

28 October 2008

Standard Chartered today releases its Interim Management Statement (IMS) for the third quarter of 2008.

Standard Chartered has continued to make good progress during the third quarter of 2008, building on the excellent first half of the year. It is clear that Asian economic growth is moderating but, in general, the economies remain resilient and their economic growth rates remain well above the rates of growth for markets in the West. We continue to benefit from the growth opportunities across our broad and diverse franchise.

The Wholesale Banking business continued to see strong and broad-based income momentum albeit slower than the exceptional rates of growth seen in the first half of the year. Transaction banking, especially trade finance, remains strong. While there are some credit losses relating to specific US financial institutions, these are not material to the Group. The carrying value of the Asset Backed Securities portfolio has reduced from USD4.9 billion to approximately USD4.1 billion in the third quarter, principally due to redemptions; the impact of this portfolio on profits is not material. Credit quality in the Wholesale Banking portfolio remains good.

Income in Consumer Banking arising from Lending and SME has remained steady in the third quarter of 2008. Income in Wealth Management has slowed through the quarter and particularly in September driven by a fall-off in sales as consumers reacted to turmoil in the global financial sector. Credit quality remains good across all major product streams.

Standard Chartered continues to invest in the franchise while maintaining a disciplined approach to expenses. In the last month alone, we opened three branches in Hong Kong, increased the overall number of outlets in China to 49 and introduced internet banking in Vietnam. In Private Banking, we have launched programmes aimed at non resident Korean and Indian customers. In Wholesale Banking, we continue to benefit from the market dislocation through attracting high quality talent. On 7 October, we announced the acquisition of Asia Trust, a small bank in Taiwan.

Standard Chartered is strongly liquid and well capitalised with a conservative balance sheet, well diversified by geography, asset type and industry. We have continued to see a steady inflow of customer deposits during the third quarter. Moreover, we are being selective in asset growth focusing on key businesses and customer segments. We remain alert to the impact of volatility in the

currency and financial markets, and the increased levels of uncertainty that result.

Commenting on the third quarter trading, Peter Sands, Group Chief Executive of Standard Chartered said;

“Standard Chartered has seen continued growth in the third quarter despite the turmoil. Our fundamentals are strong and we remain well placed to take advantage of the opportunities we see in our markets, particularly in the current environment. The Group has good momentum underpinned by our strategic focus on Asia, Africa and the Middle East.”

We look forward to providing a further update in early December in the preclose trading statement.

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