

press release

FOR IMMEDIATE RELEASE

Standard Chartered reports a 43 per cent jump in profits to KShs.6.7 billion for the year ended 31 December 2009

Total income was up 22% to KShs.12.4 billion compared to KShs.10.2 billion in 2008

Nairobi, March 4, 2010- Standard Chartered Bank today announced pre-tax profits for the full year ending 31 December 2009 of KShs. 6.7 billion, a 43% increase.

Speaking at an investor briefing, the bank's Chief Executive Richard Etemesi said, "I am delighted to announce today that Standard Chartered Bank has performed exceptionally well in 2009. In addition, Standard Chartered Bank PLC continues to be among a very select group of international Banks that have so far weathered the global financial crisis largely intact. The Group's 2009 financial results, which were announced yesterday, show that despite the turmoil, Standard Chartered Bank has performed exceptionally well."

The Bank's revenues grew by 22% to KShs. 12.4 billion while expenses grew by only 3%. Loans and advances to customers grew by 31% to KShs 56.7 billion while customer deposits grew by 13% to KShs 86.8 billion.

During the year, customer deposits grew by 13% to KShs.86.8 billion. In the Consumer Bank, the momentum from the various products launched in the recent past, coupled with the aggressive sales promotion pushed total deposits to KShs.55.0 billion up 9%.

Growth in customer deposits in the Wholesale Bank was also up by a commendable 19%. Richard noted that deposits for this business tend to be transactional in nature and would fluctuate frequently.

"What is pleasing with this growth is that the underlying 'sticky' deposits in this business continued to show strong growth as a result of strong sales supported by our world-class Integrated Cash Management System (ICMS). We continued to win new mandates onto this platform," said Richard

Overall, the bank's current account and savings account balances now account for 78% of our total deposits compared to 77% in 2008.

The bank's non-performing loans portfolio remains the lowest in the market. "In the last six months, our total non-performing loans fell to KShs.1.5 billion and remain among the lowest in the market. This translates to 2.5% of gross total loans compared to 3.9% in 2008, a reflection of our prudent and proactive risk management capability," said Etemesi.

In 2009, the bank invested heavily in technology anticipating that it would be the main driver for business growth in the banking sector for the future. The Bank made substantial investments in systems infrastructure and introduced technology-based products and services. It also standardised the technology platforms to become more nimble and able to anticipate and respond to the changing business environment.

"Our investment in new technology has enabled us to serve new customer segments and widen our customer reach," said Etemesi.

Etemesi attributes the good performance to the bank's strategy of building a long-term, sustainable business.

"We have a very clear strategy that is working well and has huge potential. In addition, we continue to focus relentlessly on the basics of banking, liquidity and capital management, credit risk management, cost control, efficiency and customer service," said Etemesi.

On the future outlook, Etemesi noted that the economic recovery will be slow and subject to uncertainty. However, he affirmed that Standard Chartered had entered 2010 from a position of strength with all the investments made in 2009 making it 'fit-for-growth'.

"At Standard Chartered, although we are confident about the future, we remain mindful of the current economic environment. We will not be complacent, but continue to look for opportunities and will look to take advantage of these to build and grow our business," he said.

The Bank recommended a dividend of KShs. 12.00 per ordinary share which is 20% above that declared in 2008.

Note to Editors:

About Standard Chartered Bank

Standard Chartered PLC, listed on both London and Hong Kong stock exchanges, ranks among the top 25 companies in the FTSE-100 by market capitalisation. The London-headquartered Group has operated for over 150 years in some of the world's most dynamic markets, leading the way in Asia, Africa and the Middle East. Its income and profits have more than doubled over the last five years primarily as a result of organic growth.

Standard Chartered aspires to be the best international bank for its customers across its markets. The Group earns around 90 per cent of its income and profits in Asia, Africa and the Middle East, from its Wholesale and Consumer Banking businesses. The Group has over 1600 branches and outlets located in over 70 countries. The extraordinary growth of its markets and businesses creates exciting and challenging international career opportunities.

Leading by example to be the right partner for its stakeholders, the Group 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. It employs around 70,000 people, nearly half of whom are women. The Group's employees are of 125 nationalities, of which about 70 are represented in the senior management.

For more information, please contact:

Anne N. Kabugi
Corporate Affairs Manager
Standard Chartered Bank Kenya
Tel: 2217235/329 3959
Mobile: 0721 704 281
Email: Anne.Kabugi@sc.com