



press release

STANDARD CHARTERED PLC ANNOUNCES ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2006

Release date: 27 February 2007

Standard Chartered, a leading international bank in the UAE, today announced significantly increased global profits of \$3,178 million for the year ending 31 December 2006.

Profit before tax rose 19 per cent to \$3,178 million, compared with \$2,681 million in the 12 months up to 2005. The Bank's operating income increased by 26 per cent to \$8,620 million from \$6,861 million, while total assets were up by 24 per cent to \$266 billion from \$215 billion in 2005.

Commenting on these results, the Chairman of Standard Chartered PLC, Mervyn Davies, said: "Standard Chartered delivered another year of record income and profits in 2006, driven by strong organic growth driven by continued good progress in Korea. We also made strategic acquisitions in Taiwan and Pakistan."

Continued double-digit income growth is expected for the Group in 2007, relying on its successful fundamental strategy of organic growth supplemented by alliances and acquisitions. Trade within Asia and between Asia, the Middle East and Africa is increasing, with this broad-based growth sustaining the Bank's performance.

“We have achieved great momentum and will continue to benefit from the growth opportunities in Asia, Africa and the Middle East and from our investment in the business. We want all our stakeholders to see us as the Right Partner – Leading by Example,” Davies concluded.

The Middle East in particular has experienced immense organic growth momentum, with income growing in the UAE by 32% in 2006.

“Growth momentum is occurring across the region, not only in Dubai but also in Abu Dhabi, Qatar and elsewhere,” said Peter Sands, Group Chief Executive, Standard Chartered PLC.

“We see great potential in the Dubai International Financial Centre, are leveraging opportunities in Islamic Finance, and are also building our presence in Abu Dhabi. We believe the Middle East is one of Standard Chartered’s biggest opportunities for continued growth, alongside China and India.”

More details can be found at www.standardchartered.com

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HIGHLIGHTS

STANDARD CHARTERED PLC RESULTS FOR THE YEAR ENDED 31 DECEMBER 2006

Reported Results

- Operating income up 26 per cent to \$8,620 million (2005: \$6,861 million)
- Profit before taxation up 19 per cent to \$3,178 million (2005: \$2,681 million)
- Profit attributable to ordinary shareholders* up 18 per cent to \$2,253 million (2005: \$1,917 million)
- Total assets up 24 per cent to \$266 billion (2005: \$215 billion)

Results excluding acquisitions and Korea**

- Operating income up 18 per cent to \$6,951 million (2005: \$5,904 million)
- Expenses up 17 per cent to \$3,733 million (2005: \$3,179 million)
- Profit before taxation up 11 per cent to \$2,686 million (2005: \$2,417 million)

Performance Metrics***

- Normalised earnings per share up 11 per cent at 170.7 cents (2005: 153.7 cents)
- Normalised return on ordinary shareholders' equity of 17 per cent (2005: 18 per cent)
- Annual dividend per share increased 11 per cent to 71.04 cents from 64.0 cents in 2005
- Normalised cost income ratio of 55.2 per cent (2005: 54.5 per cent)
- Total capital ratio at 14.3 per cent (2005: 13.6 per cent)

Significant achievements

- Record profit before taxation at \$3,178 million
- Strong organic progress with double-digit income growth in Wholesale Banking and Consumer Banking
- Acquisition of Union Bank, Pakistan and Hsinchu International Bank, Taiwan provide new growth engines
- Standard and Poors long term credit rating for Standard Chartered raised to A+

* Profit attributable to ordinary shareholders is after the deduction of dividends payable to the holders of the non-cumulative redeemable preference shares (see note 8 on page 40).

** Results excluding acquisitions and Korea are shown because 2006 includes the acquisitions of Union Bank Limited ("Union"), Hsinchu International Bank ("HIB") and the incremental stake in PT Permata Bank Tbk ("Permata") together with a full year of Standard Chartered First Bank Korea Limited ("SCFB") compared to only eight and a half months in 2005.

*** Results on a normalised basis reflect the results of Standard Chartered PLC and its subsidiaries (the "Group") excluding items presented in note 9 on page 41.

Standard Chartered PLC - Stock Code: 288

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

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

Standard Chartered has a history of over 150 years in banking and operates in many of the world's fastest-growing markets with an extensive global network of over 1,400 branches (including subsidiaries, associates and joint ventures) in over 50 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas.

As one of the world's most international banks, Standard Chartered employs almost 60,000 people, representing over 100 nationalities, worldwide. This diversity lies at the heart of the Bank's values and supports the Bank's growth as the world increasingly becomes one market.

With strong organic growth supported by strategic alliances and acquisitions and driven by its strengths in the balance and diversity of its business, products, geography and people, Standard Chartered is well positioned in the emerging trade corridors of Asia, Africa and the Middle East.

Standard Chartered derives over 90 per cent of profits from Asia, Africa and the Middle East. Serving both Consumer and Wholesale Banking customers worldwide, the Bank combines deep local knowledge with global capability to offer a wide range of innovative products and services as well as award-winning solutions.

Trusted across its network for its standard of governance and corporate responsibility, Standard Chartered takes a long term view of the consequences of its actions to ensure that the Bank builds a sustainable business through social inclusion, environmental protection and good governance.

Standard Chartered is also committed to all its stakeholders by living its values in its approach towards managing its people, exceeding expectations of its customers, making a difference in communities and working with regulators.

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

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