

Supplementary Financial Information

Average Balance Sheets and Yield

The following tables set out the average balances and yields for Standard Chartered's assets and liabilities for the years ended 31 December 2005 and 31 December 2004. For the purpose of the following table, average balances have generally been determined on the basis of daily balances, except for certain categories, for which balances have been determined less frequently.

The Company does not believe that the information presented in this table would be significantly different had such balances been determined on a daily basis.

	2005			
	Average non interest earning balance \$million	Average interest earning balance \$million	Interest income \$million	Gross yield %
Assets				
Cash, balances at central banks and cheques in course of collection	4,240	611	8	1.3
Treasury bills and other eligible bills	41	10,474	469	4.5
Gross loans and advances to banks	560	25,510	852	3.3
Gross loans and advances to customers	754	101,310	6,151	6.1
Provisions against loans and advances to banks and customers	(1,700)	–	–	–
Debt securities	131	32,717	1,270	3.9
Equity shares	499			
Property, plant and equipment	1,517			
Prepayments, accrued income and other assets	20,474			
Total average assets	26,516	170,622	8,750	5.1

	2004			
	Average non interest earning balance \$million	Average interest earning balance \$million	Interest income \$million	Gross yield %
Assets				
Cash, balances at central banks and cheques in course of collection	1,899	211	3	1.4
Treasury bills and other eligible bills	–	5,296	254	4.8
Gross loans and advances to banks	1,167	18,882	491	2.6
Gross loans and advances to customers	484	67,088	3,563	5.3
Provisions against loans and advances to banks and customers	(1,875)	(579)	–	–
Debt securities	266	31,508	1,001	3.2
Equity shares	173			
Property, plant and equipment	812			
Prepayments, accrued income and other assets	10,083			
Total average assets	13,009	122,406	5,312	4.3

Average Balance Sheets and Yield continued

	2005			
	Average non-interest bearing balance \$million	Average interest bearing balance \$million	Interest expense \$million	Rate paid %
Liabilities				
Non-interest bearing current and demand accounts	12,976			
Interest bearing current and demand accounts	–	32,460	516	1.6
Savings deposits	123	7,400	97	1.3
Time deposits	589	75,937	2,493	3.3
Other deposits	270	2,262	84	3.7
Debt securities in issue	(109)	22,504	703	3.1
Accruals, deferred income and other liabilities	23,881	–	–	–
Subordinated liabilities:				
Undated loan capital	–	3,990	195	4.9
Dated loan capital	–	6,812	327	4.8
Minority interests	227			
Shareholders' funds	9,956			
Total average liabilities and shareholders' funds	47,913	151,365	4,415	2.9
Net yield				2.2
Net interest margin				2.5

	2004			
	Average non-interest bearing balance \$million	Average interest bearing balance \$million	Interest expense \$million	Rate paid %
Liabilities				
Non-interest bearing current and demand accounts	10,876			
Interest bearing current and demand accounts	–	26,149	191	0.7
Savings deposits	121	5,607	68	1.2
Time deposits	243	54,482	1,205	2.2
Other deposits	288	2,758	123	4.5
Debt securities in issue	–	11,286	179	1.6
Accruals, deferred income and other liabilities	9,361	–	–	–
Subordinated liabilities:				
Undated loan capital	–	1,577	36	2.3
Dated loan capital	–	4,467	328	7.4
Minority interests	8			
Shareholders' funds	8,257			
Total average liabilities and shareholders' funds	29,154	106,326	2,130	2.0
Net yield				2.3
Net interest margin				2.6

Supplementary Financial Information continued

Volume and Price Variances

The following table analyses the estimated change in Standard Chartered's net interest income attributable to changes in the average volume of interest-earning assets and interest-bearing liabilities and changes in their respective interest rates for the periods presented. Volume and rate variances have been determined based on movements in average balances and average exchange rates over the period and changes in interest rates on average interest-earning assets and average interest-bearing liabilities. Variances caused by changes in both volume and rate have been allocated to changes in volume.

	2005 versus 2004		
	Increase/(decrease) in interest due to:		Net increase/(decrease) in interest \$million
	Volume \$million	Rate \$million	
Interest earning assets			
Cash and unrestricted balances at central banks	5	–	5
Treasury bills and other eligible bills	232	(17)	215
Loans and advances to banks	221	140	361
Loans and advances to customers	2,078	510	2,588
Debt securities and equity shares	47	222	269
Total interest earning assets	2,583	855	3,438
Interest bearing liabilities			
Dated subordinated loan capital	113	(113)	–
Undated subordinated loan capital	118	41	159
Interest bearing current and demand accounts	100	225	325
Savings deposits	24	5	29
Time deposits	704	583	1,287
Other deposits	(18)	(21)	(39)
Debt securities in issue	350	174	524
Total interest bearing liabilities	1,391	894	2,285

	2004 versus 2003*		
	Increase/(decrease) in interest due to:		Net increase/(decrease) in interest \$million
	Volume \$million	Rate \$million	
Interest earning assets			
Cash and unrestricted balances at central banks	–	–	–
Treasury bills and other eligible bills	(2)	34	32
Loans and advances to banks	50	65	115
Loans and advances to customers	340	(131)	209
Debt securities and equity shares	76	10	86
Total interest earning assets	464	(22)	442
Interest bearing liabilities			
Dated subordinated loan capital	72	(10)	62
Undated subordinated loan capital	1	7	8
Interest bearing current and demand accounts	18	(29)	(11)
Savings deposits	14	(14)	–
Time deposits	72	115	187
Other deposits	41	(32)	9
Debt securities in issue	9	(22)	(13)
Total interest bearing liabilities	227	15	242

* The 2004 versus 2003 analysis is per UK GAAP and is not restated under IFRSs as 2003 comparatives are not available.

Five Year Summary

	2005 \$million	*2004 \$million	**2003 \$million	**2002 \$million	**2001 \$million
Operating profit before provisions	3,050	2,533	2,097	1,982	1,820
Impairment losses on loans and advances and other credit risk provisions	(319)	(214)	(536)	(712)	(731)
Amounts written off fixed asset investments	(50)	(68)	(11)	(8)	–
Profit before taxation	2,681	2,251	1,550	1,262	1,089
Profit attributable to shareholders	1,946	1,578	1,024	844	699
Loans and advances to banks	21,701	16,687	13,354	16,001	19,578
Loans and advances to customers	111,791	72,019	59,744	57,009	53,005
Total assets	215,096	147,124	120,202	112,953	107,535
Deposits by banks	18,834	15,162	10,924	10,850	11,688
Customer accounts	119,931	85,093	73,767	71,626	67,855
Shareholders' funds	11,882	9,105	7,529	7,270	7,538
Total capital resources ¹	22,682	16,837	14,110	12,974	12,959
Information per ordinary share					
Basic earnings per share	148.5c	129.6c	82.0c	57.6c	55.9c
Normalised earning per share ²	153.7c	124.6c	90.1c	74.9c	66.3c
Dividends per share	64.0c	57.5c	52.0c	47.0c	41.92c
Net asset value per share	897.3c	719.0c	588.0c	569.8c	555.3c
Ratios					
Return on ordinary shareholders' equity-normalised basis ²	18.0%	18.6%	15.7%	13.4%	12.0%
Basic cost-income ratio	55.5%	52.9%	55.8%	56.3%	58.9%
Cost-income ratio – normalised basis ²	54.5%	54.0%	53.6%	53.6%	55.8%
Capital ratios:					
Tier 1 capital	7.7%	8.6%	8.6%	8.3%	9.0%
Total capital	13.6%	15.0%	14.5%	14.2%	16.2%

¹ Shareholders' funds, minority interests and subordinated loan capital.

² Results on a normalised basis reflect the Group's results, excluding profits and losses of a capital nature, charges for restructuring and profits and losses on repurchase of share capital.

* IFRSs (excluding IAS 32 and 39).

** UK GAAP.