

press release

Standard Chartered Bank Rights Issue opens

Nairobi 2nd October 2012: Standard Chartered Bank Kenya Limited, a subsidiary of Standard Chartered Bank PLC, today launched its second Rights Issue which seeks to raise Ksh3.2 billion in additional capital, following approvals by the bank's shareholders, the Capital Markets Authority (CMA) and the Nairobi Stock Exchange (NSE).

The subscription price for the banks Rights Issue, which opens on October 9th, 2012 and closes on October 26, 2012, will be Kshs.145 per ordinary share.

Speaking at the launch, Standard Chartered Bank Kenya Limited Chairman Mr. Wilfred Kiboro said: "Our shareholders have been very supportive in our strategic plans and other similar transactions as the one we are currently undertaking. Our 2010 Right Issue was hugely oversubscribed as a sign of confidence and faith in our strategic direction in the bank shown by our shareholders to date. We are confident that this year's Right Issue will be equally successful."

Standard Chartered Bank PLC, which owns 74% of the Kenyan subsidiary, is expected to take up its full rights with about Ksh. 832 million expected from the remaining retail, institutional and international shareholders.

The Bank's Chief Executive Officer Richard Etemesi said the moneys realised from the Rights Issue will provide additional capital to enable the bank support its strategy as well as ensure that the Bank is in a sound position to meet any impending regulatory changes that may include increases in banks statutory capital requirements.

"The Rights issue safeguards our ability to pursue the attractive opportunities we see for growth like the increasing demand for loans and advances while also strengthening our capital ratios. We believe this approach will create clear long-term value for our shareholders, and underpin the financial strength of the Bank," said Mr. Etemesi.

Etemesi said that the bank had over the last few years, pursued a focused agenda and continued to deliver consistent good returns to its shareholders against a challenging macro-economic environment.

“As a Bank, we continue to benefit from our deep client relationships, our network and a well-capitalized balance sheet. We set ourselves ambitious performance goals and have consistently delivered against them. We had a record year in 2011 and an even better first half performance in 2012, with record growth in income and revenue,” said Etemesi.

The Bank will offer, by way of rights 22,082,856 new shares at KShs145 each payable in full upon acceptance not later than 3.00 p.m. on 26th October 2012. The Rights Issue will be on the basis of one new share for every thirteen (13) existing shares held by each shareholder. The procedures for acceptance, payment, or renunciation of the Rights are contained in the Information Memorandum which has been mailed to all shareholders.

The New Shares will, when fully paid, rank equally in all respects with the existing shares with regard to voting, dividends, liquidation proceeds and pre-emption in future capital increases.

The Bank’s advisors for the Issue are; Standard Chartered Securities Kenya Limited - Lead Transaction Advisor, Standard Investment Bank - Lead Sponsoring stockbroker, Standard Chartered Bank - receiving bank while Mboya Wangong’u & Waiyaki Advocates are the Legal Advisors.

The reporting Accountant is KPMG and Custody & Registrars Services Limited will act as the Share Registrar. Image Registrars are the Data Processors for the Rights issue, while Hill + Knowlton Strategies and McCann Kenya Advertising will handle the public relations and advertising respectively.

For more information please contact;

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Notes to Editors

Standard Chartered Bank in Kenya

Standard Chartered Bank Kenya Limited was established in 1911 with the first branch opened in Mombasa Treasury Square.

Today, 101 years later, Standard Chartered Bank is one of the leading Banks in Kenya, with an excellent franchise. It has a total of 34 branches spread across the country, 91 automated teller machines (ATMs) and 1,700 employees.

Standard Chartered Bank Kenya Limited has local shareholders of about 26%, comprising about 34,000 Kenyans. It has remained a public quoted company on the Nairobi Securities Exchange since 1989.

Our capital, deposit base, and lending portfolio is reported in Kenya Shillings, and we offer a variety of local and foreign currency accounts, both deposit and loan, to our customers. We have a diversified portfolio cutting across select sectors that include business services, manufacturing, wholesale and retail trade, transport and communication, real estate, agriculture, energy and water.

Further underpinning its importance, Standard Chartered Bank Kenya Limited hosts the regional Shared Service Centre hub supporting the Bank's technology operations in Uganda, Tanzania, Zambia and Botswana and South Africa on a real time basis.

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 more than 90 per cent of its 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 and 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 nearly 87,000 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'.

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