

press release

For immediate release

Standard Chartered Private Equity Limited Invests in Shimao Property Holdings

China/ Hong Kong, June 9, 2006 - Standard Chartered Private Equity Limited (SCPEL) is pleased to announce the completion of a US\$50 million investment in Shimao Property Holdings Limited (Shimao), a leading property developer in China. The co-investors for this investment include the real estate investment fund of Morgan Stanley.

Shimao develops upscale multi-purpose properties including residential, hotel and commercial developments across China. It has a nationwide footprint and is currently developing projects under the “Shimao” brand in nine cities. The management team of Shimao has on average over 15 years experience in the real estate sector of China.

Karam Butalia, Global Head of SCPEL said, “With the steady growth of the Chinese economy, accelerating urbanization, and the strong demand for housing upgrade by city residents, we believe the real estate sector in China will continue its robust growth. Given Shimao’s worldwide marketing and sales network, nationwide land acquisition and development capability, and strong financial strengths, we are confident of the sustainability of Shimao’s competitive advantages and growth momentum.”

“SCPEL completed this investment in only two months. This reflects the significant experience and deep understanding held by SCPEL’s Greater China team of the China market and its real estate sector. As an investor, we will not only bring

necessary capital to support the growth of Shimao, but will also add value at the board level to enhance the Company's corporate governance," added Karam Butalia.

Fan Chen, Managing Director and Head of Greater China, SCPEL, who led this investment, said: "As a leading player in the real estate sector in China, Shimao's competitive advantages consist of its unique and scalable business model, excellent combination of international and domestic management teams, and its execution focused culture."

Fan Chen further added, "Shimao is the first real estate investment completed by SCPEL in China, and this is a good start. We plan to explore further opportunities in this promising sector. We look not only at mature stage situations, but also at specific projects managed by best of the class developers. We are open to opportunities to work with quality real estate developers in China."

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Notes to Editors:

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

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Standard Chartered's strengths lie in its breadth, diversity and balance and is trusted across its network for its standard of governance and corporate responsibility. The Bank is committed to all its stakeholders by living its values in its approach to managing its people, exceeding expectations of its customers, making a difference in the communities that we operate in and working with its regulators.

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5. Global Custodian's Best Agent Bank in Asia
6. The Asset's Best Cash Management Bank for South Asia
7. Retail Banker International's Best Retail Bank in Asia Pacific.

The history of Standard Chartered in Hong Kong dates back to 1859. It is currently one of the SAR's three note-issuing banks. Standard Chartered incorporated its Hong Kong business on 1 July 2004, and now operates as a licensed bank in Hong Kong under the name of Standard Chartered Bank (Hong Kong) Limited, a wholly owned subsidiary of Standard Chartered PLC. In China, the Bank set up its first branch in Shanghai in 1858, and has remained in operation throughout the past 150 years. Recently, Standard Chartered Bank has been named as "2005 Best Foreign Bank" by Hexun Web. It has one of the largest foreign bank networks – with eleven branches (Qingdao to be opened soon), four sub-branches and three representative offices in China. There are altogether 7 branches in China that can provide full banking services including RMB to corporate clients (namely Shanghai, Shenzhen, Beijing, Nanjing, Xiamen, Zhuhai and Tianjin).

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