

press release

FOR IMMEDIATE RELEASE

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STANDARD CHARTERED LAUNCHES FIRST RETAIL BRANCH IN SHANGHAI

Significant step in China expansion strategy

(Shanghai: 5 July, 2002) Standard Chartered Bank today launched its consumer banking expansion in China with the opening of its first retail sub branch.

The opening of the flagship sub branch in Puxi Shanghai is a milestone in the Bank's plans to expand its business in China as the country's banking industry opens up under reforms agreed with the World Trade Organisation.

Mr Mervyn Davies, Group Chief Executive of Standard Chartered said: "Our aim is to be the leading international bank in China, which is one of our biggest long-term opportunities worldwide. We have one of the largest networks of any foreign bank in China and we are actively pursuing opportunities to expand our consumer banking presence as the market opens up. The opening of this flagship site in Shanghai is a significant step."

Under World Trade Organisation reforms, foreign banks are gradually being given greater access to the market in China. By 2007 all restrictions in the banking market will be lifted allowing foreign banks to operate full consumer banking business with Chinese citizens.

Mr Peter Wong, Director of Standard Chartered Bank said: “We are committed to the China market and are hoping to introduce a large range of exciting new product features and services to help accelerate the development of the banking sector in China. With our high quality product offering and world class customer services, we are confident that we will become the right partner for our customers to meet their financial needs.”

Standard Chartered has the longest history of any foreign bank in China, having started business in Shanghai in 1858. It currently has seven full branches and six representative offices. It holds RMB licences in Shanghai and Shenzhen and in May 2002 was awarded a licence to operate foreign currency business for local citizens in Shanghai.

Standard Chartered is using the opening of the new sub branch as an opportunity to launch its new brand image in China. The Puxi sub branch incorporates the Bank’s latest innovative retail banking concept. The branch occupies a space of over 700 square metres, making it the biggest foreign retail branch in Shanghai. This includes an exclusive Priority Banking Centre and Personal Financial Centre.

The Puxi sub branch together with the newly renovated Shanghai branch in Pudong provides a wide range of products and services to local Chinese citizens and expatriates. Customers can choose between the Integrated or Priority Banking packages offering a range of local and foreign currencies deposits and foreign currencies and RMB mortgages.

A 24-hour customer service hotline has been set up to handle customer enquiries on products, services, account balance and transaction history. Customers can also visit the Bank’s web site (www.standardchartered.com.cn) for a virtual tour of the newest branch.

To provide added services to customers, the Bank is offering a specially designed passbook and privilege card to Priority Banking customers with Children. This service is aimed at helping customers educate the younger generation on financial management at an early age. Standard Chartered Bank is the first foreign bank to offer this service in China.

The new sub branch in Puxi, Shanghai is located at Nanjing Xi Road and banking hours are from 8:45am to 4:45pm, Monday to Friday.

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Standard Chartered – the world’s leading emerging market bank

Standard Chartered is the longest established bank with the largest network in China. The bank was granted RMB business licences in both Shanghai and Shenzhen and is the sole fund-clearing bank for Shenzhen B-shares. The Group has a network of over 500 offices in more than 50 countries and assets of approximately US\$90 billion. Standard Chartered 's presence in Asia and Africa goes back nearly 150 years. It has an in-depth understanding and a long-term commitment to the emerging markets.