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STANDARD CHARTERED PLC

渣打集團有限公司

(Registered in England and Wales number 966425)

(Stock Code: 02888)

STANDARD CHARTERED PLC STRONGLY REJECTS THE POSITION AND PORTRAYAL OF FACTS MADE BY THE NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

Standard Chartered PLC (the "Group") refers to the order which it received today from one of its regulators, the New York State Department of Financial Services ("DFS") and which it placed on the RNS. The Group strongly rejects the position or the portrayal of facts as set out in the order issued by the DFS.

The Group had previously reported that it is conducting a review of its historical compliance and is discussing that review with US agencies, including the DFS, the Department of Justice, the Office of Foreign Assets Control, the Federal Reserve Group of New York and the District Attorney of New York. The disclosure appears in our Annual Results of 2010, 2011 and, again most recently, in the 2012 Interim Results in the Risk Review section at p.21 under Regulatory Changes and Compliance.

In January 2010, the Group voluntarily approached all relevant US agencies, including the DFS, and informed them that we had initiated a review of historical US dollar transactions and their compliance with US sanctions. This review focused primarily on transactions relating to Iran in the period 2001-2007, and in particular, their compliance with the U-turn framework established by the US authorities to enable ongoing US dollar trade with Iran by other countries.

This review was conducted by external counsel and external consultants. The Group waived its attorney-client and work product privileges to ensure that all the US agencies would receive all relevant information. The Group also gave regular updates and presentations to the DFS and the other agencies on the results of the Group's investigation. The materials included several thousands of pages of documents and interview notes, plus analysis of approximately 150 million payment messages.

The Group does not believe the order issued by the DFS presents a full and accurate picture of the facts. The analysis, that the Group shared with all the US agencies, demonstrates that throughout the period the Group acted to comply, and overwhelmingly did comply, with US sanctions and the regulations relating to U-turn payments. As we have disclosed to the authorities, well over 99.9% of the transactions relating to Iran complied with the U-turn regulations. The total value of transactions which did not follow the U-turn was under \$14m.

The Group believes that the interpretation reflected in the DFS' order, of the U-Turn exemption — a federal regulation administered and enforced by federal authorities — is incorrect as a matter of law. The Group's review of its Iranian payments also did not identify a single payment on behalf of any party that was designated at the time by the US Government as a terrorist entity or organization.

Standard Chartered ceased all new business with Iranian customers in any currency over five years ago. The Group has made presentations to the DFS and other US agencies concerning the strength of its global sanctions compliance programme during the period under review and through to the present day.

The Group is engaged in ongoing discussions with the relevant US agencies. Resolution of such matters normally proceeds through a co-ordinated approach by such agencies. The Group was therefore surprised to receive the order from the DFS, given that discussions with the agencies were ongoing. We intend to discuss these matters with the DFS and to contest their position.

The Group takes its responsibilities very seriously, and seeks to comply at all times with the relevant laws and regulations. It is in this spirit we initiated this review and have engaged with the US agencies.

By Order of the Board
Annemarie Durbin
Group Company Secretary

As at the date of this announcement, the Board of Directors of Standard Chartered PLC comprises:

Chairman:

Sir John Wilfred Peace

Executive Directors:

Mr Peter Alexander Sands; Mr Stefano Paolo Bertamini; Mr Jaspal Singh Bindra; Mr Richard Henry Meddings; Mr Alun Michael Guest Rees and Mr Viswanathan Shankar

Independent Non-Executive Directors:

Mr Richard Delbridge; Mr James Frederick Trevor Dundas; Ms Valerie Frances Gooding, CBE; Dr Han Seung-soo, KBE; Mr Simon Jonathan Lowth; Mr Rudolph Harold Peter Markham (Senior Independent Director); Ms Ruth Markland; Mr John Gregor Hugh Paynter; Mr Paul David Skinner and Mr Oliver Henry James Stocken