

press release

Standard Chartered The First Foreign Bank To Be Granted Approval For Its Client's RMB Cross-border Lending Quota

26 November, Shanghai - Standard Chartered Bank (China) Limited ("Standard Chartered China") today announced that it was the first foreign bank to have been granted approval for a RMB denominated loan quota on behalf of a leading American multi-national company ("MNC") client that specialises in global manufacturing and technology.

The approval of the RMB 3.3 billion cross-border lending quota from People's Bank of China (PBOC) Shanghai Branch is part of a pilot program that supports foreign and local MNCs which have plans to channel surplus RMB capital in mainland China to fund RMB denominated activities overseas. This scheme has transformed the lending of RMB between companies from one based on a traditional entrustment loan (with banks as intermediary agents) to one where two parties sign lending agreements directly, agree interest rates and manage the loan drawdown themselves.

In addition to ensuring that the submitted application met the various key requirements (satisfactory cross border lending rate, tax requirements, ability to monitor the utilisation of the quota etc.) set out by PBOC, Standard Chartered is responsible for proposing the most efficient cross border lending structure to support its client's business goals. The quota is expected to support the MNC's Chinese Office's ability to lend RMB to its overseas parent or other related companies which can in turn settle RMB denominated invoices.

Lim Cheng Teck, Chief Executive Officer and Executive Vice Chairman, Standard Chartered Bank (China) Limited, said, "The pilot programme of RMB cross-border lending is another important step for RMB 'going out', and it is a breakthrough for corporate cross-border lending. Moreover, the programme can further encourage MNCs to move their regional and even global treasury centres to Shanghai, an emerging international financial centre. Leveraging our extensive footprint and financial expertise, Standard Chartered will continue its contribution to RMB internationalization and Shanghai's ambition to become an international finance centre."

Anthony Lin, Managing Director, Head of Transaction Banking, Standard Chartered Bank (China) Limited, said, "RMB cross-border lending brings huge flexibility of corporate treasury management. It allows corporations to negotiate lending frequency and rate according to their actual needs. It also enables corporations to transfer onshore RMB surplus to their global cash pools for central deployment and use, hence to improve their global treasury efficiency. Standard Chartered has

actively participated in the pilot programme since its launch. We are very happy to be the first foreign bank helping our client to enjoy the convenience and benefit brought by RMB cross-border lending.”

- Ends -

For further information, please contact:

Song Yu, Head of Wholesale Bank Communications
Corporate Affairs, China
Tel: (8620) 38158330
Email: Song.Yu@sc.com

Note to editors:

Standard Chartered – leading the way in Asia, Africa and the Middle East

Standard Chartered is a leading international banking group. It has operated for over 150 years in some of the world's most dynamic markets and earns around 90 per cent of its income and profits in Asia, Africa and the Middle East. This geographic focus and commitment to developing deep relationships with clients and customers has driven the Bank's growth in recent years. Standard Chartered PLC is listed on the London, Hong Kong stock exchanges as well as the Bombay and National Stock Exchanges in India.

With 1,700 offices in 70 markets, the Group offers exciting and challenging international career opportunities for its 85,000 staff. It is committed to building a sustainable business over the long term and is trusted worldwide for upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. Standard Chartered's heritage and values are expressed in its brand promise, 'Here for good'.

In China, the Bank set up its first branch in Shanghai in 1858 and has remained in operation throughout the past 154 years. Standard Chartered Bank (China) Limited is one of the first foreign banks to locally incorporate in China in April 2007. This demonstrates the Bank's commitment to the China market, and its leading position as a foreign bank in the banking industry. Standard Chartered has one of the largest foreign bank networks in China – with 23 branches, 67 sub-branches and 1 Village Bank.

In 2011, Standard Chartered China received many awards and honors, including “The most progressive branch for SME services 2011” by CBRC, “Best Public Welfare and Charity Contribution Award for Year 2011” and “Best Practice of Social Responsibility Award for Year 2011” from China Banking Association, “Outstanding Contribution Award” from China Bank Association Foreign Bank Working Committee, “CSR Award 2011” from *China Business News*, “Best Case Study Award 2011” from *21st Century Business Herald*, “Best RMB Cross-Border Settlement Bank” from *Sinotf.com* and *Trade Finance*, “Prominent Competence Bank on SME Service Award” from *China Business* and “2011 Most Respected Bank & Best Retail Bank Award” from *Money Week*.

For more information on Standard Chartered, please log on www.standardchartered.com