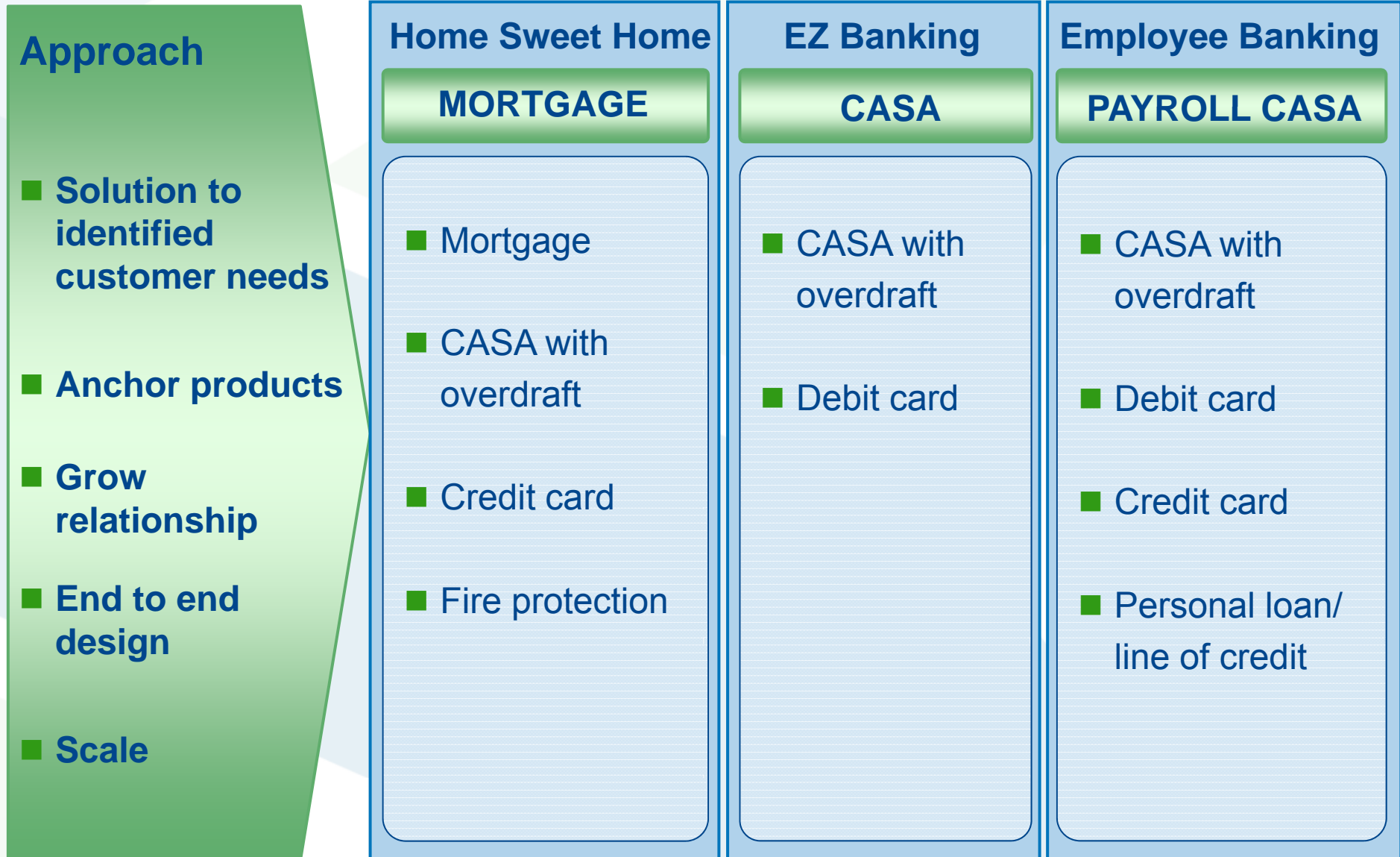
What are bundles?

- Set of products to address customers' key life events or segment needs

Benefits to customers?

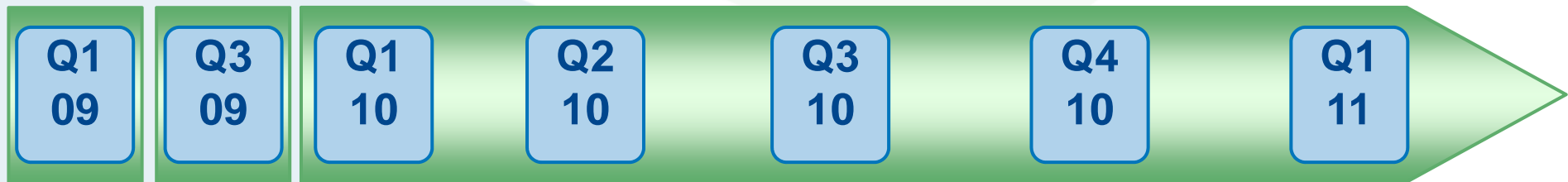
- Convenience
- Value

Implementing 'Real Bundles'



Significant increase in marketing activity

Strategy and Customer Value Propositions...



Sales, service & branding



Customer Charter & SC Way



Here for good



LFC sponsorship

Proof-based advertising

- Continued improvement to customer experience and service quality by embedding the Customer Charter
- Translating service improvements into value through bundle solutions
- Customer value propositions and service commitments support our **Here for good** brand promise

Q & A

Bringing it all together

To be the world's best international Consumer Bank in each of our chosen markets and segments across Asia, Africa and the Middle East

**PARTICIPATION
MODEL**



**CUSTOMER
FOCUS**



'BACK TO BASICS'

Culture

SC Way

Our customer charter

Our team is here to deliver you...

Friendly, fast and accurate service

Solutions to your financial needs

**Recognition of your overall
banking relationship**

**Our goal is to be the Bank you recommend to friends,
family and colleagues**

Brand

Deliver sustainable operating performance



Investor trip 2010

Wholesale Banking

Mike Rees

Group Executive Director & CEO
Wholesale Banking

Leading the way
in Asia, Africa and the Middle East

Standard
Chartered 

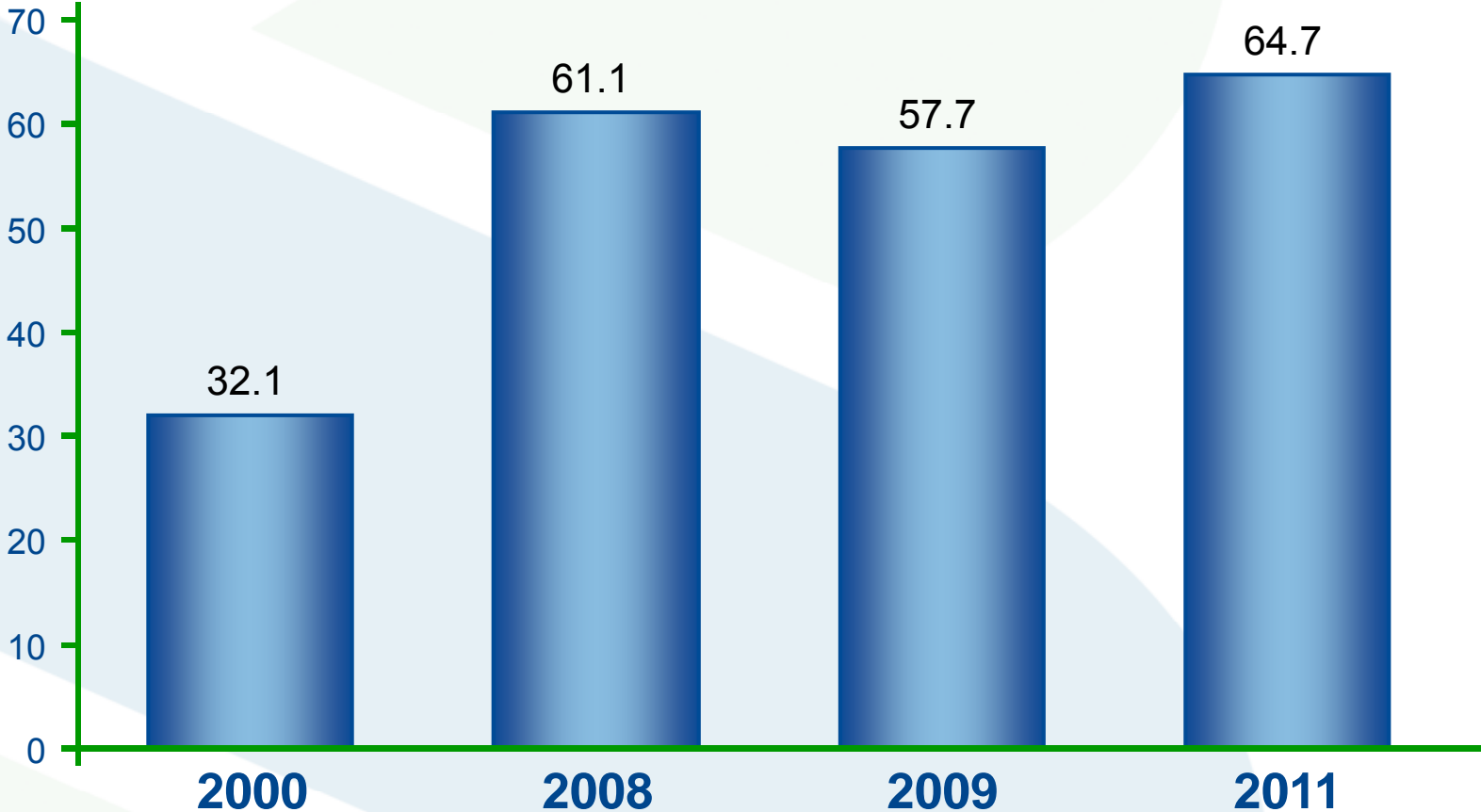
Wholesale Banking agenda

14:00 – 15:00	Wholesale Banking strategy	Mike Rees
15:00 – 15:45	Wholesale Banking performance	Vivek Ahuja
15:45 – 16:00	Tea & coffee break	
16:00 – 16:45	Corporate values & culture	Lenny Feder, Sean Wallace, Karen Fawcett, Ray Ferguson
16:45 – 17:30	Wholesale Banking Q&As & recap	WB management team
17:30 – 18:30	Free time	
18:30 – 19:00	Travel to Clarke Quay	
19:00 – 22:30	Team building, make your own dinner at the Coriander Leaf	Hosted by WB management team

- We operate in attractive markets
- We have a clear and consistent strategy with significant upside 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

Growth in world nominal GDP

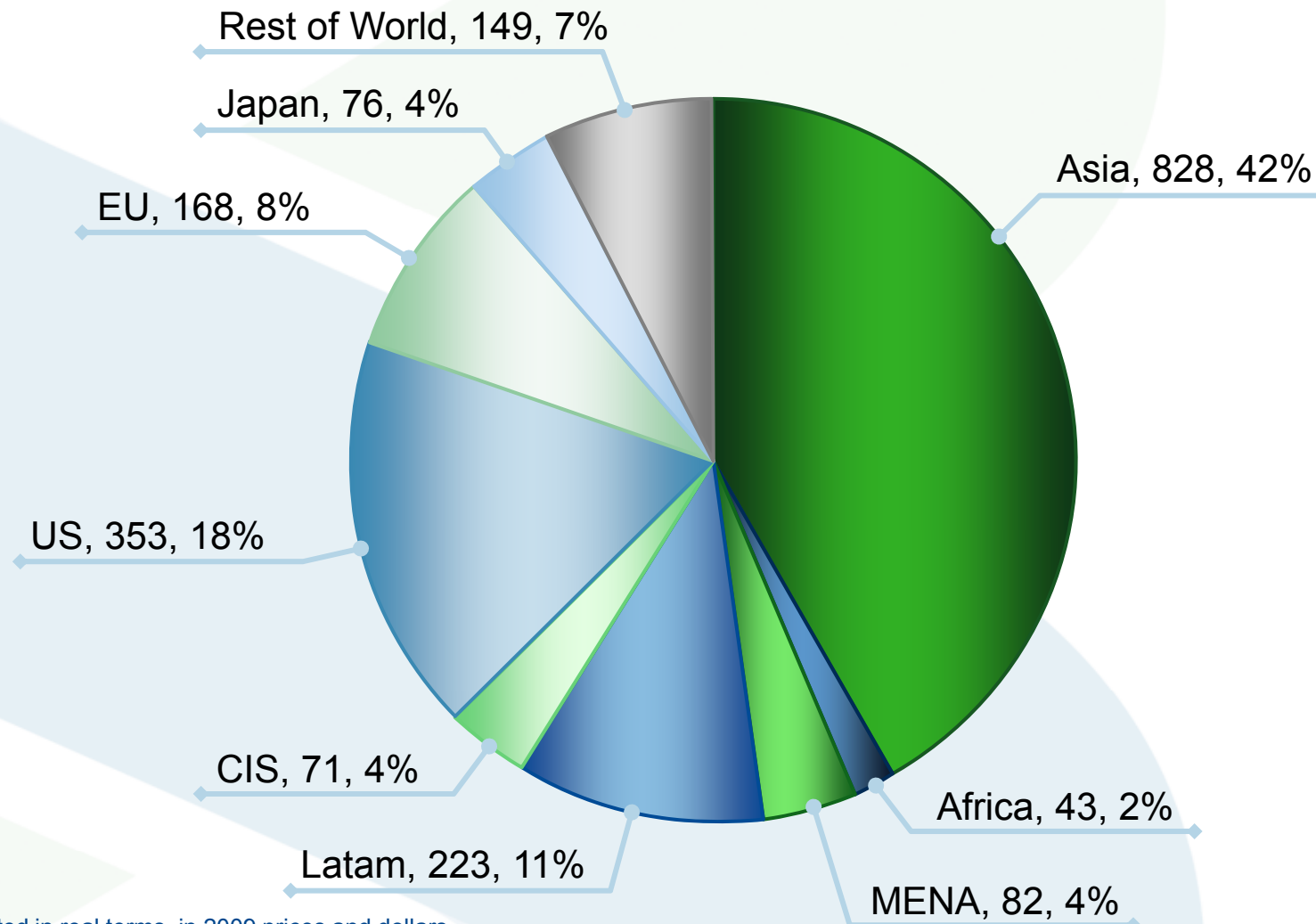
World nominal GDP current cycle (US\$tn)



Source: IMF

70% of global growth this year is coming from Emerging Markets

Contribution to global growth in 2010, US\$ bn and %



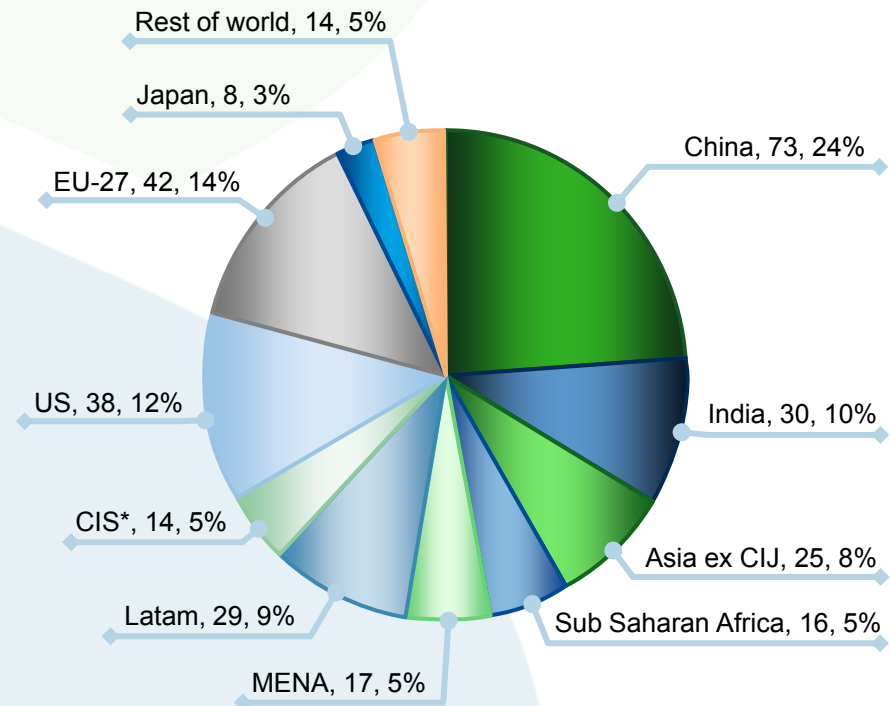
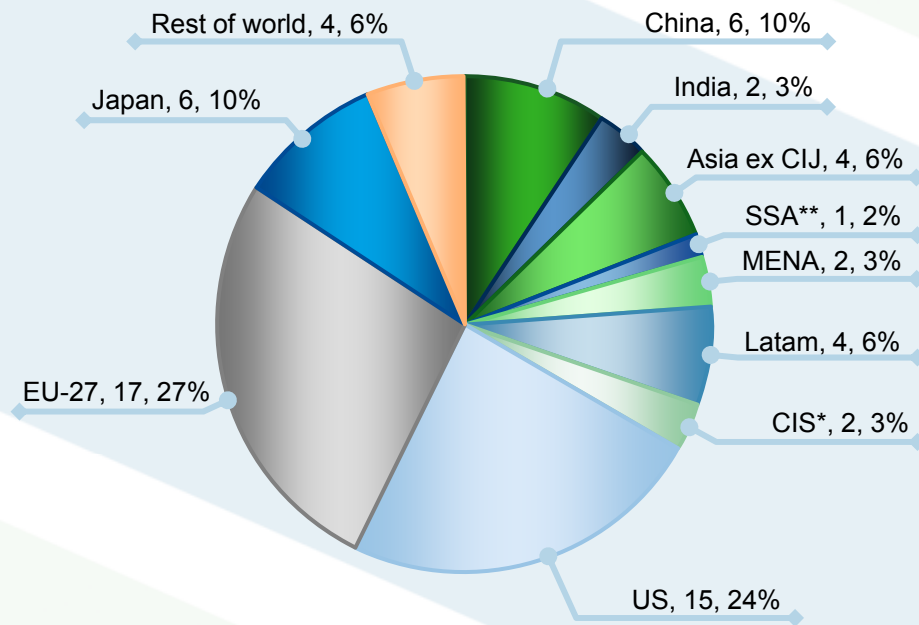
Note: Calculated in real terms, in 2009 prices and dollars.
Sources: IMF, Standard Chartered Global Research

Projected change in nominal GDP distribution

Asia, Africa and the Middle East anticipated to be 50% of global GDP by 2030

Nominal GDP 2010, US\$62tn
(US\$tn, % of global)

Nominal GDP 2030, US\$309tn
(US\$tn, % of global)



Sources: IMF, Standard Chartered Global Research

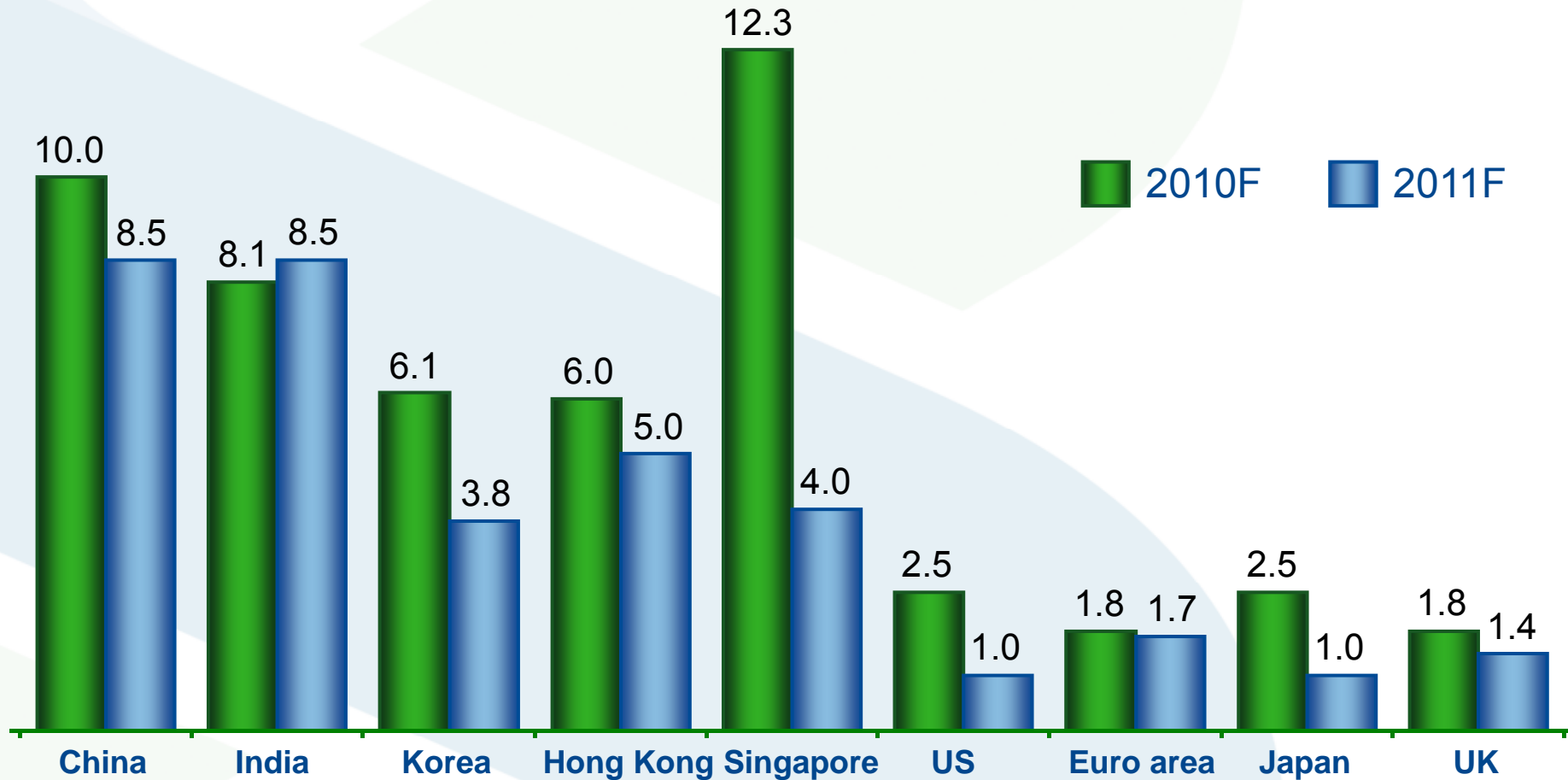
* CIS – Commonwealth of Independent States

** SSA – Sub Saharan Africa

Our core markets are at the heart of global GDP growth

GDP Growth Forecasts

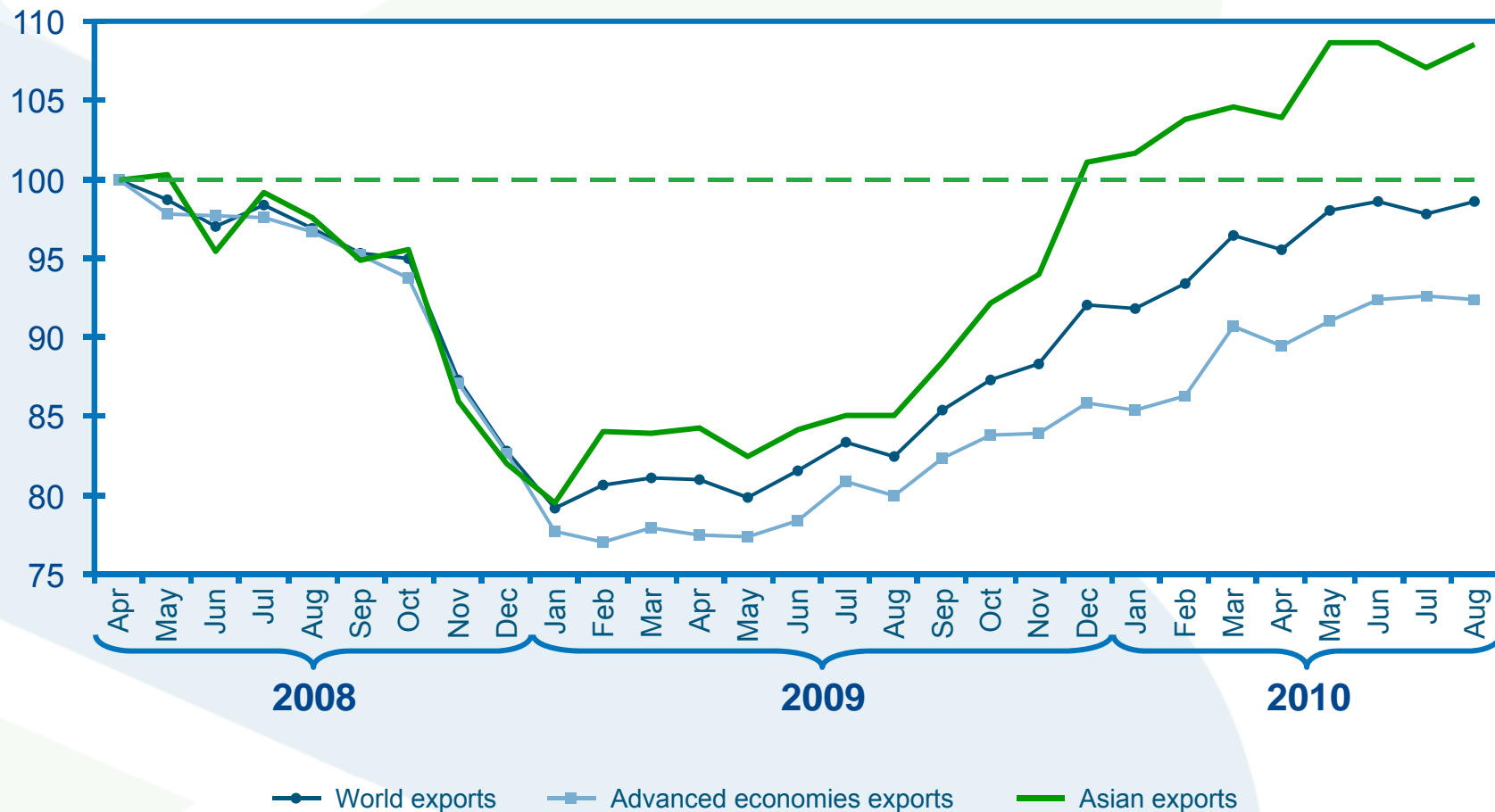
%



Source: Standard Chartered Global Research

Trade has rebounded

Export volumes (indexed to pre-crisis peak, April 2008)



Sources: CPB Netherlands Bureau for Economic Policy Analysis, Standard Chartered Global Research

Consistent financial performance ...

Wholesale Banking total income and operating profit

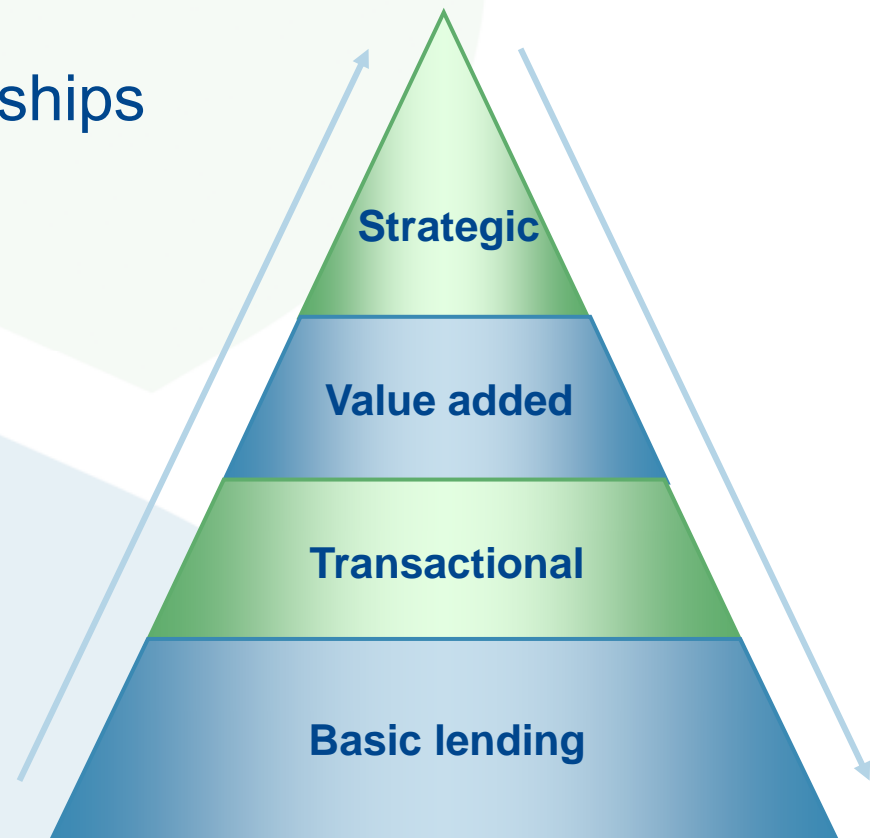


Our strategy

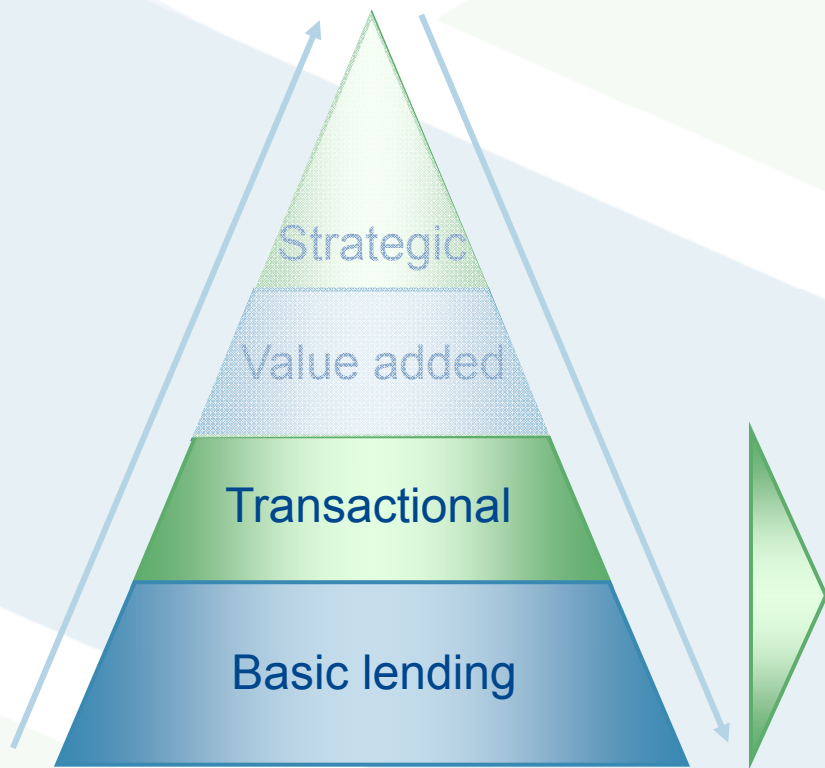
- Deep 'core bank' client relationships
- Local scale and cross-border capabilities
- Balance sheet management

Key enablers

- Infrastructure
- Values and culture



Commercial banking is key to developing our client franchises

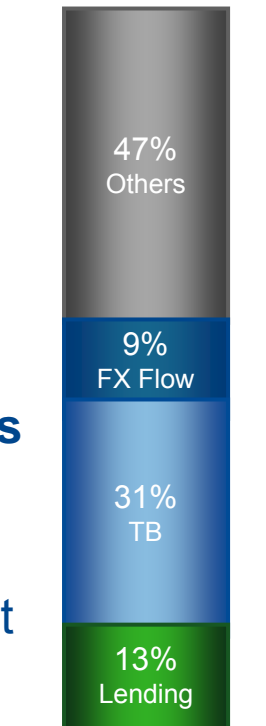


Commercial Banking constituents

- FX flow
- Transaction Banking
- Lending & Portfolio Management

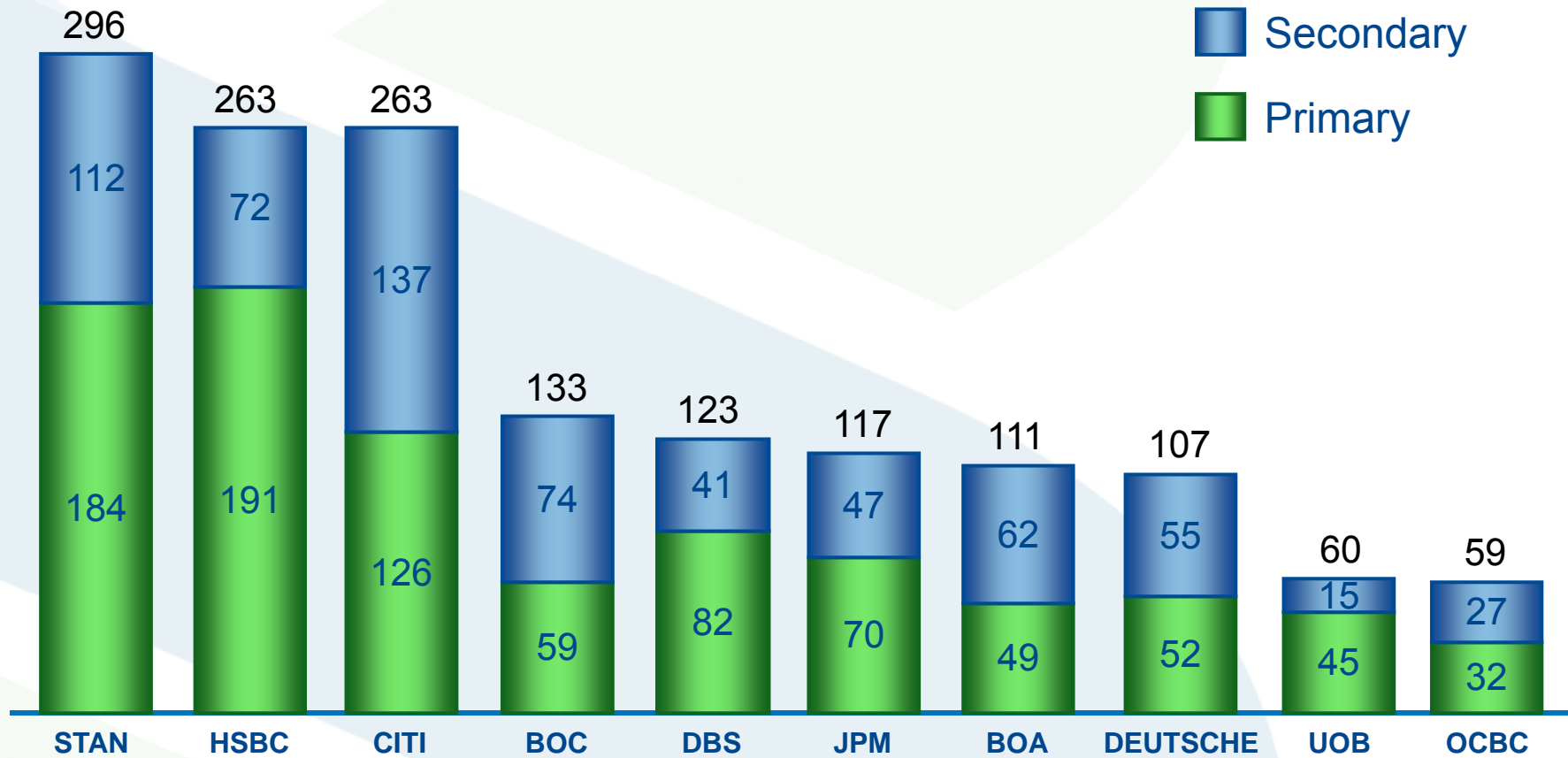
Client income

H1 10



Cash Management - market share continues to increase

Primary and secondary transaction banker (No of customers)



Source: East & Partners May '10 Asian Institutional Transaction Banking Markets
Users: 930 Corporates in Asia - China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, Korea, Taiwan, Thailand

The diversity and innovation of our Transaction Banking business

Cash Management

- Payment Services
- Collection Services
- Liquidity Management
- Clearing Services
- Continuous Linked Settlement
- Gateway Banking

Trade Finance

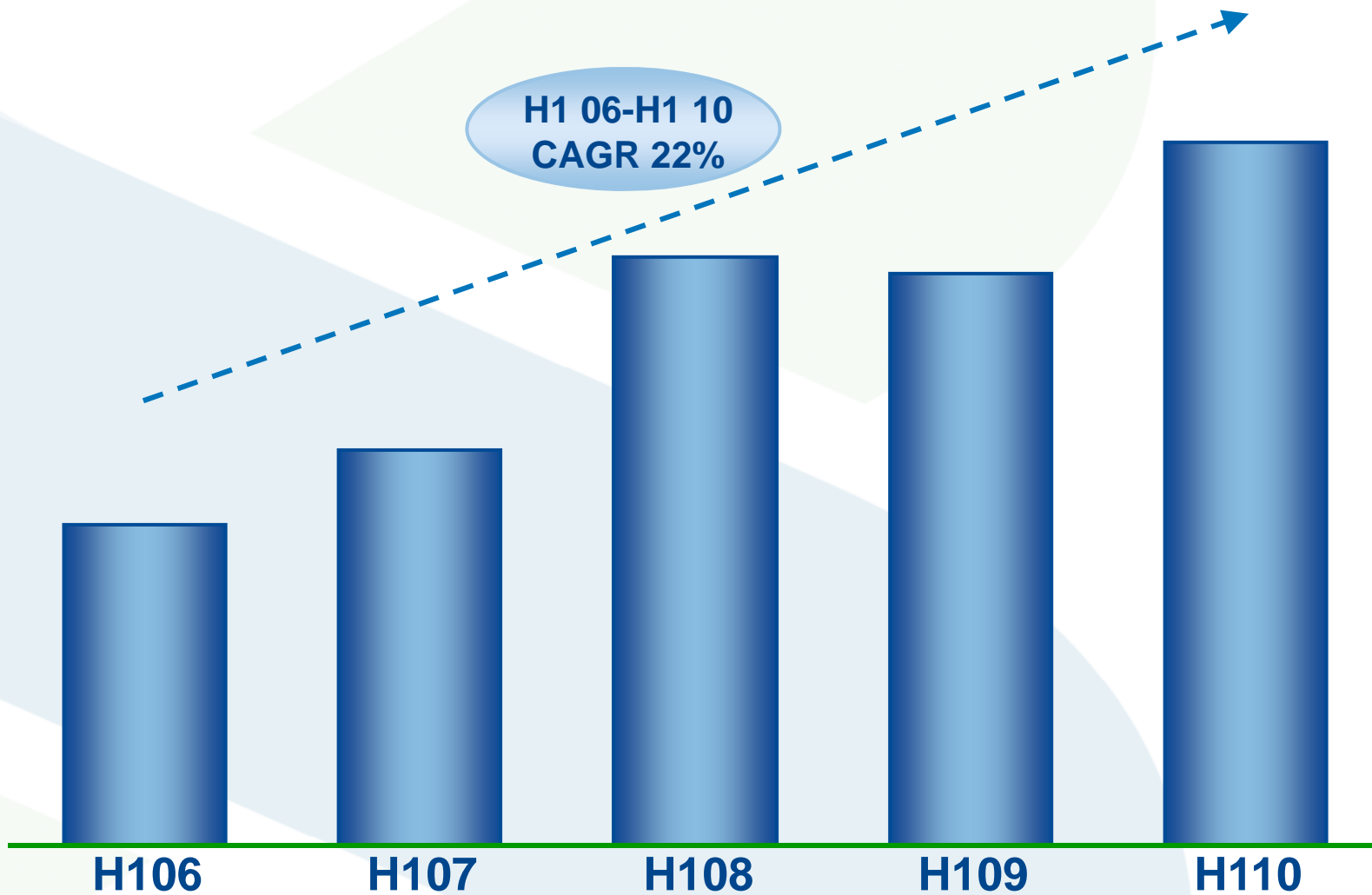
- Import / Export
- Supply Chain Financing
- Document Manager
- Private Label
- Letter of Credit Reimbursement

Securities Services

- Network Custody and Clearing System
- Custody and Clearing
- Fund Services

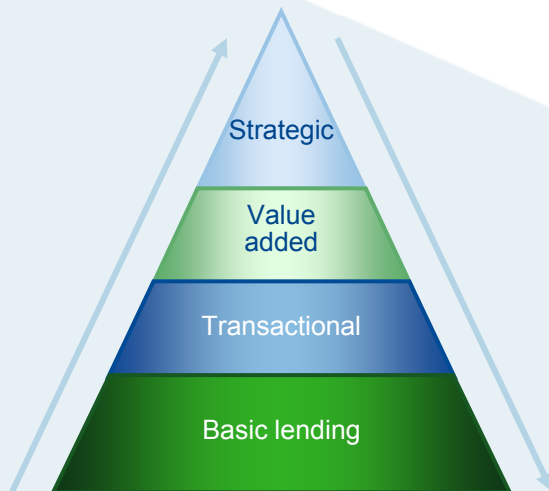
Increasing liabilities in our key markets

Current liability position



Source: SCB data

- Huawei is one of the world's largest telecom solutions providers



- A receivables services deal led to:
 - Global US\$ liquidity bank
 - US\$ notional pooling in Singapore
 - US\$ and non-US\$ vendor payments (including related FX)
 - Buyer finance
- We are now their core transaction banking provider

Leading the industry in Commercial Banking



Global Bank Award 2010

- Best Global Bank in Emerging Markets



Best Treasury and Cash Management Provider Award 2010

- Best Bank for Liquidity Management in Asia
- Best Bank for Liquidity Management in Africa
- Best Bank for Liquidity Management in the Middle East



Asset Asian Awards 2010

- Best Transaction Bank in Asia
- Best Structured Trade Finance Bank in Asia
- Best Trade Finance Bank in Asia
- Best Cash Management Bank in Southeast Asia
- Best Cash Management Bank in the Middle East



Euromoney Awards for Excellence 2010

- Best Bank in Asia
- Best Bank in Africa
- Best Project Finance House in Africa
- Best at Risk Management in Africa



EMEA Finance Treasury Services Awards 2010

- Best FX Services in Africa
- Best FX Services in the Middle East
- Best Cash Management Services in the Middle East
- Best Cash Management Services in EMEA



Banker Middle East Industry Awards 2010

- Best Foreign Bank
- Best Mortgage/Home Finance House



FinanceAsia Country Awards for Achievement 2010

- Best Bank in India
- Best Bank in Bangladesh



The Asian Banker Transaction Banking Awards 2010

- Best Transaction Banking Business in the Middle East
- The Asian Banker Achievement Award for Cash Management

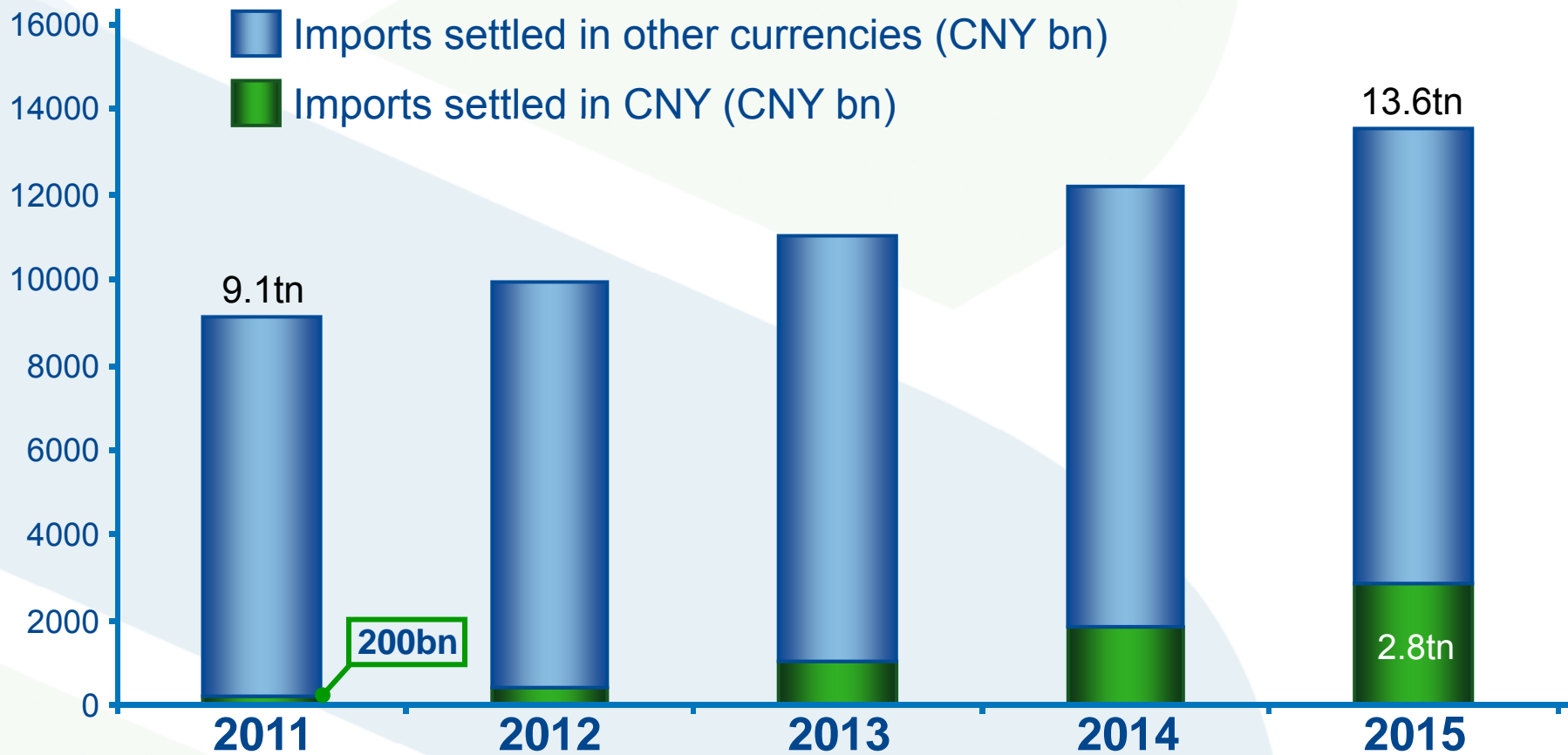


Financial Insights Innovation Award

- Innovation in Payments

Huge opportunity on RMB re-denomination

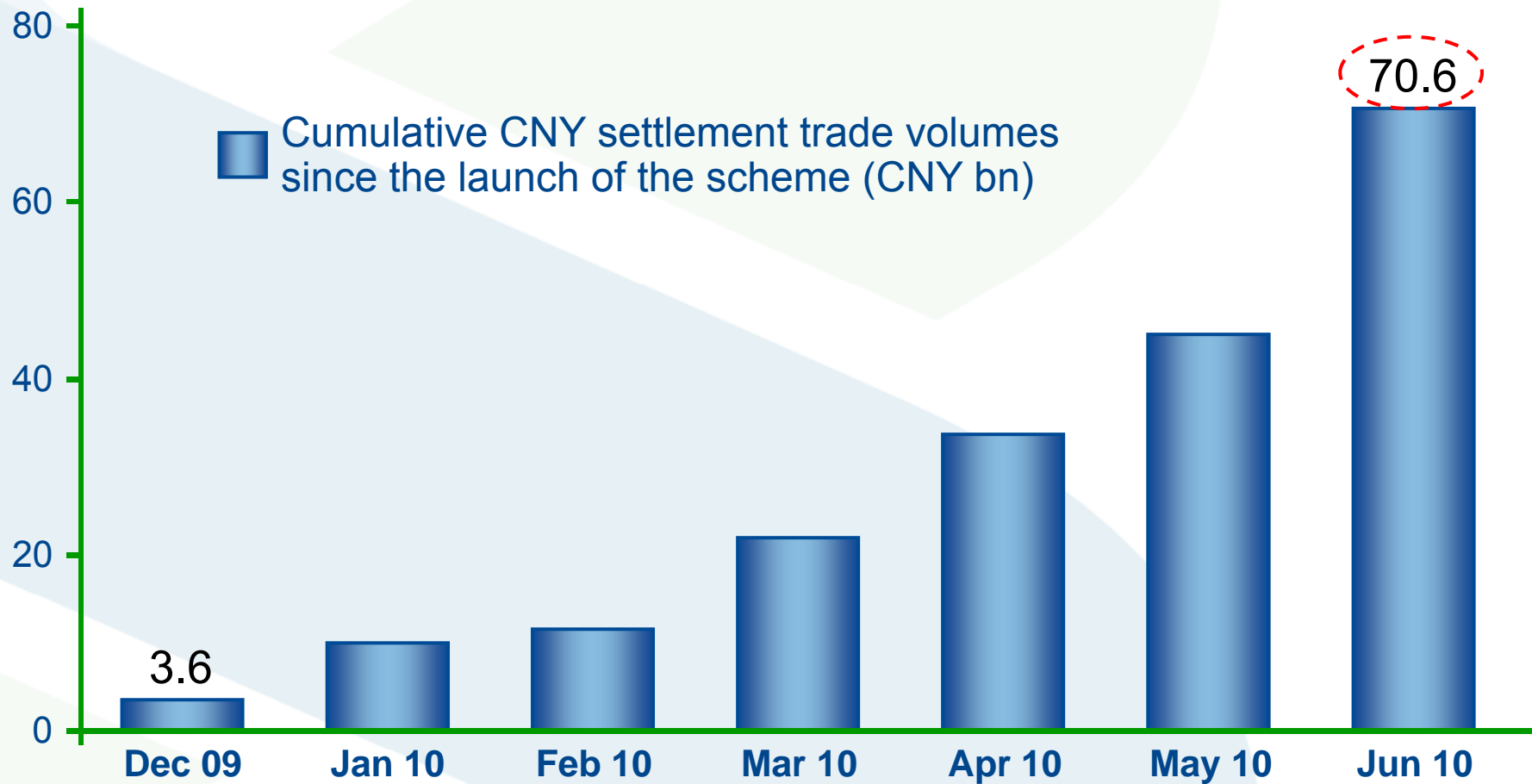
Expected rise in share of China's imports settled in CNY



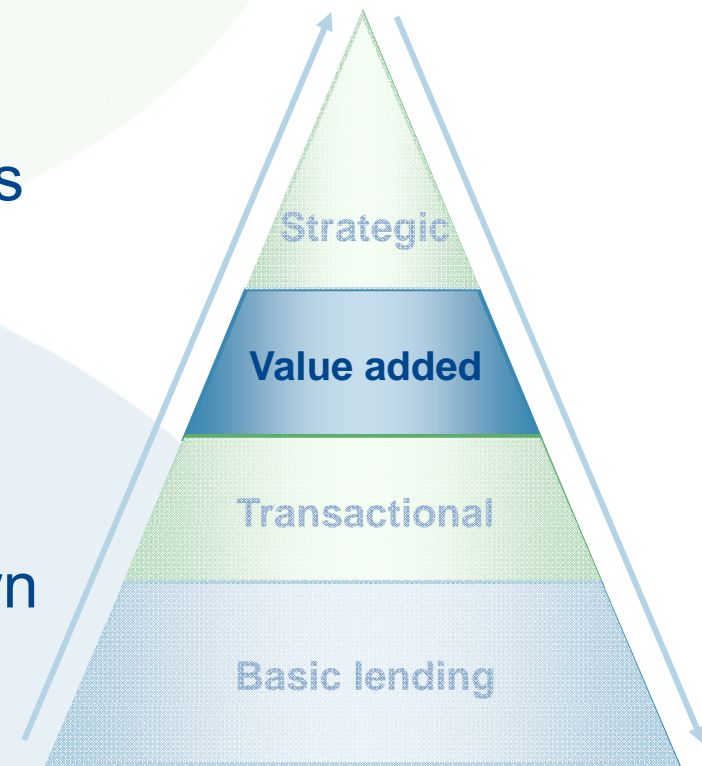
Sources: PBoC, Standard Chartered Global Research

RMB trade settlement - rapid growth from a small base

Foot on pedal
Naught to seventy (billion) in one year



- FM incorporates Capital Markets, ALM, Equity and FICC
- Up-tiering of product capabilities in FM to continue to meet our client needs e.g. commodities and equities
- Our diversified asset classes drives diversity of our income stream
- Client income growth strong and own account income has normalised



And our capabilities are being recognised in the market



Top bookrunners of Asia Pacific syndicated loans (ex-Japan and Australia) 01/01/10 – 31/10/10			
	Name	Amount US\$m	%
1	State Bank of India	31,395	20
2	Bank of Taiwan	14,442	9
3	IDBI	11,178	7
4	Axis	7,495	5
5	Standard Chartered	6,389	4
6	Bank of China	5,213	3
7	HSBC	5,035	3
8	IDFC	4,774	3
9	ICICI	4,378	3
10	Taiwan Cooperative	3,842	2

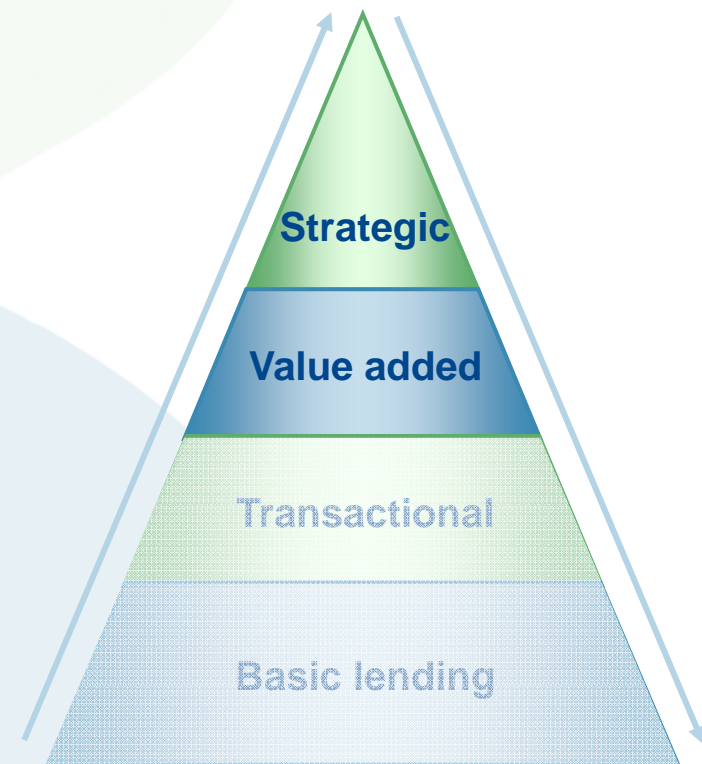
Top bookrunners of all Asian currencies (inc certificate of deposits) 01/01/10 – 31/10/10			
	Name	Amount US\$m	%
1	Standard Chartered	15,698	5
2	Agricultural Bank of China	13,336	4
3	HSBC	11,737	4
4	Bank Communications	11,423	4
5	Ind CBC	11,160	4
6	CITIC	10,045	3
7	CICC	9,936	3
8	Bank of China	8,107	2
9	Hana Financial Group	7,072	2
10	DBS	6,508	2

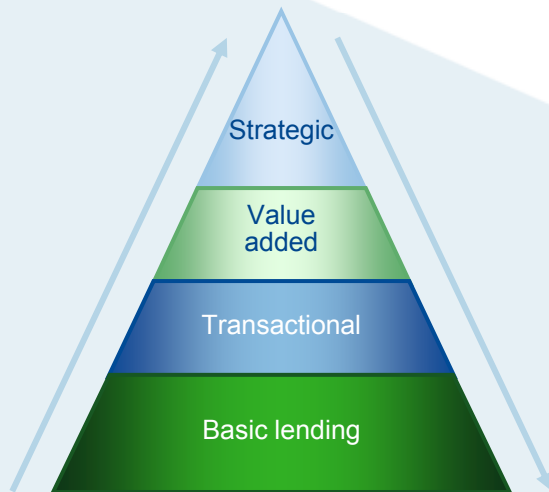
Top bookrunners of global convertible offering Asia Pacific (ex-Japan and Australia) 01/01/10 – 31/10/10			
	Name	Amount US\$m	%
1	Credit Suisse	2,419	16
2	CICC	1,839	12
3	Standard Chartered	1,647	11
4	JP Morgan	1,513	10
5	Guotai Junan Securities	1,226	8
6	Citigroup	1,043	7
7	Goldman Sachs	888	6
8	Morgan Stanley	763	5
9	Nomura	638	4
10	Bank of China	450	3

Source: Thomson Reuters

What is Corporate Finance?







- Project & Export Finance
- Structured Trade Finance & Financing Solutions
- Structured Finance
- Corporate Advisory & Finance
 - Mergers & Acquisitions
 - Leveraged Finance
 - Equity Corporate Finance
 - Oil & Gas





- One of the top three global integrated oil companies
- Needed additional longer-term liquidity in order to strengthen liquidity
- Standard Chartered structured and co-underwrote a US\$ 2.5 billion term facility based on BP's crude oil production in Angola, drawing on our footprint and industry expertise
- By meeting BP's needs we have become a core bank and have built a much deeper client relationship in 2010

Achieving milestone deals with our clients...

 <p>US\$ 10,700,000,000</p> <p>Lead Financial Advisor and Mandated Lead Arranger to Bharti for acquisition of 100% stake in Zain Africa B.V.</p>	 <p>INR 20,000,000,000</p> <p>Short term financing in connection with sale of towers</p>	 <p>GBP 3,500,000,000</p> <p>Lead Arranger for Refinancing of Acquisition Debt</p>	 <p>SGD 870,500,000</p> <p>Sole Financial Advisor and Debt Provider to Overseas Union Enterprise on its acquisition of DBS Towers</p>
 <p>US\$ 2,800,000,000</p> <p>International Financial Advisor and Joint Mandated Lead Arranger to the UT Group on their privatisation of Tanjong PLC</p>	<p>Project Oxygen & Carbon</p> <p>US\$1,090,000,000</p> <p>Financial Advisor and Sole Financier for a term loan facility to fund rights issue / refinance shareholder loans</p>	 <p>SAN MIGUEL CORPORATION Top Frontier Holdings</p> <p>US\$ 1,000,000,000</p> <p>Sole Underwriter Mandated Lead Arranger</p>	 <p>US\$ 1,000,000,000</p> <p>Promoter financing for overseas investments</p>
 <p>US\$ 2,500,000,000</p> <p>Financial Advisor to BSGR on its sale of Guinea assets</p>	 <p>US\$ 7,000,000,000</p> <p>Sole Financial Advisor on the divestment of US, Canadian and Egyptian assets to Apache Corporation</p>	 <p>US\$ 1,500,000,000</p> <p>Farm-down of Tullow Oil Plc interests in Block 1, 2 and 3A in Uganda Financial Advisor</p>	 <p>US\$ 1,300,000,000</p> <p>Sole Financial Advisor on the divestment of its 20% interest in Block 32, offshore Angola, to CNOOC and Sinopec</p>

...And competitively well positioned now

M&A

Any Asia Pacific Emerging Market Inv Announced		
3Q10	Financial Advisor	3Q09
1	UBS	9
2	Standard Chartered	20
3	JP Morgan	19
4	Morgan Stanley	3
5	Bank of America Merrill Lynch	12
6	Deutsche Bank AG	11
7	China International Capital Co	4
8	Credit Suisse	2
9	Barclays Capital	27
10	Goldman Sachs & Co	8

Source: Thomson Reuters Emerging Markets M&A Financial Advisory Review

M&A

Any Indian involvement announced		
3Q10	Financial Advisor	3Q09
1	Standard Chartered	46
2	UBS	9
3	Barclays Capital	-
4	Morgan Stanley	5
5	JP Morgan	-
6	HSBC Holdings PLC	21
7	Rothschild	49
8	BNP Paribas SA	-
9	Global Investment House (KSCC)	-
10	Bank of America Merrill Lynch	6

Source: Thomson Reuters Emerging Markets M&A Financial Advisory Review

Project Finance

Middle East & African Project Finance Loans		
1H10	Mandated Lead Arranger	3Q09
1	Standard Chartered	6
2	Samba Financial Group	-
3	HSBC	8
4	China Development Bank	-
5	Credit Agricole CIB	2
6	Banque Saudi Fransi	26
7	Public Investment Fund	-
8	KfW	5
9	Turkiye Garanti Bankasi	17
10	SB CIB	18

Source: Dealogic

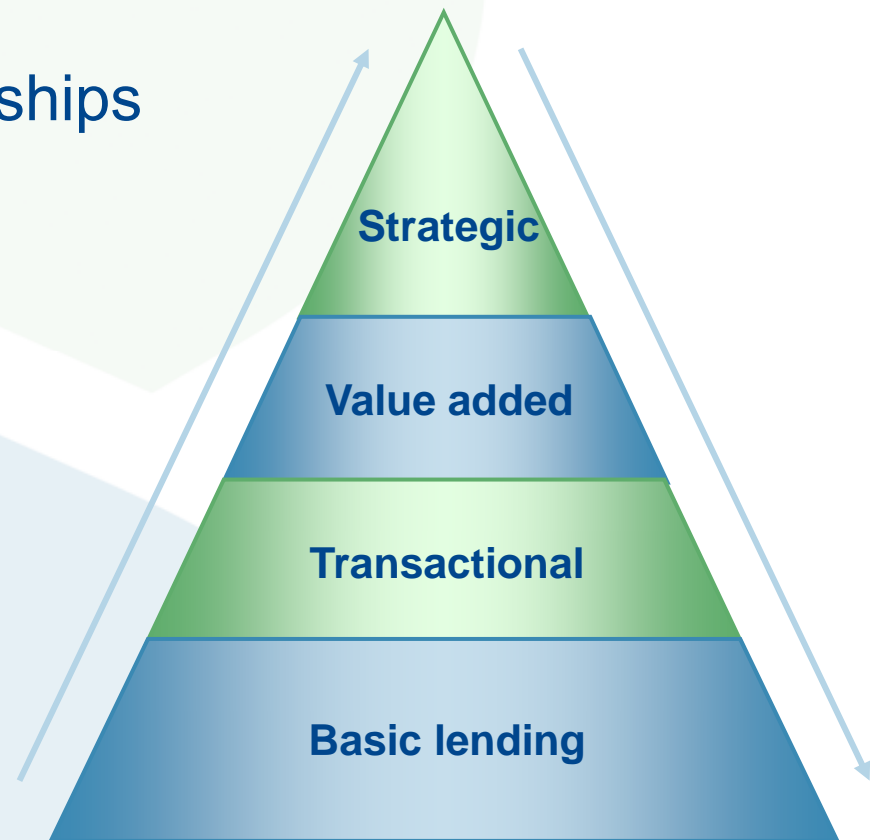
Our client-focused strategy underpins performance

Our strategy

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

Key enablers

- Infrastructure
- Values and culture




India - longevity and breadth of branch coverage is a competitive advantage

- Longevity of presence
- Largest international bank by branches
- Deep client relationships with major India MNCs
- India is now the Bank's most profitable market
- Up-tiering product capability to capture opportunities
- Investment in infrastructure -
Global Shared Service Centre

China - innovation in RMB offerings is key competitive advantage

- Long history in China - first branch in Shanghai in 1858
- Branch network well distributed across four major regions in 15 cities
- Deep presence across Greater China - Taiwan and Hong Kong - to leverage opportunities and intra trade flows
- Strategic partnership with Agricultural Bank of China
- Leader in RMB internationalisation

Africa China opportunity

Bank	Countries in Sub-Sahara	Network in China	Chinese partner	Chinese partner No. of branches
 SCB	14	60 outlets	ABC	23,624 [†]
Standard Bank	17	-	ICBC	16,210
Citi	13	39 outlets	-	-
Barclays / Absa	12	-	CDB	40
Ecobank	31	-	Bank of China	10,966

	Amount	Year
China - Africa trade volumes*	US\$79bn	2009
China - Africa FDI**	US\$2.5bn	2006-2009

SOURCE: * WTO ** UNCTAD † 2009 annual report and Rest - Company websites (current as of 10th Nov'10)

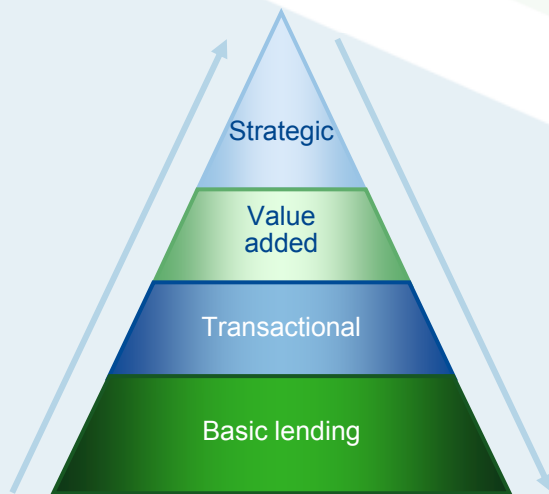
Leveraging a strong network to grow our franchises across our core markets

Domestic and offshore income

■ Domestic ■ Offshore ■ Opportunity 2014



Client story: Hyundai Motor Company



- Hyundai Motor Company is the world's 6th largest auto maker
- We have been No.1 bank for Hyundai Motor India providing US\$160m of credit facility since 2007
- We achieved this by leveraging our relationship with Hyundai Korea
- Allowing us to diversify our banking relationship to dealer financing

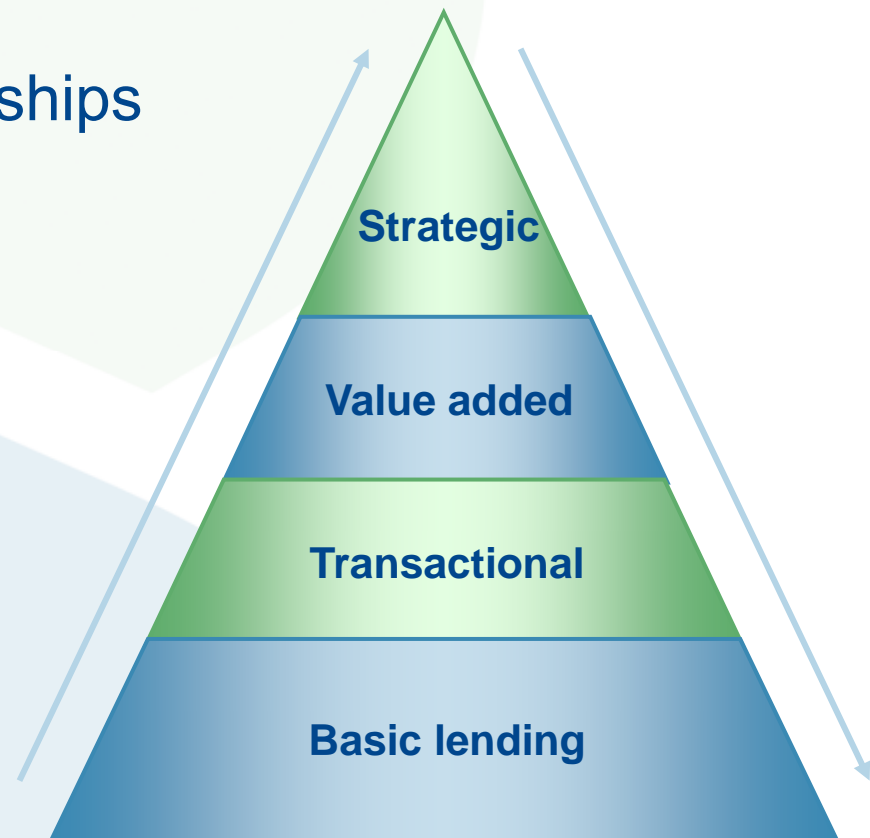
Our client-focused strategy underpins performance

Our strategy

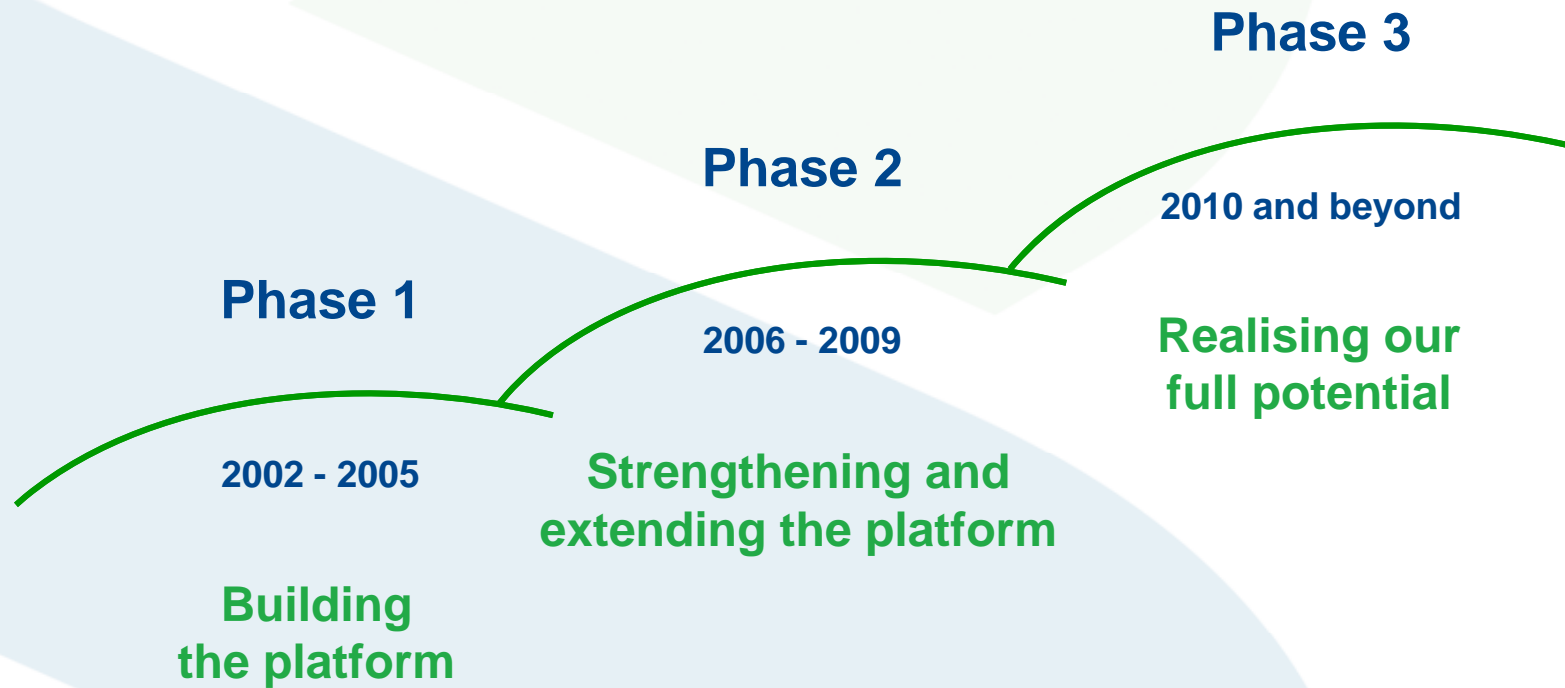
- Deep 'core bank' client relationships
- Local scale and cross-border capabilities
- Balance sheet management

Key enablers

- Infrastructure
- Values and culture



The Wholesale Banking journey



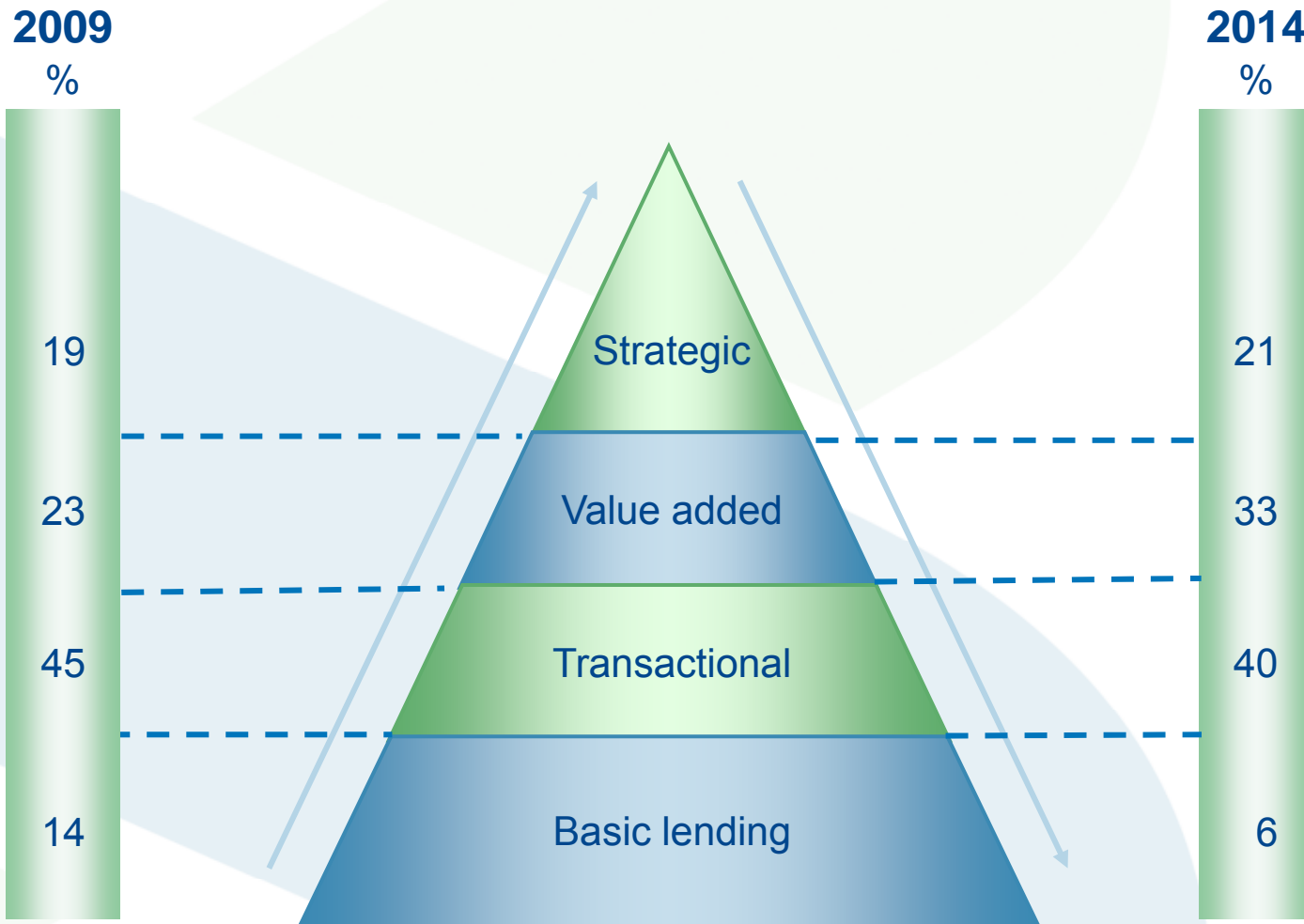
Realising our potential through seven initiatives

1. Next stage of client journey
2. Geographic priorities
3. Product build-out
4. Balance sheet and risk
5. Here for good
6. People and culture
7. Infrastructure and support

- Sustained double digit growth in client income
- Stable own account income
- Double the business in 4-5 years

Commercial Banking will remain at the heart of the business in the future

Client income by product



- Economic outlook
- Unemployment / political risk / currency
- Regulatory framework - level playing field
- Competition
- Values and culture

Q & A



Investor trip 2010

Wholesale Banking financial and risk overview

Vivek Ahuja

CFO, Wholesale Banking

Leading the way
in Asia, Africa and the Middle East



Financial & Risk overview – agenda

- Financial performance highlights
- Sustainability and diversity of income
- Expenses and investments
- Capital, Liquidity and Risk Management
- Outlook

Key messages

- We continue to achieve sustainable and consistent client income growth momentum
- Leveraging the depth of our client relationships, and the quality of our network and product capabilities have been the key drivers of success
- We have continued to diversify our income across client segments, geographies and products
- Our discipline around capital, balance sheet, risk and expense management is combined with a focused investment program
- We are focused on developing product capabilities, building infrastructure and reinforcing the bank's distinctive culture
- Our client-focused strategy underpins performance and is the platform for sustainable growth

H1 2010 financial performance recap

	H1 10		Vs H1 09		Vs H2 09
Income	5.0 bn	↓	(0%)	↑	18%
Client income	4.1 bn	↑	18%	↑	19%
Operating profit	2.5 bn	↑	10%	↑	35%
RWA	174.6 bn	↑	14%	↑	9%
JAWS	(5%)				

Source: SCB data

Client income remains the primary driver of growth

Wholesale Banking income

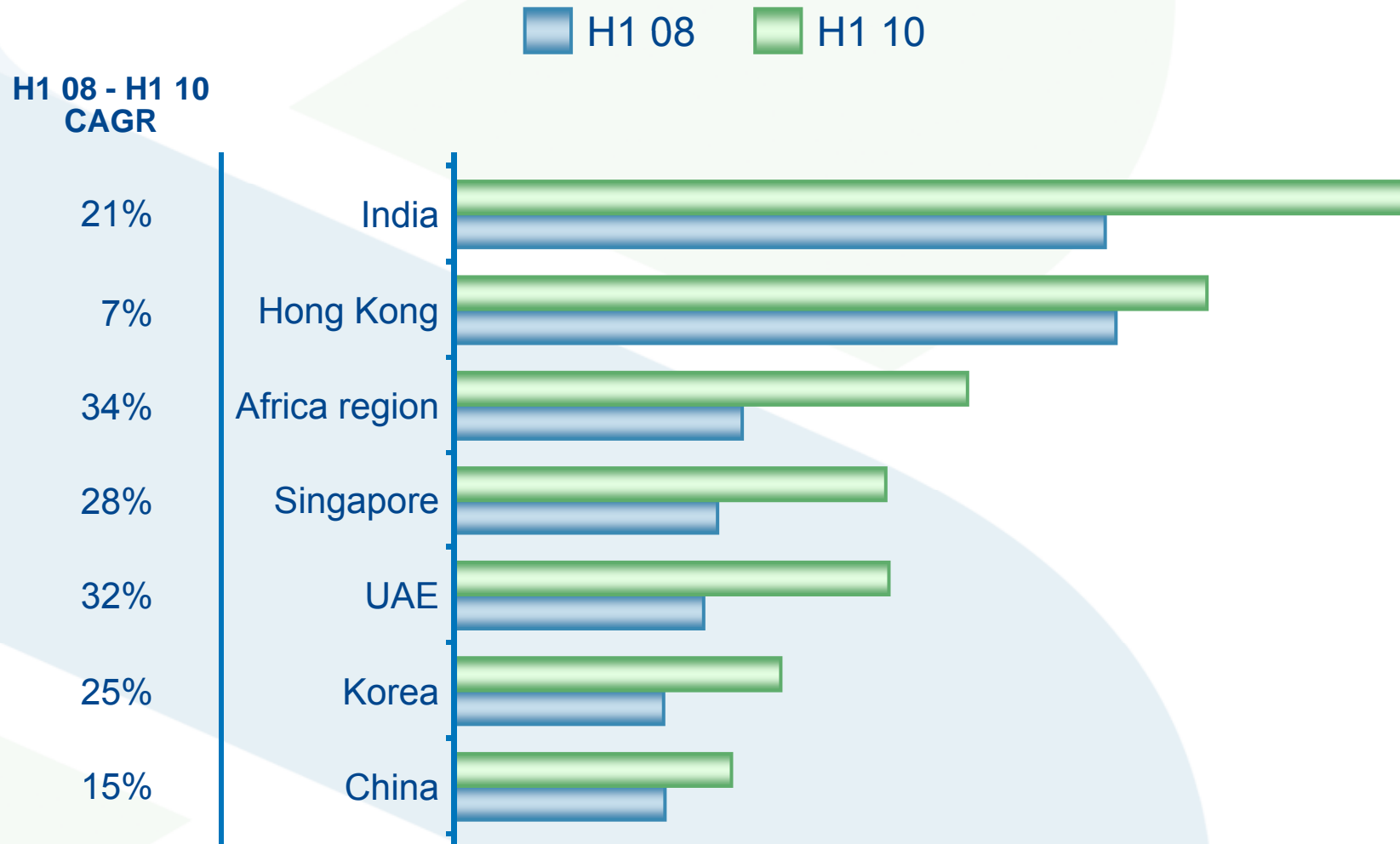
US\$bn



Source: SCB data

...which is well diversified across our footprint

Total client income by key geographies



Source: SCB data

...and we are continuing to gain market share in our key markets

Client income as % of estimated market income

	2007	2009
India	4.4	9.8
Hong Kong	6.6	8.4
Singapore	5.0	9.5
UAE	5.1	13.5
Korea	2.0	4.2
China	0.6	0.5

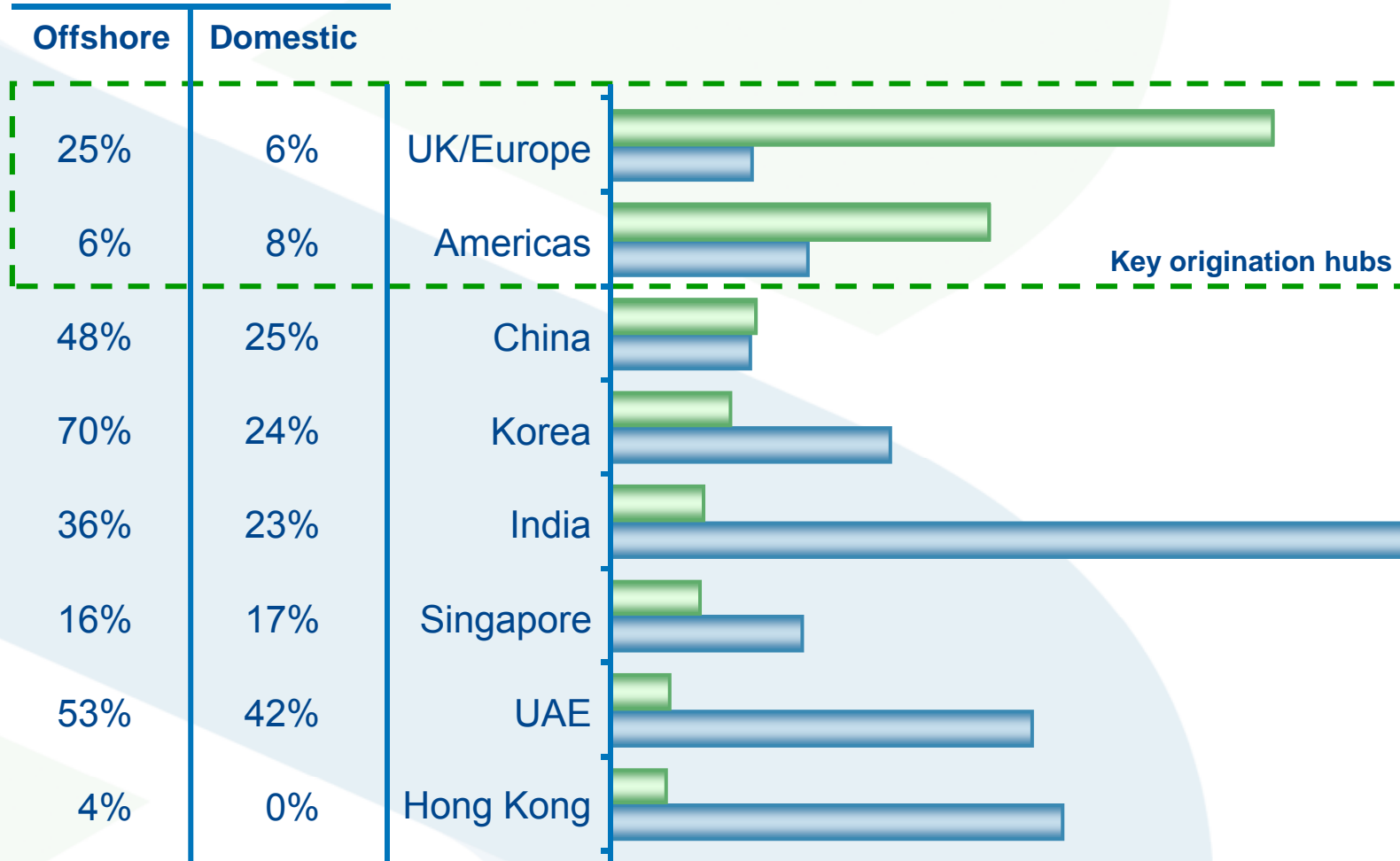
Source: SCB estimates

We are also leveraging our deep client relationships and network to drive offshore income growth

Originated income - domestic and offshore H1 10

■ Domestic ■ Offshore

H1 08 - H1 10 CAGR



Source: SCB data

We continue to evolve product capabilities

Total income

US\$ m

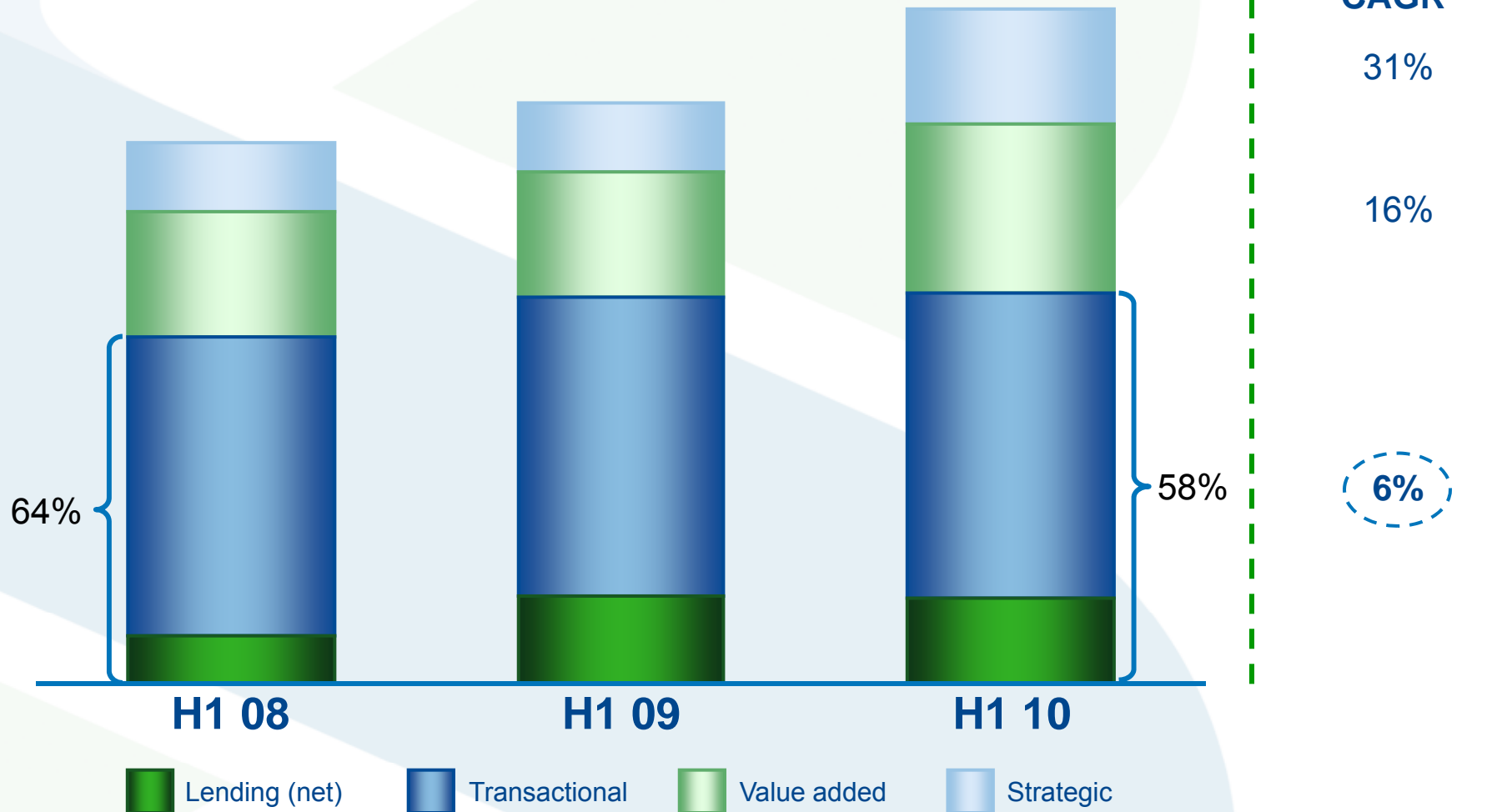
	H1 08	H1 10	% CAGR
Lending & Portfolio Management	246	465	37%
Transaction Banking	1,249	1,282	1%
Cash management & custody	470	591	12%
Trade	779	691	(6%)
Global Markets	2,169	3,265	23%
Financial Markets	1,213	1,711	19%
Corporate Finance	365	932	60%
Principal Finance	77	134	32%
Balance sheet management	514	488	(3%)
Total Wholesale Banking	3,664	5,012	17%
Client income as % of total income	76%	81%	21% ⁽¹⁾

Source: SCB data

(1) Client Income growth CAGR

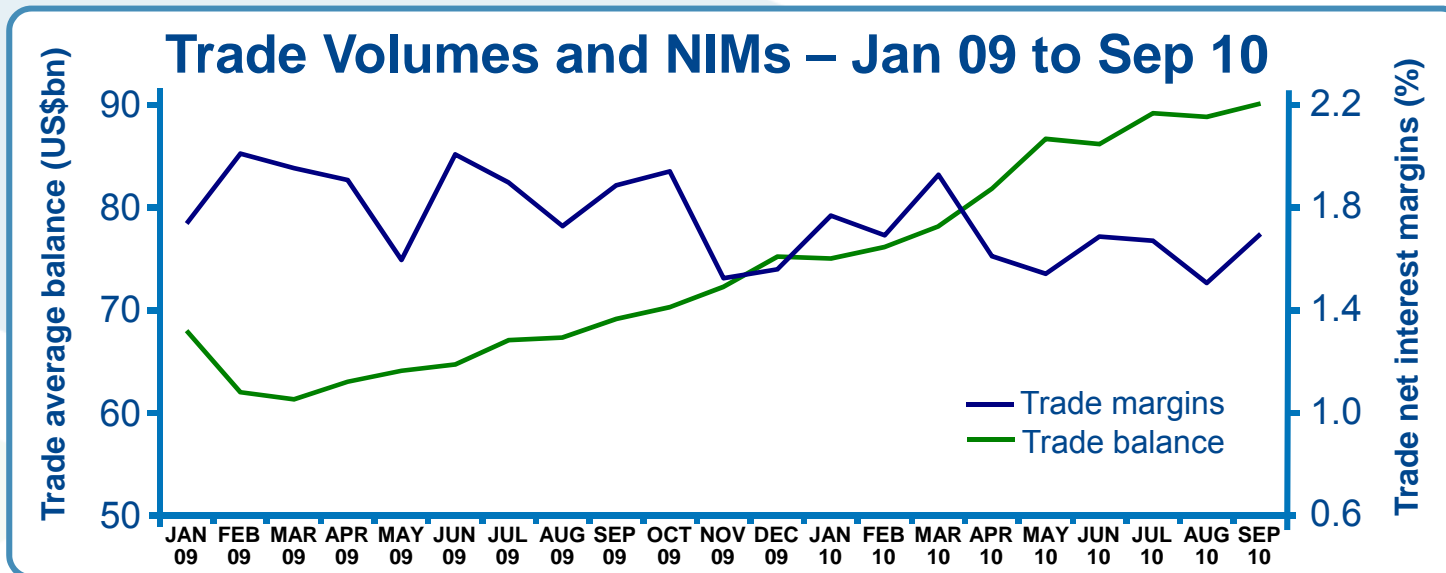
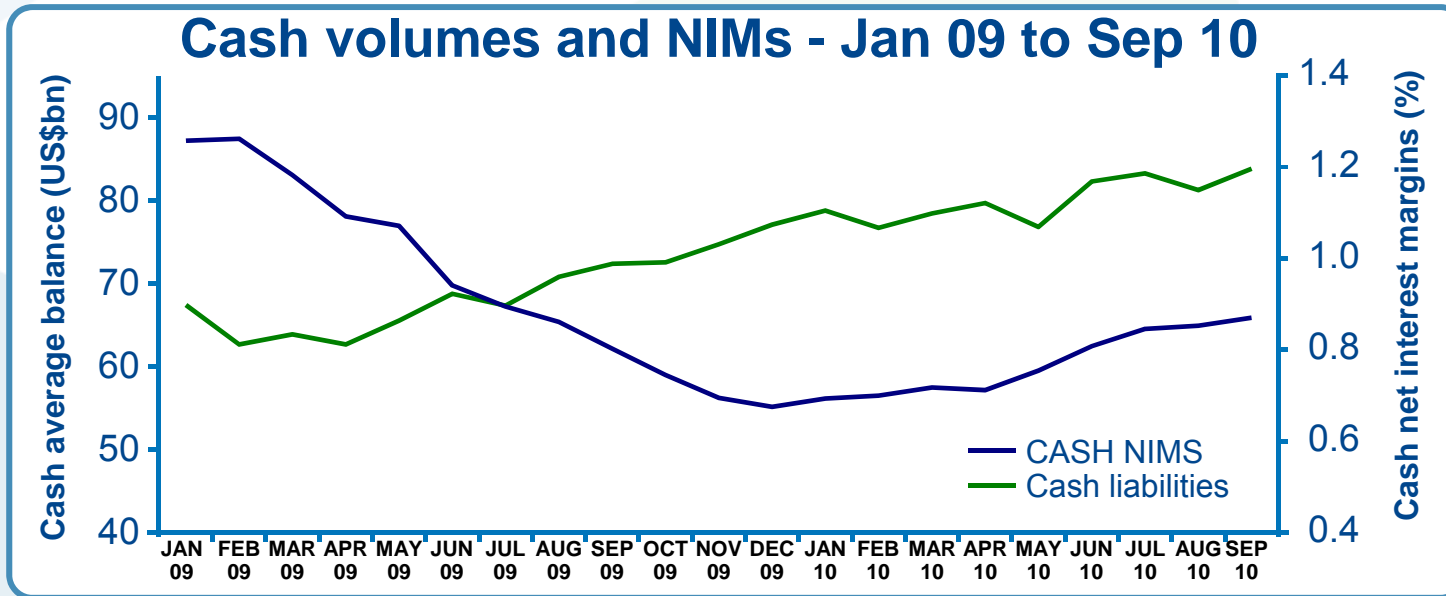
...however, Commercial Banking remains the bedrock of our business

Client income mix (H1 08 - H1 10)
US\$m



Source: SCB data, excludes Portfolio Management

Cash and Trade volume growth reinforces market share gains and sustainability



Source: SCB data

We have also significantly enhanced and up-tiered our FM product capabilities



Financial Markets income US\$m

	H1 08	H1 10	CAGR
FX	716	646	(5%)
Rates	334	512	24%
Commodities & Equities	48	165	85%
Capital Markets	118	233	41%
Credit & Other	(3)	155	nm
ALM	514	488	(3%)
Total Financial Markets	1,727	2,199	13%

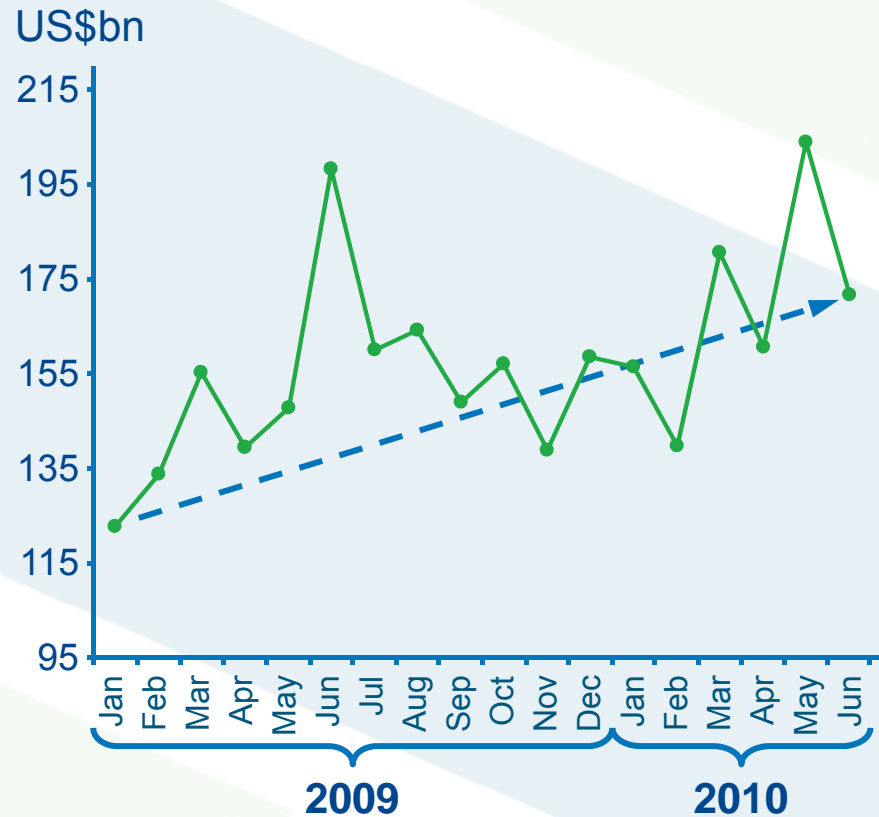
FM product journey Key highlights

Capabilities/ position	2006	2010
G3 Bonds	N/A	<ul style="list-style-type: none"> #1 in GCC G3 Bonds Bookrunner on 30 deals in 2010 across footprint
High Yield	N/A	<ul style="list-style-type: none"> #4 position in High Yield underwriting in Asia Pacific Executed 11 bookrunner deals in 2010
Convertible Bonds	N/A	<ul style="list-style-type: none"> #2 underwriter of convertible bonds in Asia Pacific Executed 8 bookrunner deals in 2010
Equity	N/A	<ul style="list-style-type: none"> Purchased Cazenove in 2009 #3 underwriter of equities in South East Asia Executed 8 bookrunner deals in 2010

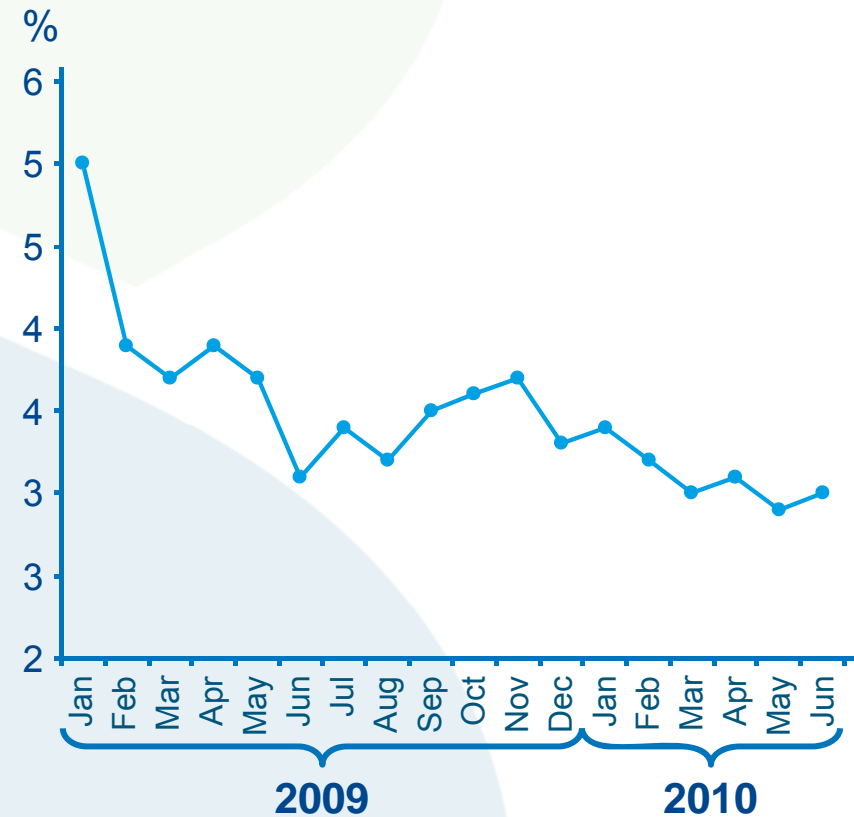
Source: SCB data

Flow FX volume growth also reinforces market share gains and sustainability

Flow FX notional volumes Jan 09 - Jun 10



Flow FX margins Jan 09 - Jun 10

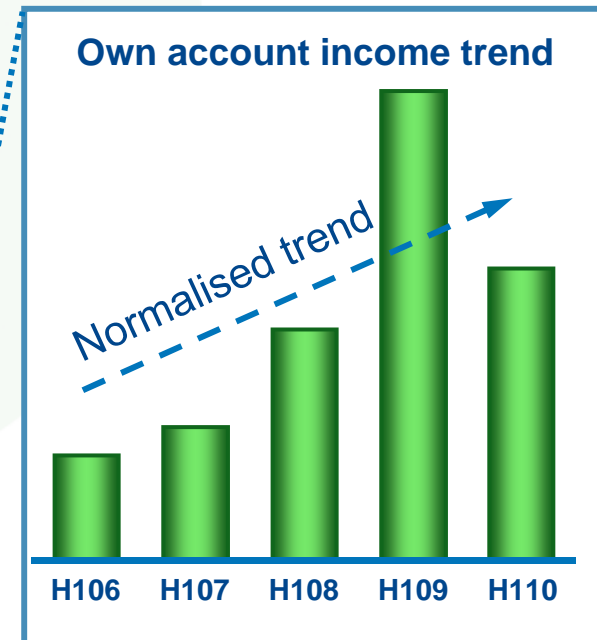
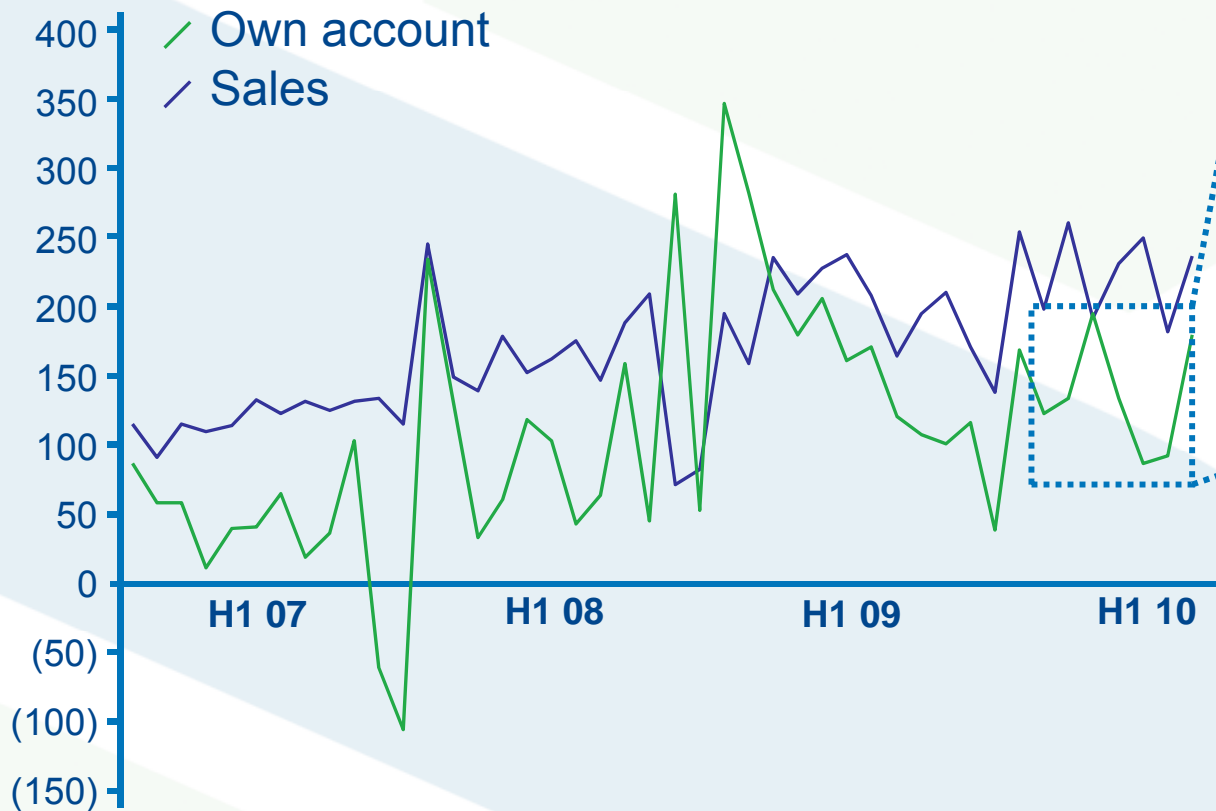


Source: SCB data

FM trading is primarily based upon leveraging client flows and is normalising to historic trends

FM Sales and own account income trend H1 07 - H1 10

US\$m



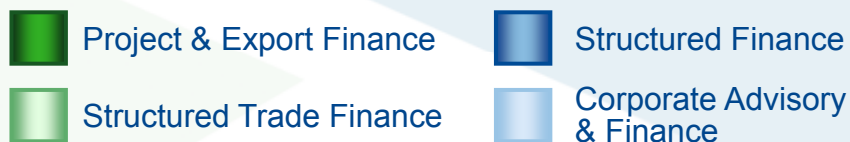
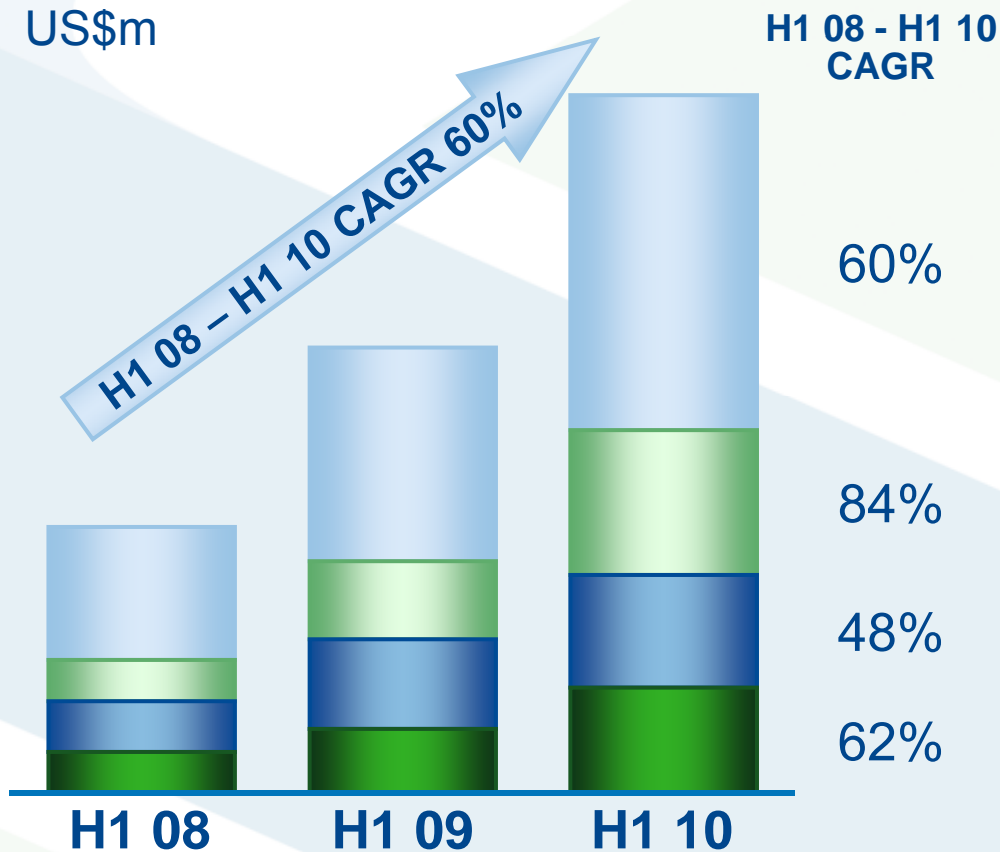
Source: SCB data

Corporate Finance is growing consistently across products and with increasing geographic diversification...

Corporate Finance income growth

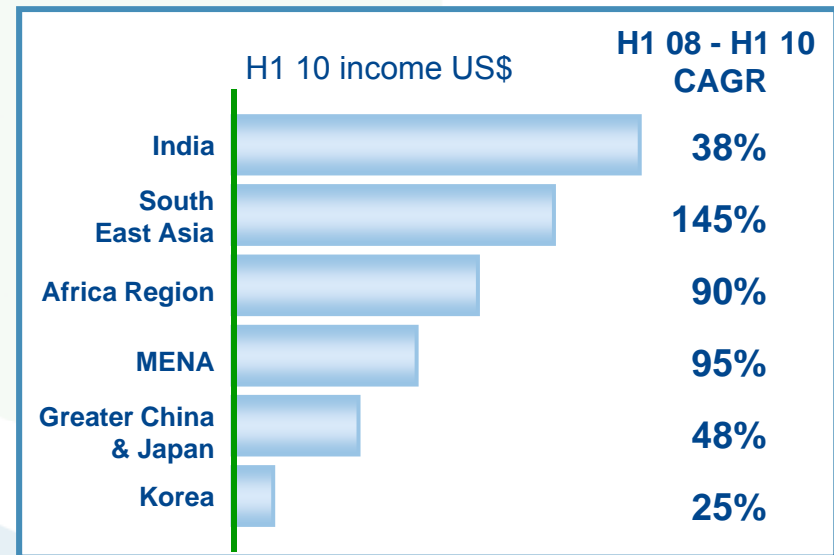
H1 08 vs. H1 10

US\$m

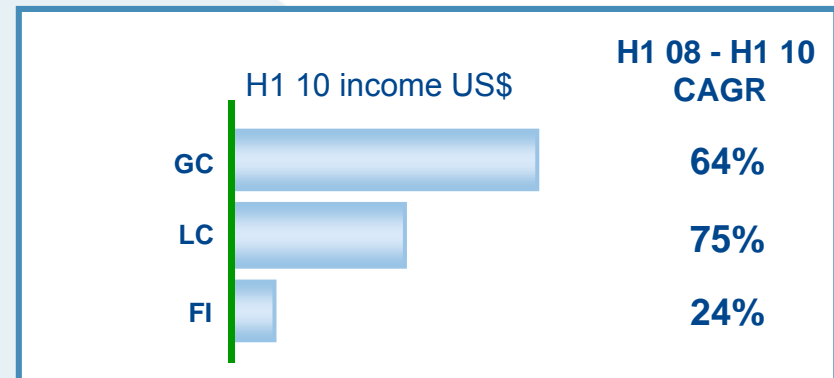


Source: SCB data

CF income by geography

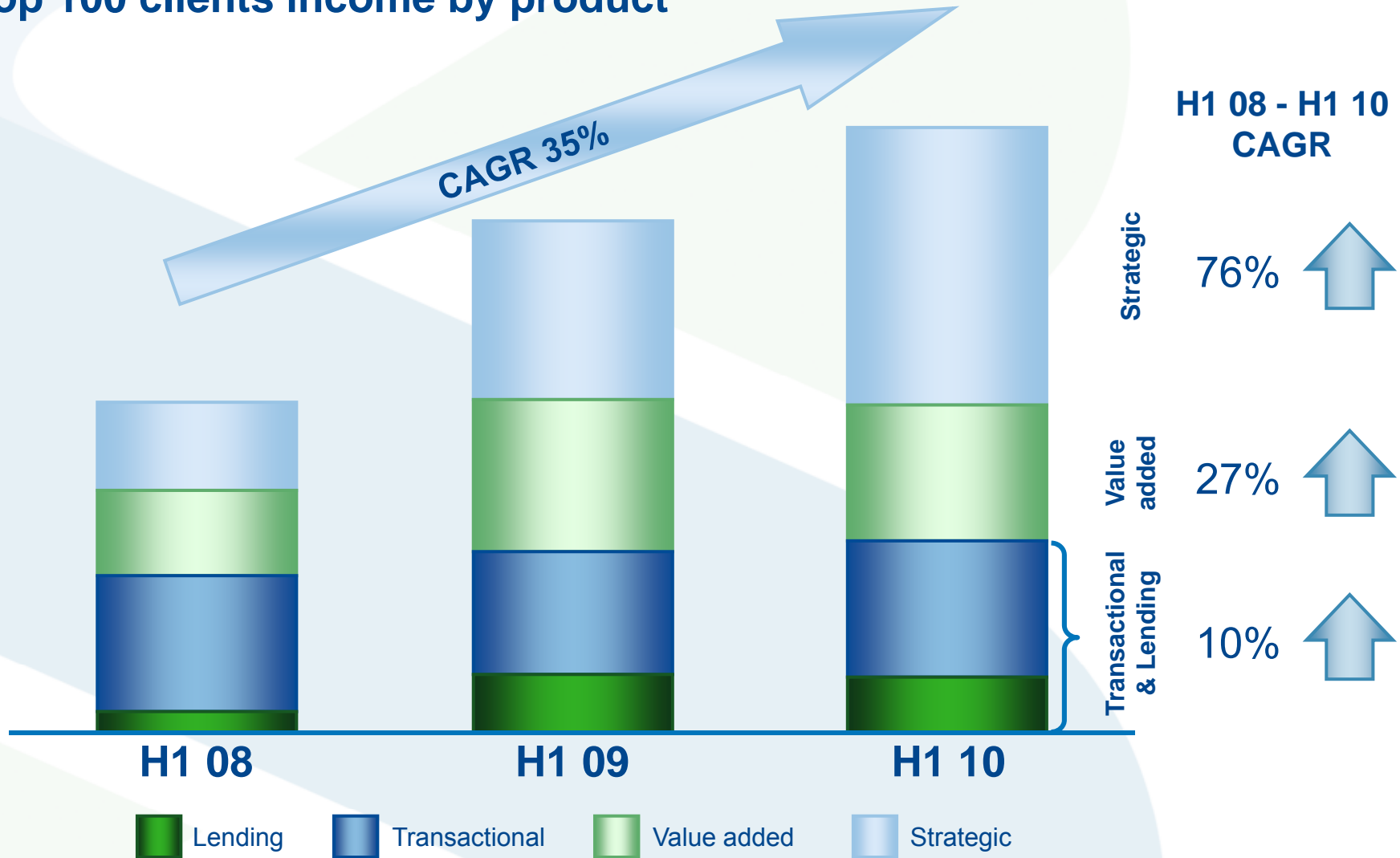


CF income by segment



...and is also driving increased depth of relationship across our top clients

Top 100 clients income by product %

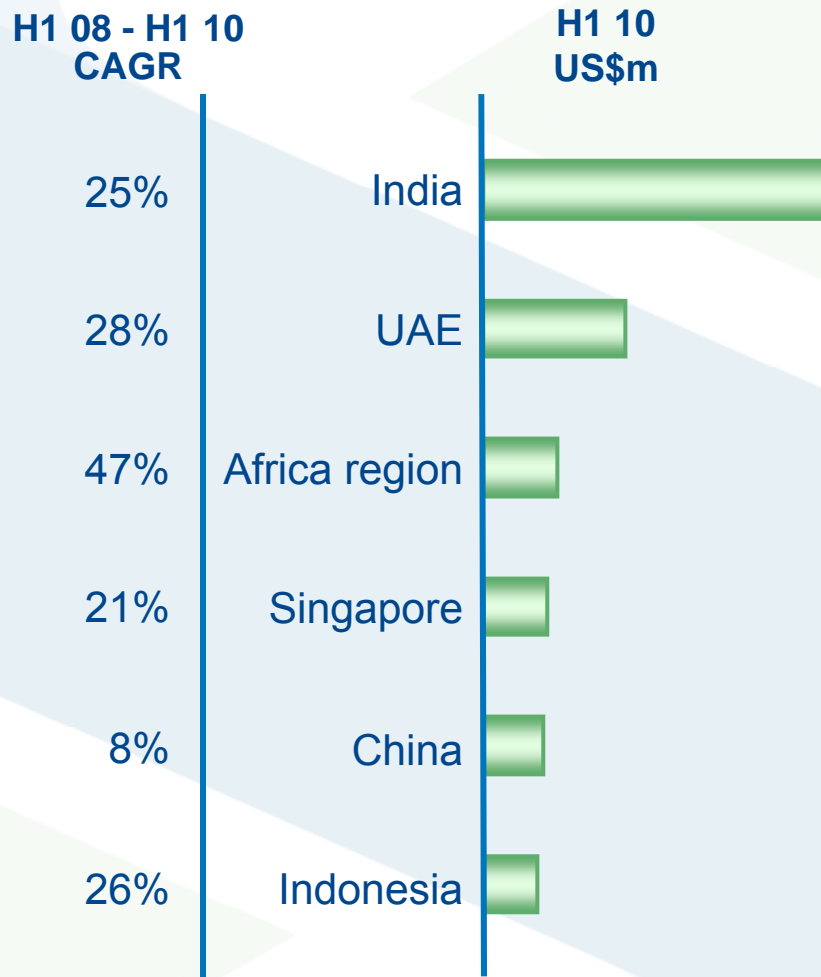


Source: SCB data

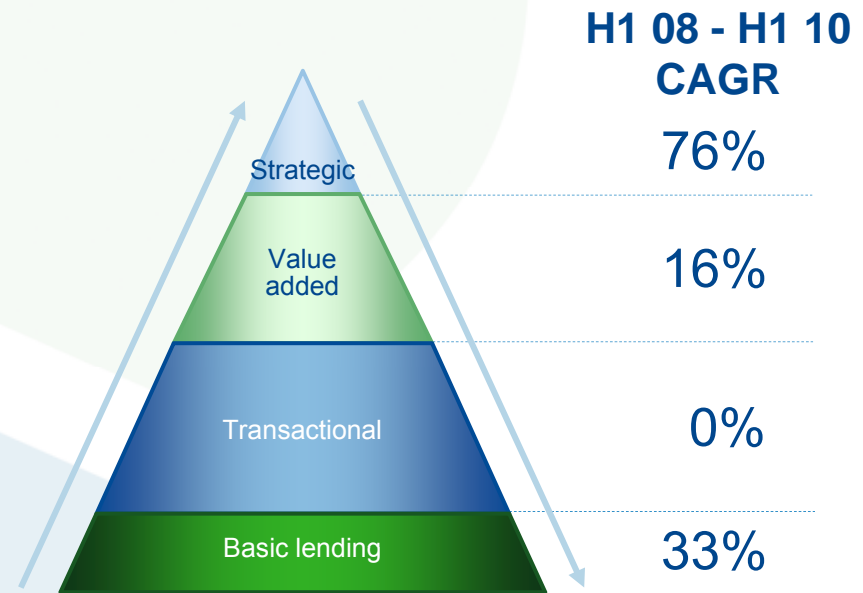
We are deepening client relationships in the LC segment, focusing on strategic markets and broader product capabilities



Client income in key geographies



Client income by product hierarchy H1 10



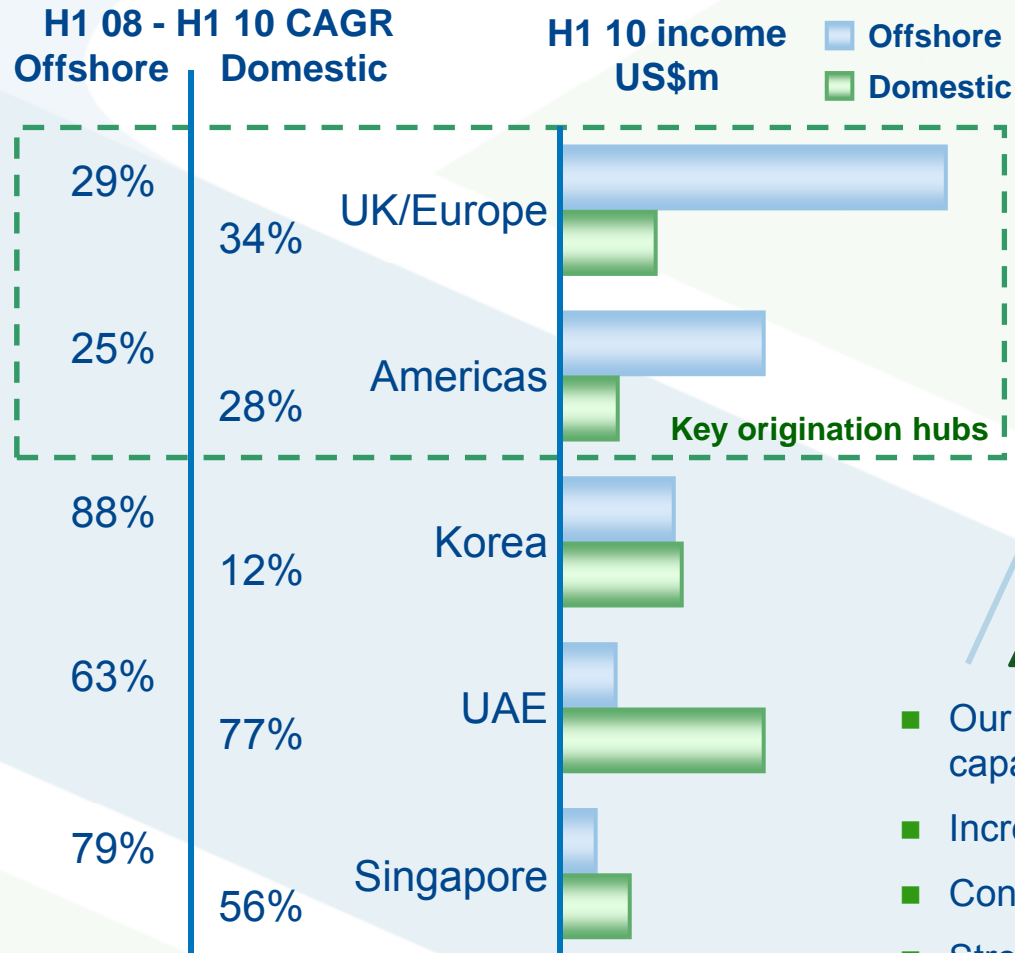
- Building strong local franchise
- Up-tiering our client relationships
- Disciplined portfolio client management
- 19% CAGR H1 08 - H1 10 for total LC

Source: SCB data * Corporate Finance includes Principal Finance

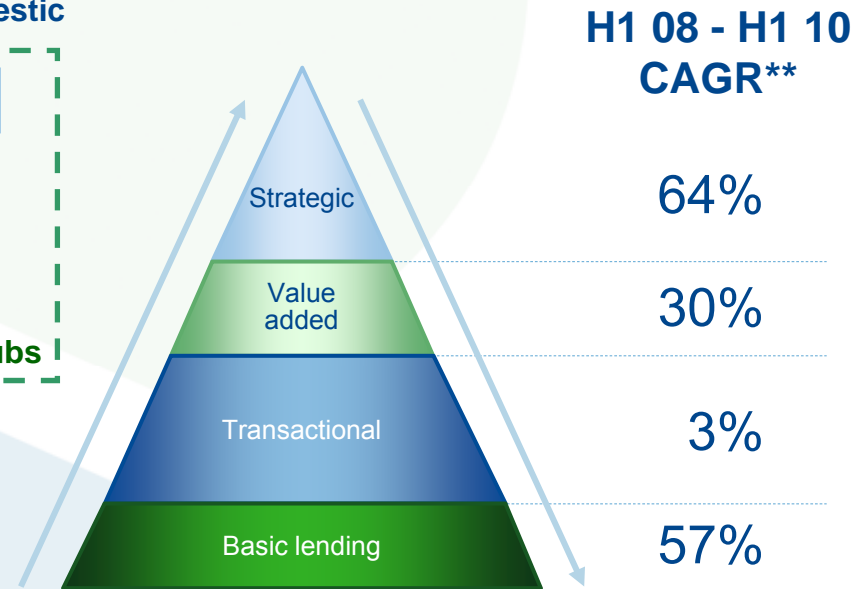
The Global Corporate segment continues to deliver strong growth, maximizing our network and improved product capabilities



Client income in key geographies*



Client income by product hierarchy H1 10



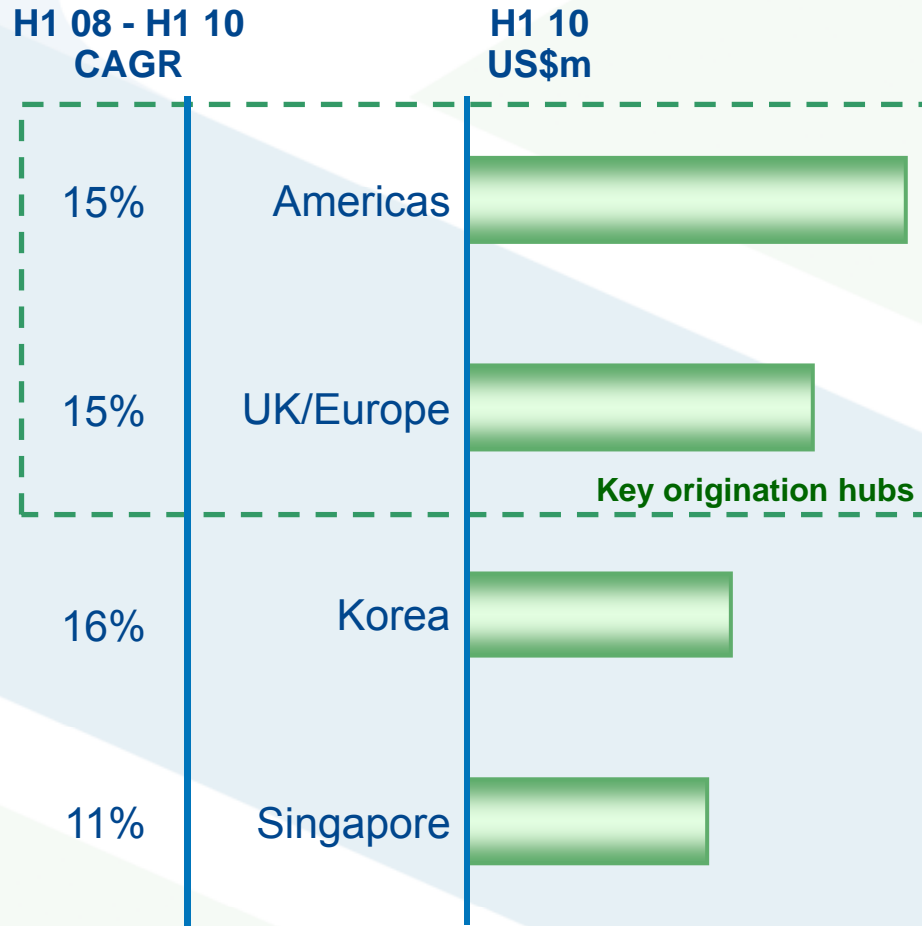
- Our network, renowned teamwork and improved product capabilities are the key competitive differentiators
- Increase focus on asset growth, distribution and returns
- Continued focus on deepening relationships
- Strong growth opportunities still exist as we continue to expand the number of meaningful clients
- 31% CAGR H1 08 - H1 10 for total GC

Source: SCB data *Origination view **Onshore view

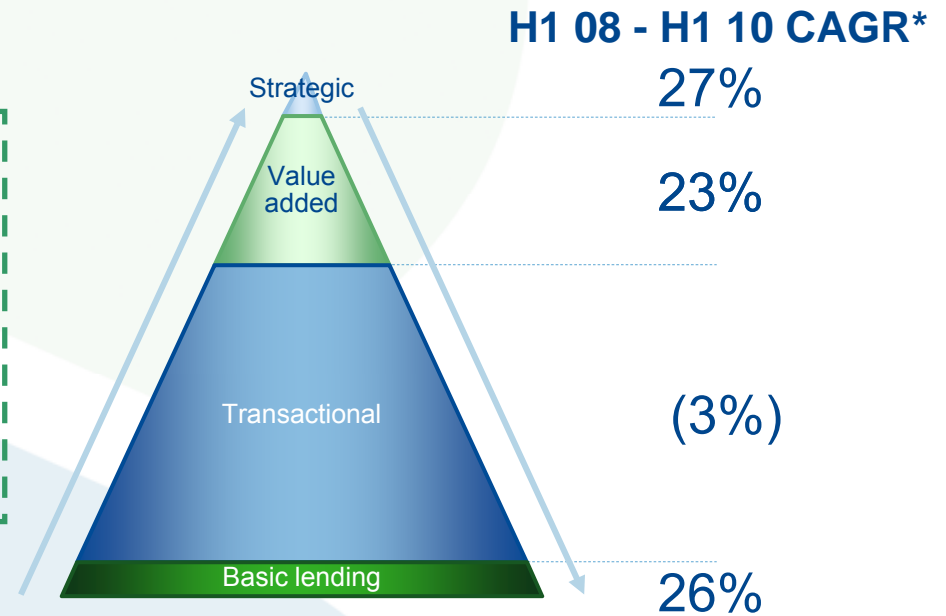
Our network and sophisticated product capability are competitive advantage for our Financial Institution clients



Client income in key geographies



Client income by product hierarchy H1 10



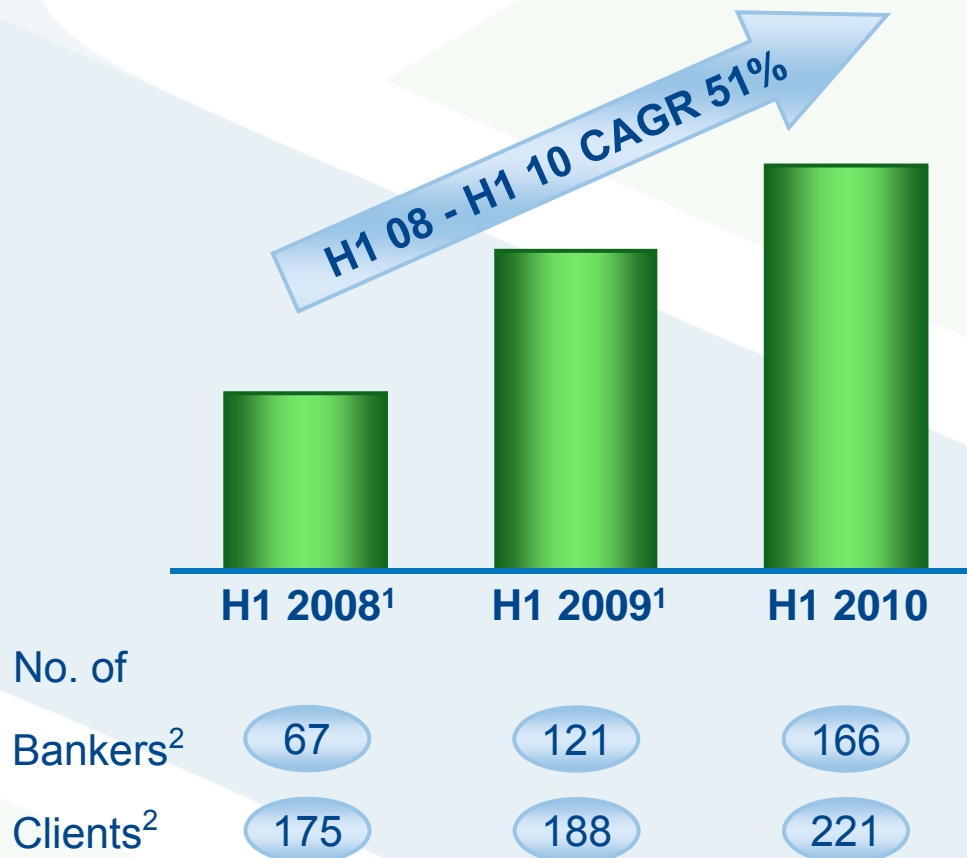
- Develop strategic and value-added products
- Global model with key originations hubs in US / Europe
- International connectivity with local distribution
- Focus on investor clients
- 6% CAGR H1 08 - H1 10 for total FI

Source: SCB data * Includes Principal Finance

SCCG concept proven and being expanded

SCCG Client income growth

H1 08 - H1 10



- Proven concept which has significantly enhanced depth of relationships
- Now being expanded to more clients
- Increased coverage in China and industry teams
- Broadening coverage into Africa, Korea and Financial Institutions

Note:

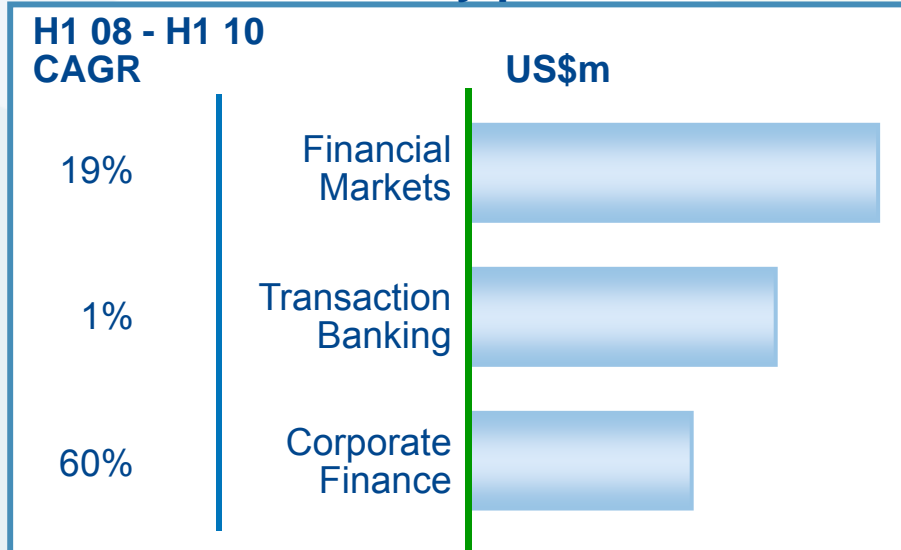
1. H1 2008 and H1 2009 is re-based for SCCG clients as on H1 2010

2. 2008 and 2009 represents numbers at the end of the year; Bankers includes CRE bankers

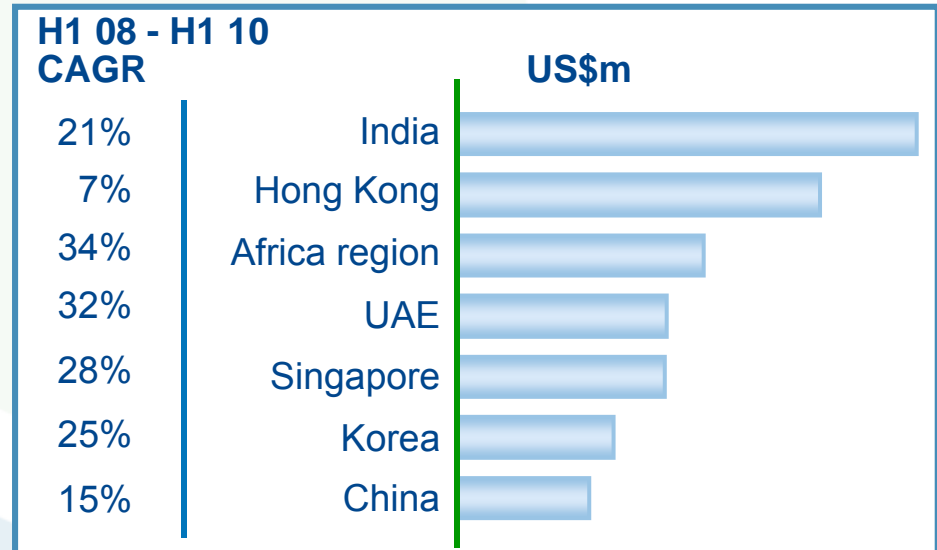
Source: SCB data

Sustainable income growth diversified across product, geography and client

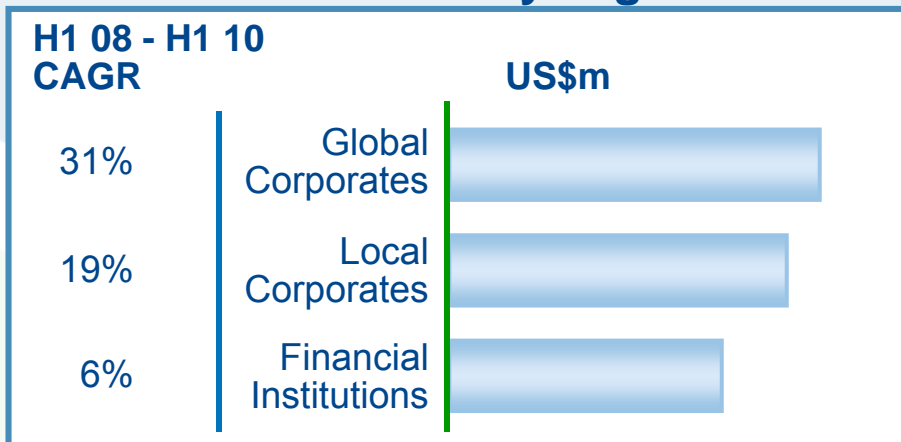
Income by product



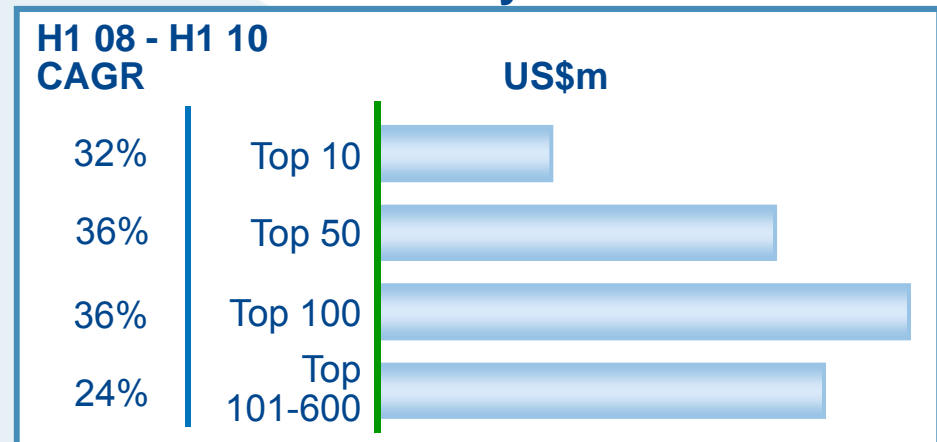
Client income by key geographies



Client income by segment



Income by client



Source: SCB data

Disciplined BAU expense growth has resulted in improved Cost Income ratio

Breakdown of Cost Income ratio

%

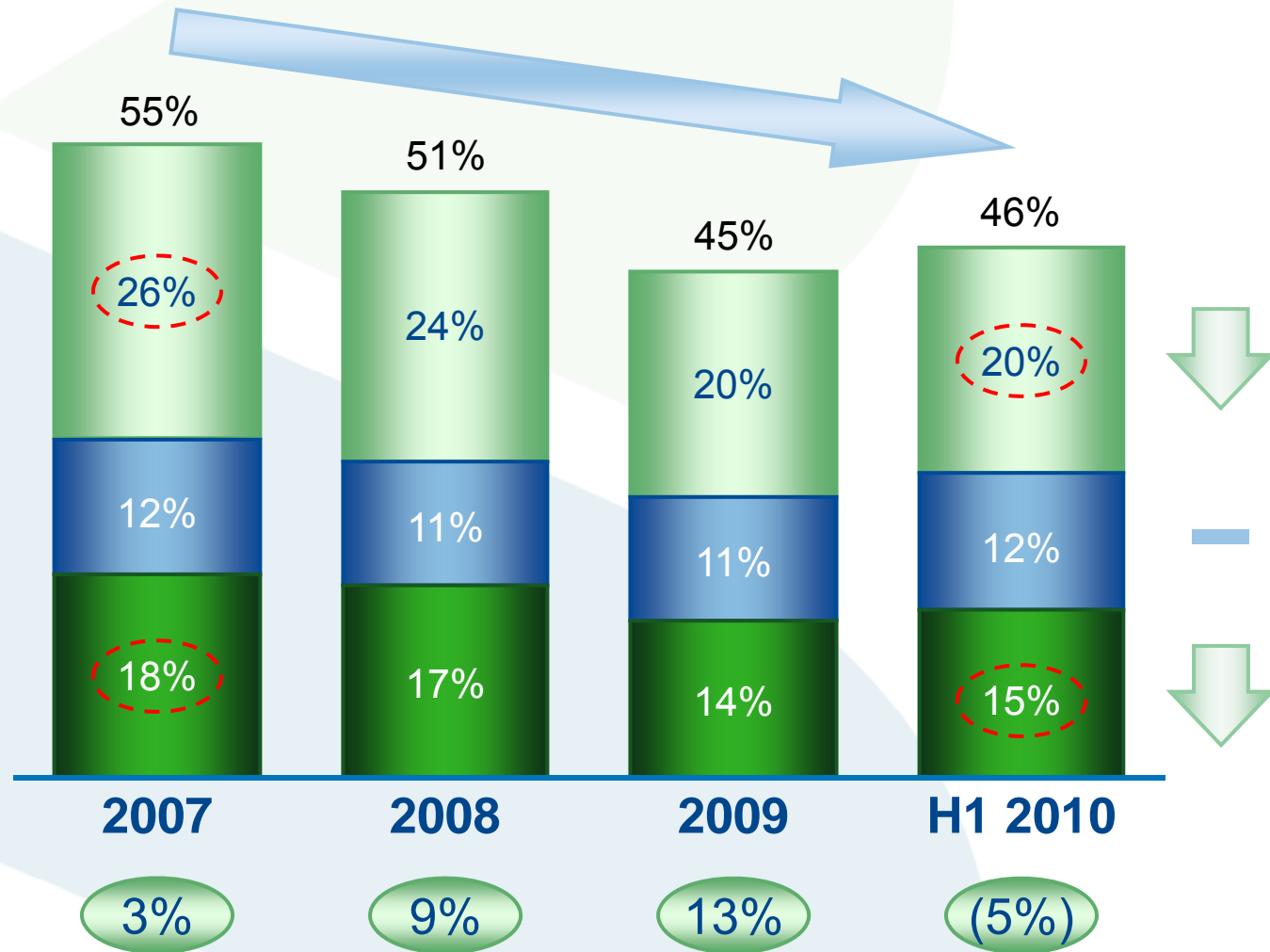
C/I ratio

Other expenses as % income

Variable compensation as % income

Fixed compensation as % income

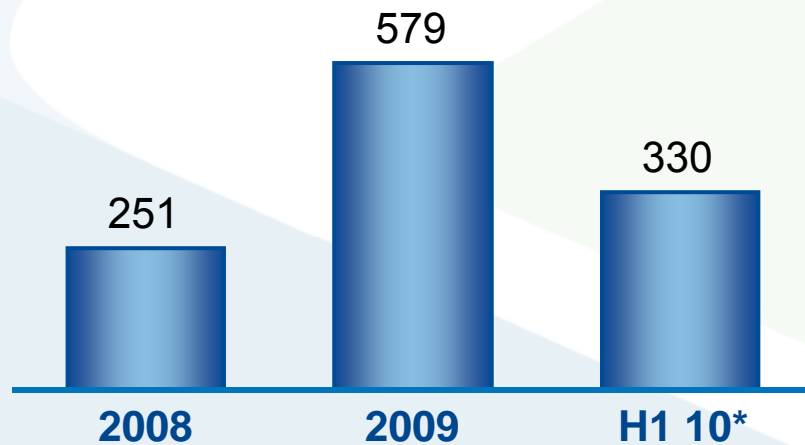
JAWS



Source: SCB data

Investment spend has been focused across our big engines of growth

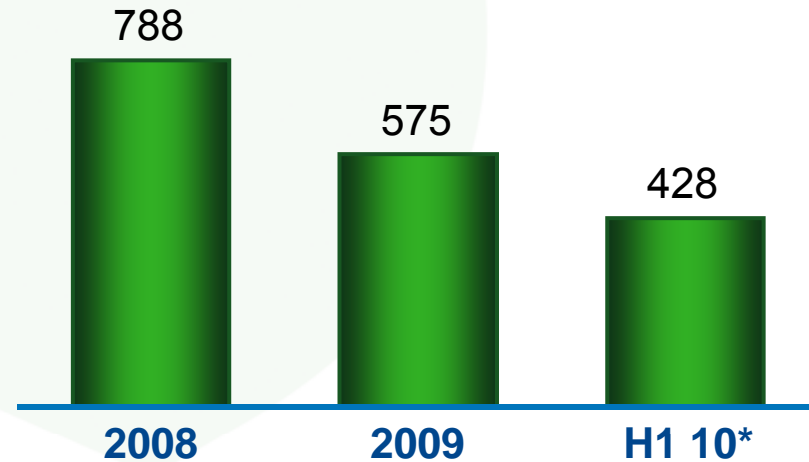
New project spend approved (US\$m)



Key investment highlights:

- **Trade Finance Magellan** – 29% increase in trade volumes vs. 8% increase in FTEs
- **FM E-Commerce** – Offer one bank client experience by integrating FM services with TB systems and Straight2Bank
- **Strategic Credit Risk Management System** – Provide and end to end systems solution for managing credit risk
- **ACBS** – Single global system for entire spectrum WB loans; covers > 50% of loan book

New positions created (#FTE)



Key investment highlights:

- **Significant new FTE investments made in the bank's core geographic priorities and SCCG client segment over the last 3 years**
 - **China/ HK** – 335 new FTEs
 - **India** – 163 new FTEs
 - **UAE** – 144 new FTEs
 - **SCCG** – 108 new FTEs

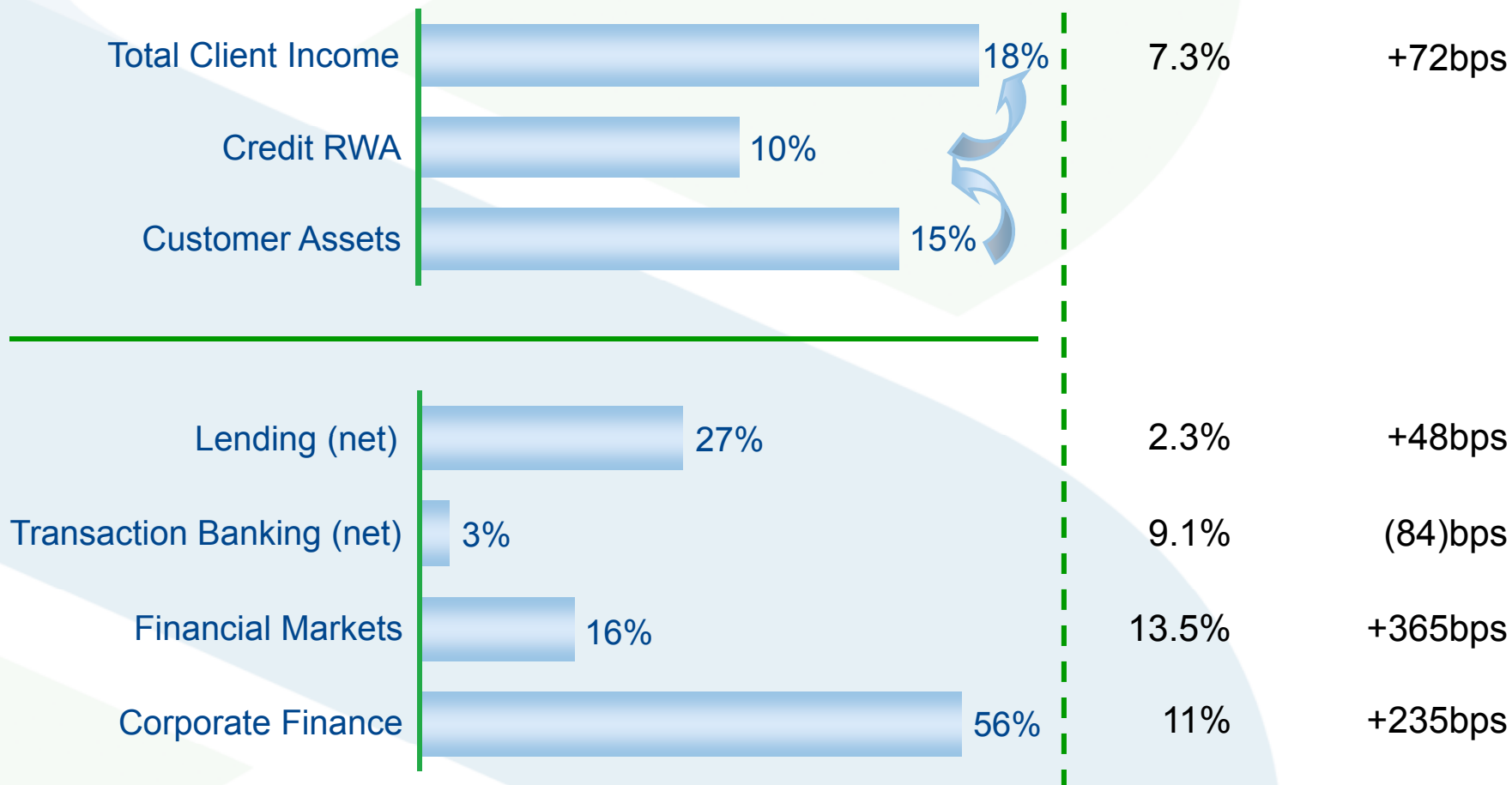
*New project spend approved as at H110 Source: SCB data

We have optimised capital usage by driving capital allocations to the best return opportunities...

Client income and RWA growth (H1 09 - H1 10) %

H1 10
RoRWA

H1 10 - H1 09
change in
RoRWA

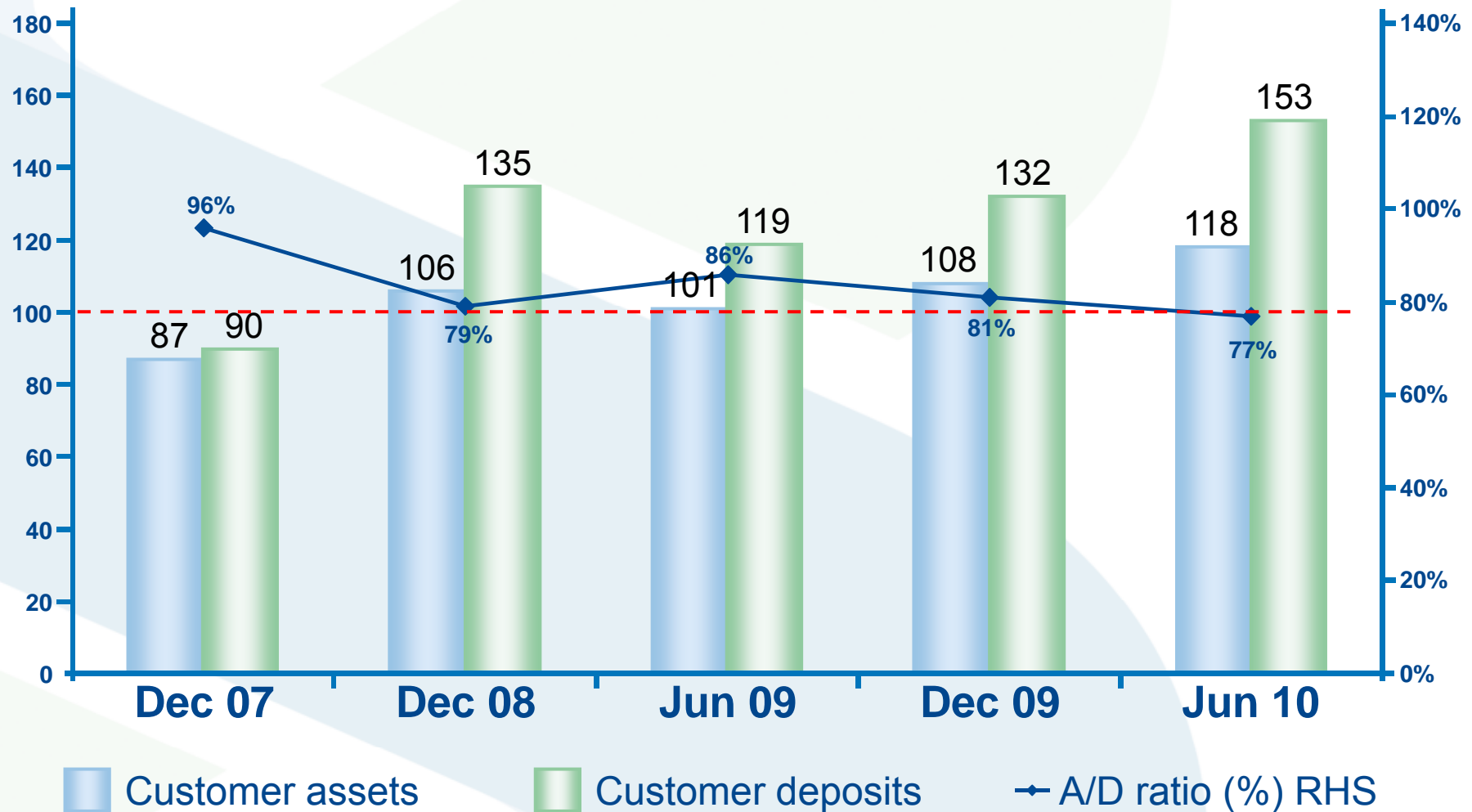


Source: SCB data. FM is ex ALM; Data is based on a 12month rolling average

...and our focus on disciplined asset growth is supported by a continued sourcing of quality deposits



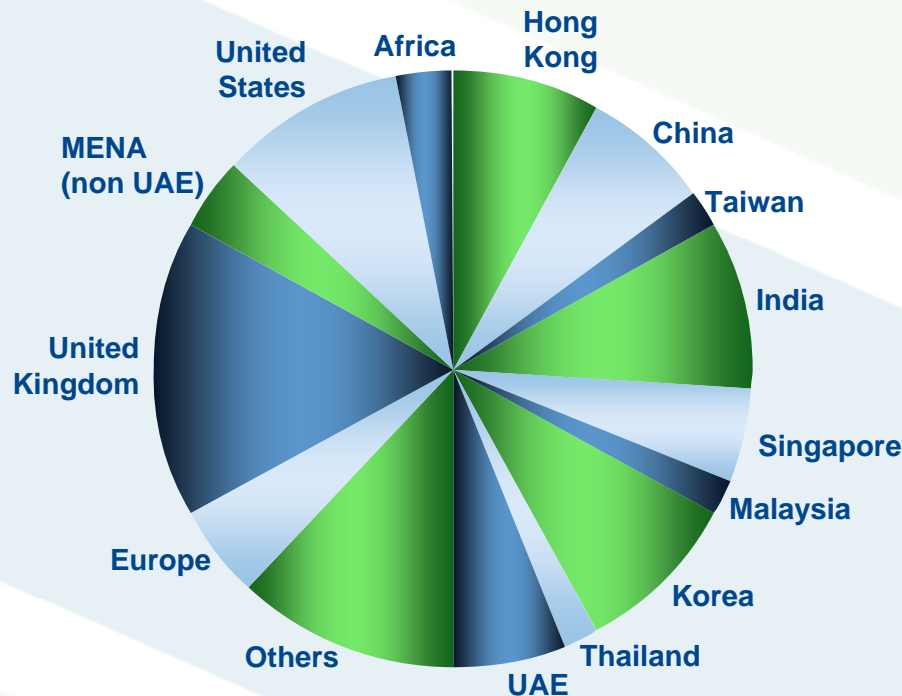
Wholesale Banking AD ratio



Source: SCB data

WB portfolio is well-diversified with limited concentration risk

WB nominal portfolio distribution by geography as of June 30 2010



WB Loan Portfolio Risk Trend

	WA LGD (%)	WA PD (bps)	WA Credit Grade
Dec 2007	39	60	6B
Dec 2008	31	68	6B
Jun 2009	32	82	7A
Dec 2009	31	97	7A
Jun 2010	31	91	7A

Source: SCB data

- 1 WB nominal is all outstanding assets & contingents for both Cat 1 & 2;
- 2 Geography is based on country of credit risk responsibility
- 3 Credit ratings above are based on an internal grading system using a PD measure.
- 4 Our WA CG of 7A is comparable to a portfolio of assets with a WA S&P rating of BB

WA: Weighted Average

Provision and Impairment charges have significantly reduced...

Provision & impairment trends

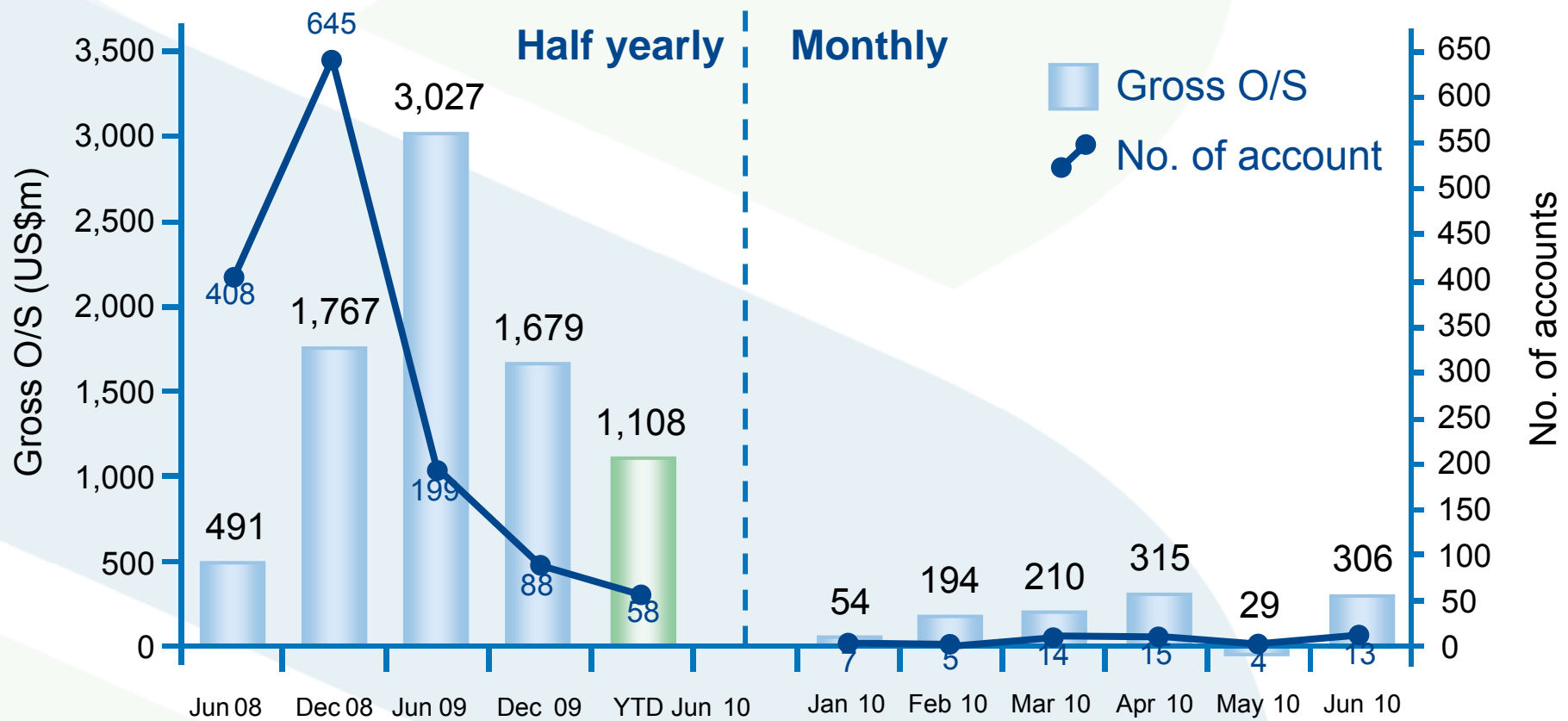
	H1 09	H2 09	H1 10	Growth H110 vs. H109	Growth H110 vs. H209
Gross impairment charge	498	384	204	(59%)	(47%)
Recoveries/provisions no longer required	(19)	(57)	(30)	58%	(47%)
Net individual impairment charge	479	327	174	(64%)	(47%)
Portfolio impairment provision charge / (release)	46	96	(36)	(178%)	(138%)
Net impairment charge	525	423	138	(74%)	(67%)

NOTE : Event Risk of US\$50m has been reported under CG 1 to 11

Source: SCB data

...and downgrades tailed off

Portfolio downgrades for H110



Source: SCB data

- We have consistently delivered a strong financial performance and are well placed to continue to drive sustainable income momentum going forward
- Our client focused strategy underpins performance and will be the platform that will continue to drive growth
- We will continue to leverage the strength of our network, and evolve our product capabilities to meet our clients needs
- We are driving the development of our support and control infrastructure to make it a source of competitive advantage
- We will continue to have a conservative business model with robust foundations around risk capital & liquidity management

Q & A