

The valuation certificate and the summary of values set out below have been prepared by the Company for incorporation in this prospectus from valuations of the Principal Properties carried out by independent property valuers as at 31st August, 2002. Copies of the full valuation reports which comply with the requirements of Hong Kong Listing Rule 5.06 and paragraph 34 of the Third Schedule to the Companies Ordinance are available for inspection (see Appendix IX to this prospectus).

SUMMARY OF VALUES

<u>Property</u>	<u>Capital value in existing state attributable to the Group as at 31st August, 2002 (U.S.\$)</u>
Group A—Wholly-owned properties primarily held and occupied by Standard Chartered in Hong Kong	122 million
Group B—Wholly-owned property primarily held and occupied by Standard Chartered in Bahrain	10 million
Group C—Wholly-owned properties primarily held and occupied by Standard Chartered in India	21 million
Group D—Wholly-owned property primarily held and occupied by Standard Chartered in Thailand	13 million
Group E—Wholly-owned property primarily held and occupied by Standard Chartered in Peru	3 million
Group F—Property leased by Standard Chartered in Hong Kong	No commercial value
Group G—Properties leased by Standard Chartered in India	33 million
Group H—Property leased by Standard Chartered in the United Kingdom	(12 million)
	<u>190 million</u>

Group A—Wholly-owned properties primarily held and occupied by Standard Chartered in Hong Kong

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
<p>1. Levels 5 to 13 (inclusive) and 15 to 20 (inclusive) Standard Chartered Tower Millennium City 1 No. 388 Kwun Tong Road Kowloon Hong Kong</p> <p>An aggregate of 112,150/556,778 equal and undivided shares of and in Kwun Tong Inland Lot No. 733</p> <p>See notes (1) to (4)</p>	<p>Millennium City 1 (the "Development") comprises two 30-storey office towers, built over a 4-storey retail and car parking podium. The Development was completed in 1998.</p> <p>The property comprises 15 floors in the lower lift zone within Tower 2 (currently named as Standard Chartered Tower) of the Development. The property is accessible via 6 passenger lifts, two service lifts and two communal staircases from the main entrance foyer on the ground floor.⁽²⁾</p> <p>The premises were fully fitted with office furniture and fixtures as at the date of inspection. The floors typically comprise open plan office area with executive offices, meeting rooms, pantry and toilets. Level 5 is a staff canteen and opens directly to a podium landscaped garden.</p> <p>According to the information available, the property has a total gross floor area of approximately 301,686ft² (28,027.3m²). The total saleable area as scaled from the registered floor plan is approximately 235,462ft² (21,875.0m²).</p> <p>Kwun Tong Inland Lot No. 733 is held from the Government under Conditions of Exchange No. 12421 for a term commencing from 19th November, 1996 and expiring on 30th June, 2047. The current Government rent payable is an amount equal to 3% of the prevailing rateable value of the Property.</p>	<p>The property was occupied by Standard Chartered as offices as at the date of valuation.</p>	<p>HK\$900,000,000 (approximately U.S.\$115 million) 100% of interest attributable to Standard Chartered: HK\$900,000,000 (approximately U.S.\$115 million).</p>

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
2. Levels 16 and 17 of Tower I Grand Central Plaza 138 Shatin Rural Committee Road Sha Tin New Territories Hong Kong	Grand Central Plaza (the "Development") comprises two 16-storey twin office towers, built over a 4-storey retail podium and 3 levels of basement car park. The Development was completed in 1995.	The property was vacant as at the date of valuation.	HK\$52,000,000 (approximately U.S.\$7 million) 100% attributable to Standard Chartered: HK\$52,000,000 (approximately U.S.\$7 million).
An aggregate of 398/14570 equal and undivided shares of and in Sha Tin Town Lot No. 364	The property comprises the whole of Levels 16 and 17 at Tower I (currently named JP Morgan Tower) of the Development. The property is accessible via 4 passenger lifts, one service lift and two communal staircases from the main entrance foyer on ground floor.		
See notes (5) and (6)	The premises were fully fitted with office furniture and fixtures as at the date of inspection. Level 16 generally comprises open plan office area with executive offices, meeting rooms, pantry and toilets. According to the assignment plan, the property also comprises an open flat roof on Level 16. Level 17 also comprises a similar layout, but a large portion of this floor has been converted into an electronic data processing room. According to the information available, the property has a total gross floor area of approximately 36,000ft ² (3,344.5m ²). The total saleable area as scaled from the registered floor plan is approximately 30,463ft ² (2,830.1m ²). The flat roof on Level 16 is approximately 373ft ² (34.6m ²). Sha Tin Town Lot No. 364 is held from the Government under New Grant No. 12332 for a term commencing from 27th September, 1990 and expiring on 30th June, 2047. The current Government rent payable is an amount equal to 3% of the prevailing rateable value of the property.		

U.S.\$122 million

Notes:

- (1) The registered owner of the property is Standard Chartered Bank via an assignment dated 9th November, 1998 vide Memorial No. 7621735.
- (2) The valuer was given to understand that Standard Chartered Bank had made substantial improvements to the property, including building automation system, fire services installation, E&M installation, security system installation, etc.
- (3) The property has been valued with the benefit of vacant possession.
- (4) The property is currently zoned under Kwun Tong (South) Outline Zoning Plan No. S/K14S/9 dated 19th October, 2001 for "Other Specified Use" annotated "Business".
- (5) The registered owner of the property is Manhattan Card Co. Limited via an assignment dated 20th October, 1995 vide Memorial No. 836483.
- (6) The property is currently zoned under Shatin Outline Zoning Plan No. S/ST/16 dated 5th July, 2002 for "Commercial".
- (7) Unless otherwise stated in the valuation report, the valuation was prepared in accordance with the "Hong Kong Guidance Notes on the Valuation of Property Assets" published by the Hong Kong Institute of Surveyors. If the Guidance Notes are silent on subjects requiring guidance, the "Appraisal and Valuation Manual" published by the Royal Institution of Chartered Surveyors has been referred to (subject to variation to meet local established law, custom, practices and market conditions).
- (8) The valuation is made on the basis of open market value defined by the Hong Kong Institute of Surveyors as "the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:
 - a) a willing seller;
 - b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
 - c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
 - d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
 - e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion".
- (9) The definition of open market value is applied to each property interest individually. The potential effect of selling the entire property interest at one time has been ignored. Furthermore, each property has been valued as a single property interest and the potential effect of selling the property on a strata title basis has been ignored.
- (10) The valuation assumes a sale on the open market without any deferred-terms contract, leaseback, joint venture, management agreement or other similar arrangement which might affect the valuation. The valuation also assumes no forced sale situation, as well as no encumbrances, restrictions and outgoings which might affect value.
- (11) The valuation makes no allowance of charges, mortgages or amounts owing on the properties nor any expenses or taxation incurred due to the sale.
- (12) The parts of the property which could not be inspected are assumed to be in good repair, but no representation is made in relation to these parts. The valuation cannot confirm that the property is free from rot, infestation or other structural defects, and no tests were carried out on the services.
- (13) The valuation assumes that no deleterious or hazardous materials were used in construction of the property or have since been incorporated.
- (14) The valuation relies upon the information provided by Standard Chartered, and that obtained from the Land Registry in Hong Kong. The valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made.
- (15) Dimensions and measurements are based on copy documents provided and therefore all dimensions and areas quoted are approximate and for reference only.
- (16) Title investigation has been carried out only via the appropriate Land Registries of Hong Kong, and no original documents have been checked.
- (17) The valuation includes all plant and machinery that form part of the building services installations. However, process plant, machinery and equipment which may have been installed wholly in connection with the occupier's industrial and commercial process, together with furniture and furnishings, tenants' fixtures and fittings are excluded.
- (18) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by Jones Lang LaSalle Limited of 16/F., Dorset House, 979 King's Road, Hong Kong. The valuation was signed by Mr. C. K. Lau (AHKIS, MRICS, RPS (GP)) on behalf of Jones Lang LaSalle Limited. Mr C. K. Lau is a chartered surveyor and a Regional Director of the Valuation Advisory Services Department of Jones Lang LaSalle Limited. Mr C. K. Lau has over 16 years experience in valuing properties in Hong Kong.

Jones Lang LaSalle Limited is an international real estate consultant firm. The company has over 20 years experience in valuing properties in Hong Kong.

The translation rate used for reference only to convert Hong Kong dollars to U.S. dollars was HK\$7.8000 to U.S.\$1.00. The figure has been rounded to the nearest U.S.\$1 million.

Group B—Wholly-owned property primarily held and occupied by Standard Chartered in Bahrain

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. Government Road, P.O. Box 29 Manama, Bahrain (Certificate number 1349-291 dated 24th July, 1990)	The property comprises a seven storey commercial building with a basement car park. The podium floors (ground and mezzanine) are used as a banking hall. The other floors house head office functions. The building was constructed in the late 1970's. The site extends to 2,292.3m ² or thereabouts. Standard Chartered owns the freehold interest.	The property is currently occupied by Standard Chartered as a banking hall and office premises. There are also a number of tenants on floors 2 to 7. These are: Investcorp (285m ² of floor 2) ⁽¹⁰⁾ Hyperion Systems Engineering Co. W.L.L (290m ² of floor 4) ⁽¹¹⁾ MedGulf (315m ² of floor 5) ⁽¹²⁾ Bank of Tokyo and Mitsubishi (580m ² of floor 6) ⁽¹³⁾ Gulf Business Machine (580m ² of floor 7) ⁽¹⁴⁾	BHD 3,850,000 (approximately U.S.\$10 million) 100% interest attributable to Standard Chartered: BHD 3,850,000 (approximately U.S.\$10 million).
			<u>U.S.\$10 million</u>

Notes:

- (1) The registered owner of the property is Standard Chartered Bank.
- (2) The valuation basis is the open market value based on the directions issued by the Royal Institution of Chartered Surveyors.
- (3) Information provided by Standard Chartered has been assumed to be correct.
- (4) Title investigation was based upon inspection of copy documentation in September 1999. The valuer was informed that there has been no change with regard to title of the property since the inspection of the copy documents in September 1999.
- (5) The valuation assumes no restrictions or encumbrances of an onerous nature likely to affect the value of the property. The valuer has not made any enquires about the planning or zoning of the site as the use has been established at this location for many years.
- (6) The valuation assumes that the freehold interest includes the benefit of all building plant and machinery, fixtures, fittings and other assets employed in the operation of the property. The valuation excludes tenants' fixtures and improvements and trade fixtures and fittings.
- (7) The valuation assumes that the property is unaffected by any statutory notice and that neither the property nor its intended uses contravene statutory requirements.
- (8) The valuation is not a site survey. The valuer is aware that the property is built on reclaimed land, and the valuation assumes it has been fully stabilised, compacted and treated. The valuer is not aware of any form of environmental investigation or soil survey which may draw attention to any possible defects, destabilisation or contamination.
- (9) The valuation is not a structural survey, and it is assumed that the property is free from any structural faults.
- (10) The term of the lease ends on 17th August, 2004. The current monthly rent is Bahrain Dinars 1,097.580 (approximately U.S.\$3,000) and the monthly service charge is Bahrain Dinars 109.758 (approximately U.S.\$300).
- (11) The term of the lease ends on 31st July, 2005. The current monthly rent is Bahrain Dinars 1,160.000 (approximately U.S.\$3,000) and the monthly service charge is Bahrain Dinars 174.000 (approximately U.S.\$450).
- (12) The term of the lease ends on 30th April, 2007. The current monthly rent is Bahrain Dinars 1,260.000 (approximately U.S.\$3,500) and the monthly service charge is Bahrain Dinars 189.000 (approximately U.S.\$500).
- (13) The term of the lease ends on 8th June, 2004. The current monthly rent is Bahrain Dinars 2,426.500 (approximately U.S.\$6,500) and the monthly service charge is Bahrain Dinars 363.975 (approximately U.S.\$950).

- (14) The term of the lease ends on 31st January, 2003. The current monthly rent is Bahrain Dinars 2,455.200 (approximately U.S.\$6,500) and the monthly service charge is Bahrain Dinars 368.200 (approximately U.S.\$975).
- (15) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by Cluttons of Bahrain Commercial Complex, 9th Floor, P. O. Box 5856, Manama, Kingdom of Bahrain. The valuation was signed by Mr. Donald M. Bradley FRICS on behalf of Cluttons. Mr. Bradley is a Fellow of the Royal Institution of Chartered Surveyors and has over 20 years experience in valuations. Mr. Bradley has been the partner in charge of the Bahrain office since 1995, and has undertaken valuations of major portfolios of commercial, residential and industrial properties for clients.

Cluttons is a firm of real estate advisors in the Middle East with an established network offices in the region. Cluttons is over 230 years old, and the Gulf network was set up in 1976. Clients include Islamic investors and governmental bodies in 76 countries throughout the Middle East.

The translation rate used for reference only to convert Bahrain Dinars to U.S. dollars was BHD 0.3770 to U.S.\$1.00. The figure has been rounded to the nearest U.S.\$1 million.

Group C—Wholly-owned properties primarily held and occupied by Standard Chartered in India

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. Grindlays Gardens 1 Haddows Road Chennai India	<p>The property comprises a development of three seven storey buildings and a services building. The plot is 226,748ft², whilst total built up area of these buildings is 160,096ft². The three seven storey buildings are approximately 9 years old, but certain extensions have been made in recent years. On the ground floor of one of the buildings, is a banking hall (the rest of the area comprises office space).</p> <p>There is a further building currently under construction (this building was approximately 70% completed at 11 October, 2002). This building will consist of a basement, stilt and four storeys. Once this building is completed, the built up area in the development will comprise an additional 213,300ft². The expected completion date for this building is 31st December, 2002. The estimated total cost of the building is INR 440,000,000 (approximately U.S.\$9 million) and construction costs at the effective date amounted to INR 254,000,000 (approximately U.S.\$5 million). The estimated capital value at the effective date was INR 254,000,000 (approximately U.S.\$5 million). The estimated capital value after completion is INR 440,000,000 (approximately U.S.\$9 million.) All consents have been sought in relation to the construction of this property, and there are no material conditions (whether in relation to the construction of public services or otherwise) or sales/letting arrangements in existence.</p> <p>The property is for commercial use.</p> <p>The property is freehold.</p>	<p>Standard Chartered⁽⁸⁾ occupies the entire site as a banking hall and as offices.</p> <p>(117,486ft² has been leased to Standard Chartered Bank's subsidiaries)</p>	<p>INR 699,728,690 (approximately U.S.\$14 million) 100% interest attributable to Standard Chartered: INR 699,728,690 (approximately U.S.\$14 million).</p>

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
2. Bishopsgate flats 1,2,4,5,6,7,8,9 and 12 87 Bhulabhai Desai Road Breach Candy Mumbai India	The property comprises nine three bedroom flats with servant rooms and garage (there are also six open car parking spaces). These flats were built in 1951. The total built up area is 24,426 square feet.	Standard Chartered occupies all of the flats for residential use.	INR 341,692,600 (approximately U.S.\$7 million) 100% interest attributable to Standard Chartered: INR 341,692,600 (approximately U.S.\$7 million).
	The property is for residential use.		
	Standard Chartered owns the freehold to these flats.		
			<u>U.S.\$21 million</u>

Notes:

- (1) The registered owner of the properties is Standard Chartered Bank.
- (2) The valuation basis used is the properties' open market value on an existing use basis (also considering the current real estate market scenario, demand and supply position, current political and economic scenario and the prevalent liquidity position). "Open market value" is defined as "the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:
 - a) a willing seller;
 - b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
 - c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
 - d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
 - e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion".
- (3) The valuer has adopted the cost approach (land and building method) of valuation for Grindlay's Gardens and the direct comparison method of valuation for Bishopsgate flats.
- (4) The valuation relies on information provided by Standard Chartered, such as title documents, area statements and plant and machinery.
- (5) The valuation makes no allowance for any charges, mortgages or amounts owing on the property. The valuation also does not allow for any expenses or taxation which may be incurred in effecting a sale.
- (6) The valuation assumes, unless otherwise stated, that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.
- (7) The following further assumptions and caveats are made in relation to the valuation:
 - a) that all relevant information received is complete and correct;
 - b) that the property has good and marketable title free from all litigation;
 - c) that all documentation is correctly drawn up, and there are no unusual or onerous restrictions, consents, covenants or other outgoings which might affect value;
 - d) that no structural survey has been undertaken. The non-inspected areas of the property are assumed to be free of defect;
 - e) that the property complies with all relevant statutory enactments and building regulations;
 - f) that the valuation includes items usually regarded as forming part of the property, but excluding operational plant and machinery and those fixtures and fittings normally considered to be property of a tenant;
 - g) that no allowance has been made for any tax caused by the disposal;
 - h) that the valuation does not reflect any "special purchaser value" (for example due to a merger of interest due to a sale to an owner of an adjoining property);
 - i) that each property is valued separately, and not as part of a portfolio.
- (8) Certain parts of the property have been leased to Standard Chartered Bank's subsidiaries. These leases are for a term of three years, and are at prevailing market rentals.
- (9) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by Insignia Brooke (India) Pvt. Ltd. of 341 & 342, Solitaire Corporate Park, Andheri-Ghatkopar Link Road, Andheri (E), Mumbai—400093, India. The valuation was signed by Mr. Bharat Trivedi on behalf of Insignia Brooke (India) Pvt. Ltd. Mr. Trivedi is a member of The Indian Institute of Valuers and has over 10 years experience of the valuation in India of properties of the nature and magnitude of Standard Chartered's buildings. Mr. Trivedi has carried out a number of valuations since 1992.

Mr. Trivedi is also a Chartered Engineer having an overall experience of approximately 23 years. He is a member of "Practising Engineers, Architects & Town Planners Association (PEATA)". Mr. Trivedi is a Licensed Surveyor of Municipal Corporation of Greater Mumbai. He is also a panel member of Indian Council of Arbitration and associate member of Urban Land Institute (ULI), Washington D.C., U.S.A.

Insignia Brooke has carried out more than 400 valuations in India in approximately 30 major cities. The type of valuation varies from valuation of land, building, industrial shed, office complexes, retail, club, hotels etc. for major local and international companies.

The translation rate used for reference only to convert INR to U.S. dollars was INR 48.4782 to U.S.\$1.00. The figure has been rounded to the nearest U.S.\$1 million.

Group D—Wholly-owned property primarily held and occupied by Standard Chartered in Thailand

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. Sathorn Thani I and II ⁽¹⁾ Sathorn Nakorn Tower 90-92, 100, North Sathorn Road Bangkok 10500 Thailand	<p>The property comprises 42 office condominium units in two buildings, (Sathorn Thani I, Sathorn Thani II) and Sathorn Nakorn Tower.</p> <p>The property in Sathorn Thani I comprises 5 floors of the 19 storey building. The total registered area is 3,990.30m² (not including 63 car parking lots). The ground and second floor of this building, which was completed in 1987, are occupied by the Banking Division of Standard Chartered Nakornthon Bank and the third to fifth floors are used as office by the bank.</p> <p>The property in Sathorn Thani II comprises two floors of a 19 storey building. The total registered area is 3,909m² (not including 61 car parking lots). The building was completed in 1987.</p> <p>The common area maintenance charge and maintenance service fund for Sathorn Thani I and II are THB 31.00m²/month and THB 4.00/square meter/month respectively.</p> <p>The property in Sathorn Nakorn Tower comprises 20 floors, the total registered area being 22,371.59m² (inclusive of a car parking area of 3,735m²). The building was built in 1997.</p> <p>The common area maintenance charge and maintenance service fund for Sathorn Nakorn Tower are THB 29.94m²/month and THB 1.75m²/month respectively.</p> <p>All of the property is freehold, and the registered proprietor is Standard Chartered Nakornthon Bank PCL</p>	<p>The property is wholly occupied by Standard Chartered Nakornthon Bank as a banking hall and offices, with the exception of 130 square metres on the ground floor of the Sathorn Nakorn Tower which is occupied by <i>au bon pain</i> a coffee operator.</p> <p>The lease is between Royal ABP Co. Ltd., operator of <i>au bon pain</i> and the Group for a term of three years from 1st June, 2002, with an option to renew for a further term. The monthly rent for the initial term is THB 156,000 (approximately U.S.\$3,700) exclusive of service charges and other outgoings.</p>	<p>THB 751,000,000 (approximately U.S.\$18 million) 75% interest attributable to Standard Chartered: THB 563,250,000 (approximately U.S.\$13 million).</p>

U.S.\$13 million

Notes:

- (1) The registered owner of the property is Standard Chartered Nakornthon Bank PCL.
- (2) The valuation basis used is open market value together with existing use value. The definition of open market value is “the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:
 - a) a willing seller;
 - b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
 - c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
 - d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
 - e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion”.

The definition of existing use value is the same as open market value with the addition of the following:

- “f) the property can be used for a foreseeable future only for the existing use; and
 - g) that vacant possession is provided on completion of the sale of all parts of the property occupied by the business”.
- (3) The valuation relies upon data and information provided by Standard Chartered.
 - (4) The title to the property is assumed to be good and marketable. All encumbrances, save those referred to in the report are disregarded.
 - (5) The valuation assumes that there are no hidden or unapparent conditions of the property or subsoil. No soil tests were undertaken.
 - (6) No maps/plot plans included in the valuation were measured.
 - (7) No significant changes are assumed to occur in the real estate market which might exert a negative influence over the value of the property.
 - (8) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by Jones Lang LaSalle Limited of 19/F, Sathorn City Tower, 175 South Southorn Road, Bangkok 10120 and 16/F., Dorset House, 979 King’s Road, Hong Kong. The valuation was signed by Mr. Aptbarn Ariyakulkarn (Approved Principal Valuer TVA Registered No. 02-1-0061-41) (jointly with Mr. C. K. Lau (AHKIS, MRICS, RPS(GP))) on behalf of Jones Lang LaSalle Limited. Mr. Ariyakulkarn is the holder of certificates in both Real Estate Management and Real Estate Valuation and Investment, and is a member of both the Thai Valuers’ Association and the Valuer Association of Thailand. Mr Ariyakulkarn has direct and diverse professional experience in appraising various types of property in different sectors of the market, and has specialised skills in appraising land and industrial building structures including commercial highrises.

Jones Lang LaSalle Limited is an international real estate consultant firm. The company has over 10 years experience in valuing properties in Thailand.

The translation rate used for reference only to convert THB to U.S. dollars was THB 42.1896 to U.S.\$1.00. The figure has been rounded to the nearest U.S.\$1 million.

Group E—Wholly-owned property primarily held and occupied by Standard Chartered in Peru

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. Av. Canaval y Moreyra 454 San Isidro Lima 27 Peru	<p>The property comprises an office building of 4,625.89 square meters together with 30 car parking spaces.</p> <p>Standard Chartered own the basement, the first floor, the mezzanine and the second, third and fifth floors of the 17 storey building (which was built in the late 1980's). The first floor was used as a banking hall, whilst the second, third and fifth floors are regular offices. However, the first, third and fifth floors are currently closed and being offered for sale or lease.</p> <p>Standard Chartered owns the freehold to this property.</p>	Standard Chartered is currently only occupying the mezzanine and the second floor as a banking hall and offices (the other floors are closed and being offered for sale or lease).	U.S.\$3,390,960 100% interest attributable to Standard Chartered: U.S.\$3,390,960.
			<u>U.S.\$3 million</u>

Notes:

- (1) The registered owner of the property is Banco Standard Chartered. The property is registered as "Registro de la Propiedad Inmueble"—Fichas 35003 and 413692.
- (2) The property lies within an area zoned for high density commercial use.
- (3) The valuation basis used is the product homogenisation method of valuation. Product homogenisation is a comparative exercise that takes into account qualitative and quantitative consideration variables. The object of product homogenisation is to evaluate and standardise variables of each property so that they can be compared. The characteristics, attributes and location factors of each property as well as recent real estate transactions are analysed. The purpose of this analysis is to establish the competitive advantages and disadvantages of the property, as well as to arrive at an estimated competitive price that represents its real market value (the homogenised average price).
- (4) In addition to the product homogenisation valuation, a valuation of the property was undertaken by Marco Murga. In accordance with Peruvian legal procedures, this valuation established that commercial value (as opposed to the market value) was U.S.\$4,714,653.65.
- (5) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by R. Propiedades S.A.C. (trading as Colliers International Peru) of Avenida San Borja Norte 793, San Borja, Lima, Peru. The product homogenisation exercise was carried out by JJ Lavaud who has 5 years' experience in the product homogenisation method of valuation in respect of commercial buildings in Lima. The valuation was carried out by Marco Murga, an architect registered with the Superintendencia de Banca y Seguros, as a specialist for valuations under Peruvian law.

Colliers International Peru is a property valuer which carries out valuations in relation to office buildings, shopping centres, gas stations, land etc.. Colliers International Peru's clients include major local and international companies.

The figure has been rounded to the nearest U.S.\$1 million.

Group F—Property leased by Standard Chartered in Hong Kong

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. Levels 21 to 23 (inclusive) and 25 to 33 (inclusive), Standard Chartered Tower, 388 Kwun Tong Road Kwun Tong Kowloon Hong Kong	<p>The property comprises levels 21 to 23 (inclusive) and 25 to 33 (inclusive) of Tower 2 (currently named as Standard Chartered Tower) of Millennium City 1. The development was completed in 1998.</p> <p>The property is used as an office premises.</p> <p>The property is leased to the Group for a term of three years from 15th April, 2002 with an option to renew for three years and a further option to renew for three years. The aggregate monthly rent throughout the initial term is HK\$3,227,328 (approximately U.S.\$415,000), exclusive of rates, air-conditioning and management charges. Rent for each renewed term shall be agreed or determined in accordance with the applicable rent review clauses in the tenancy agreement.</p>	The property was occupied by Standard Chartered as offices as at the date of valuation.	No commercial value

Notes:

- (1) The property has no commercial value due to the prohibition against assignment in the tenancy and the lack of substantial profit rent.
- (2) Process plant, machinery and equipment which may have been installed wholly in connection with the occupier's industrial or commercial processes, together with furniture and furnishings, tenants' fixtures and fittings are excluded from the valuation.
- (3) The effective date of valuation was 31st August 2002.

The valuation was carried out by Jones Lang LaSalle Limited of 16/F., Dorset House, 979 King's Road, Hong Kong. The valuation was signed by Mr. C. K. Lau (AHKIS, MRICS, RPS(GP)) on behalf of Jones Lang LaSalle Limited. Mr C. K. Lau is a chartered surveyor and a Regional Director of the Valuation Advisory Services Department of Jones Lang LaSalle Limited. Mr C. K. Lau has over 16 years experience in valuing properties in Hong Kong.

Jones Lang LaSalle Limited is an international real estate consultant firm. The company has over 20 years experience in valuing properties in Hong Kong.

Group G—Properties leased by Standard Chartered in India

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. 90 Mahatma Gandhi Road ⁽¹⁾ Fort, Mumbai India	<p>The property comprises a commercial building having a basement, ground / mezzanine and three further floors with a total built up area of 80,300ft². The building is a nineteenth century structure and is a heritage property. The basement contains a staff health club, and the ground floor is a banking hall. The rest of the building is used as general office space.</p> <p>The property is leased on a 999 year lease from 26 August, 1867 from the Secretary of State for India in Council at a current rent of INR 89.00 (approximately U.S.\$2) per annum.</p> <p>The property is for commercial use.</p>	<p>Standard Chartered⁽¹⁰⁾ occupies the entire property as banking hall and offices.</p> <p>(6,638ft² has been leased to Standard Chartered Bank's subsidiaries)</p>	<p>INR 749,843,075 (approximately U.S.\$15 million) 100% interest attributable to Standard Chartered: INR 749,843,075 (approximately U.S.\$15 million).</p>
2. 23-25 Mahatma Gandhi Road ⁽²⁾ Fort, Mumbai India	<p>The property comprises a five storey commercial building. The ground floor is a banking hall. The other floors are used as office premises. The building was constructed around 100 years ago and is a grade II heritage property.</p> <p>The total built up area of the property is 92,400ft².</p> <p>Standard Chartered Bank leases the property from the Secretary of State for India Council under a lease of 99 years from 4th October, 1897, with an undeniable right of renewal for a further period of 99 years at a current rent of INR 204.27 (approximately U.S.\$4) per annum. Standard Chartered Bank is holding over following the expiry of the lease in 1996.</p> <p>The property is for commercial use.</p>	<p>Approximately 82,510ft² of the property is currently occupied by Standard Chartered⁽¹⁰⁾ as a banking hall and office premises.</p> <p>(Approximately 360ft² has been leased to Standard Chartered Bank's subsidiaries)</p> <p>Approximately 9,530ft² are occupied by Gannon Dunkerly Ltd. Gannon Dunkerly Ltd.'s lease expired in 1950 and (on legal advice) no rent has been accepted since 1st June, 2000. Court proceedings are underway to remove Gannon Dunkerly Ltd. from the property.</p>	<p>INR 852,084,386 (approximately U.S.\$18 million) 100% interest attributable to Standard Chartered: INR 852,084,386 (approximately U.S.\$18 million).</p>
			<hr/> <p>U.S.\$33 million</p> <hr/>

Notes:

- (1) The lease is held by Standard Chartered Bank.
- (2) The lease is held by Standard Chartered Bank as successor in title to the Chartered Bank of India, Australia and China.
- (3) The properties are Grade II heritage applying to buildings of regional or local importance, possessing special or architectural or aesthetic merit, cultural or historical value. It does not prevent change of ownership or usage although usage should be in harmony with the listed building. Development or redevelopment requires the prior written consent of the municipal commissioner of the Bombay Municipal Corporation who acts on the advice of or in consultation with the Government-appointed heritage conservation committee.
- (4) The valuation basis used is the properties' open market value on an existing use basis (also considering the current real estate market scenario, demand and supply position, current political and economic scenario and the prevalent liquidity position). "Open market value" is defined as "the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation, assuming:
 - a) a willing seller;
 - b) that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
 - c) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
 - d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
 - e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion".
- (5) The valuer has adopted the discounted cash flow technique of valuation for both properties.
- (6) The valuation relies on information provided by Standard Chartered, such as title documents, area statements and plant and machinery.
- (7) The valuation makes no allowance for any charges, mortgages or amounts owing on the property. The valuation also does not allow for any expenses or taxation which may be incurred in effecting a sale.
- (8) The valuation assumes, unless otherwise stated, that the property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect its value.
- (9) The following further assumptions and caveats are made in relation to the valuation:
 - a) that all relevant information received is complete and correct;
 - b) that the property has good and marketable title free from all litigation;
 - c) that all documentation is correctly drawn up, and there are no unusual or onerous restrictions, consents, covenants or other outgoings which might affect value;
 - d) that no structural survey has been undertaken. The non-inspected areas of the property are assumed to be free of defect;
 - e) that the property complies with all relevant statutory enactments and building regulations;
 - f) that the valuation includes items usually regarded as forming part of the property, but excluding operational plant and machinery and those fixtures and fittings normally considered to be property of a tenant;
 - g) that no allowance has been made for any tax caused by the disposal;
 - h) that the valuation does not reflect any "special purchaser value" (for example due to a merger of interest due to a sale to an owner of an adjoining property);
 - i) that each property is valued separately, and not as part of a portfolio.
- (10) Certain parts of the property have been leased to SCOPE International Pvt. Ltd. (a 100% subsidiary of Standard Chartered Bank). These leases are for a term of three years, and are at prevailing market rentals.
- (11) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by Insignia Brooke (India) Pvt. Ltd. of 341 & 342, Solitaire Corporate Park, Andheri-Ghatkopar Link Road, Andheri (E), Mumbai—400093, India. The valuation was signed by Mr. Bharat Trivedi on behalf of Insignia Brooke (India) Pvt. Ltd. Mr. Trivedi is a member of The Indian Institute of Valuers and has over 10 years experience of the valuation in India of properties of the nature and magnitude of Standard Chartered's buildings. Mr. Trivedi has carried out a number of valuations since 1992.

Mr. Trivedi is also a Chartered Engineer having an overall experience of approximately 23 years. He is a member of "Practising Engineers, Architects & Town Planners Association (PEATA)". Mr. Trivedi is a Licensed Surveyor of Municipal Corporation of Greater Mumbai. He is also a panel member of Indian Council of Arbitration and associate member of Urban Land Institute (ULI), Washington D.C., U.S.A.

Insignia Brooke has carried out more than 400 valuations in India in approximately 30 major cities. The type of valuation varies from valuation of land, building, industrial shed, office complexes, retail, club, hotels etc. for major local and international companies.

The translation rate used for reference only to convert INR to U.S. dollars was INR 48.4782 to U.S.\$1.00. The figure has been rounded to the nearest U.S.\$1 million.

Group H—Property leased by Standard Chartered in the United Kingdom

<u>Property</u>	<u>Description and Tenure</u>	<u>Particulars of occupancy</u>	<u>Capital value in existing state as at 31st August, 2002</u>
1. 1, Aldermanbury Square, London EC2V 7SB United Kingdom	The property consists of an office building of 65,628 square feet. The property is arranged on basement, lower ground, ground and six upper floors. The property was built in 1989. The property is leased to the Group for 25 years from 25th December, 1989 at a current rent payable of U.S.\$4,964,000 per annum. The lease includes provision for rent review every 5 years. The planning use is as offices.	Standard Chartered occupies the entire property as offices.	£(7,500,000) (Negative seven million five hundred thousand pounds) (approximately U.S.\$(12) million) 100% attributable to Standard Chartered: £(7,500,000) (approximately U.S.\$(12) million).
			<u>U.S.\$(12) million</u>

Notes:

- (1) The valuation has been undertaken in accordance with the Practice Statements and Guidance Notes in the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. As the property is non-specialised and occupied for the purpose of Standard Chartered's business, the valuation reports the Existing Use Value of the property. Existing Use Value is defined as the "best price at which the sale of the leasehold interest in the property would have been completed, unconditionally, for cash consideration, on the date of the valuation, assuming:-
- a willing seller;
 - that, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale;
 - that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation;
 - that no account is taken of any additional bid by a prospective purchaser with a special interest;
 - that both parties to the transaction had acted knowledgeably, prudently and without compulsion;
 - the property can be used for the foreseeable future only for the existing use; and
 - that vacant possession is provided on completion of the sale of all parts of the property occupied by the business."
- The valuer has stated that the Open Market Value of the leasehold interest in the property, with vacant possession, would not be materially different to the Existing Use Value (as at the effective date).
- (2) The valuer has not carried out a building survey of the property, and has not inspected those parts of the property that are covered, unexposed or inaccessible (these parts have been assumed to be in good repair and condition). The valuer has not expressed an opinion about or advised on the condition of the uninspected parts.
- (3) The valuer has not arranged for any investigations to be carried out to determine whether or not deleterious or hazardous material has been used in the construction of the property, or has since been incorporated in it. Therefore the valuer is unable to report that the property is free from risk in this respect. The valuation assumes that such investigation would not disclose the presence of any such material to a significant extent.
- (4) The valuer is not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out in respect of the property, which may draw attention to any contamination or the possibility of any such contamination. The valuation assumes that no contaminative or potentially contaminative uses have ever been carried out in the property. Furthermore, the valuer has not carried out any investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the property from those uses or sites. The valuation assumes that none exists. However, should it be established subsequently that contamination, seepage or pollution exists at the property, or on any neighbouring land, or that the property has been or is being put to a contaminative use, this might reduce the value which is now being reported.

- (5) The valuation assumes that the property and its value is unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice. The valuation also assumes that there is no contravention of any town planning, fire or other statutory regulations in respect of the construction, use or occupation of the property, or any parts thereof.
- (6) The valuation makes no allowance for any rights, obligations or liabilities, whether prospective or accrued, under the Defective Premises Act 1972.
- (7) No allowance has been made for a vendor's costs of sale. The valuer has not allowed for any liability to capital gains, or other form of tax, which might arise in the event of a disposal. Furthermore, the valuation assumes that Standard Chartered would not elect to waive their exemption and charge VAT on a disposal of the leasehold interest.
- (8) The effective date of the valuation was 31st August, 2002.

The valuation was carried out by Dron & Wright of Bankside House, 107/112 Leadenhall Street, London EC3A 4AQ. The valuation was signed by Mr. S. E. Dark (BSc., MRICS) on behalf of Dron & Wright. Mr. Dark has a BSc degree in Land Management and is a Member of the Royal Institution of Chartered Surveyors. In addition, Mr. Dark has over 20 years experience of dealing with valuation of offices in London, and in particular the City of London.

Dron & Wright are Property Consultants and Chartered Surveyors, specialising in London offices. Consequently, Dron & Wright has extensive experience in the rental and capital valuation of office accommodation in London, and in particular the City of London.

The translation rate used for reference only to convert £ to U.S. dollars was £1.5465 to U.S.\$1.00. The figure has been rounded to the nearest U.S.\$1 million.