

press release

For Immediate Release

Standard Chartered signs agreement on the formation of China Bohai Bank

Beijing, 6 September 2005 – Standard Chartered is pleased to announce the completion of the Promoters Agreement of China Bohai Bank, marking the occasion with a signing ceremony held in the Great Hall of People, Beijing and witnessed by Premier Wen Jia Bao of the People’s Republic of China and UK Prime Minister Tony Blair.

Standard Chartered, through its wholly owned subsidiary Standard Chartered Bank (Hong Kong) Limited, is the sole foreign strategic investor with a 19.99% interest in China Bohai Bank (“the Bank”). Standard Chartered’s investment will be approximately US\$123 million in cash.

China Bohai Bank is the first national joint stock commercial bank to be set up in the People’s Republic of China since 1996, and is also the first national joint stock commercial bank headquartered in Tianjin.

China Bohai Bank is established using a “promoter” model, whereby its domestic and foreign promoters subscribe shares with cash. The initial capital is Renminbi 5 billion. Standard Chartered and the other Promoters are fully committed to making China Bohai Bank a successful, competitive and customer-focused bank. The other Promoters include Tianjin Teda Investment Holding Co. Ltd with a 25% interest, China Ocean Shipping (Group) Co. with 13.67%, Shanghai Baosteel Group Corp. and State Development & Investment Corp., both with 11.67%, Tianjin Trust & Investment Co. Ltd with 10% and Tianjin Shanghui Investment (Holding) Co. Ltd. with 8% interest.

Standard Chartered has an uninterrupted history of commitment to China of over 150 years. As China Bohai Bank’s foreign strategic investor, Standard Chartered will leverage its strong global resources and innovative product capabilities to ensure the success of the new Bank.

Speaking at today’s ceremony, Bryan Sanderson, Chairman of Standard Chartered PLC, said, “I am honoured that Standard Chartered has been given the opportunity to participate in this exciting investment. We will leverage our international banking experience to assist China Bohai Bank in many areas, including product development, risk management and governance”.

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Bryan Sanderson continued to say, “I would also like to take this opportunity to express our sincere gratitude to the Tianjin government and all the other esteemed Promoters for their efforts in laying a strong foundation for China Bohai Bank”.

Chinese banking veteran and former Chairman and President of the Import-Export Bank of China, Mr Yang Zilin, has been nominated the Chairman of China Bohai Bank. Mr Ma Teng, former Head of Credit Cards business of Industrial & Commercial Bank of China, has been nominated to be the CEO of China Bohai Bank.

Standard Chartered has nominated senior managers for the positions of Vice-Chairman, a Deputy CEO who is also a Director and Chief Risk Officer in China Bohai Bank. We will make an appropriate announcement once the necessary regulatory approval on the appointments has been obtained.

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

Standard Chartered employs 42,000 people in 950 locations in more than 50 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas. Standard Chartered is one of the world’s most international banks, with employees representing 80 nationalities.

Standard Chartered PLC is listed on both the London Stock Exchange and the Stock Exchange of Hong Kong and is in the top 25 FTSE-100 companies, by market capitalisation.

It serves both Consumer and Wholesale Banking customers. Consumer Banking provides credit cards, personal loans, mortgages, deposit taking and wealth management services to individuals and small to medium sized enterprises. Wholesale Banking provides corporate and institutional clients with services in trade finance, cash management, lending, securities services, foreign exchange, debt capital markets and corporate finance.

Standard Chartered is well-established in growth markets and aims to be the right partner for its customers. The Bank combines deep local knowledge with global capability.

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The Bank is trusted across its network for its standard of governance and corporate responsibility as well as its commitment to making a difference in the communities in which it operates.

Standard Chartered set up its first branch in Shanghai in 1858, remaining throughout the last 150 years. Now it has ten branches (Chengdu and Suzhou to be opened soon), one sub-branch and four representative offices in China. The Shanghai, Shenzhen, Beijing, Nanjing and Xiamen Branches can provide full banking services (including RMB) for corporate customers and foreign currency services for local citizens. The Nanjing Branch is the only foreign bank in Jiangsu Province to be allowed to conduct RMB business. It was also among the first group of foreign banks to be granted the QFII custodian bank and derivative licence.

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