
**SCHRODER
JAPAN
GROWTH
FUND plc**



**Interim Report
31 January 2006**



Schroders



INVESTMENT OBJECTIVE

The Company's principal investment objective is to achieve capital growth from an actively managed portfolio principally comprising securities listed on the Japanese stock markets, with the aim of achieving growth in excess of the TSE First Section Total Return Index over the longer term.

Directors

Jonathan Taylor (Chairman)
Jan Kingzett
Peter Lyon
John Scott
Yoshindo Takahashi

Advisers

Investment Manager and Secretary

Schroder Investment Management Limited
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Telephone: 020 7658 3206

Registered Office

Schroder Investment Management Limited
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Independent Auditors

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London EC3A 7QR

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31 Gresham Street
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Financial Highlights

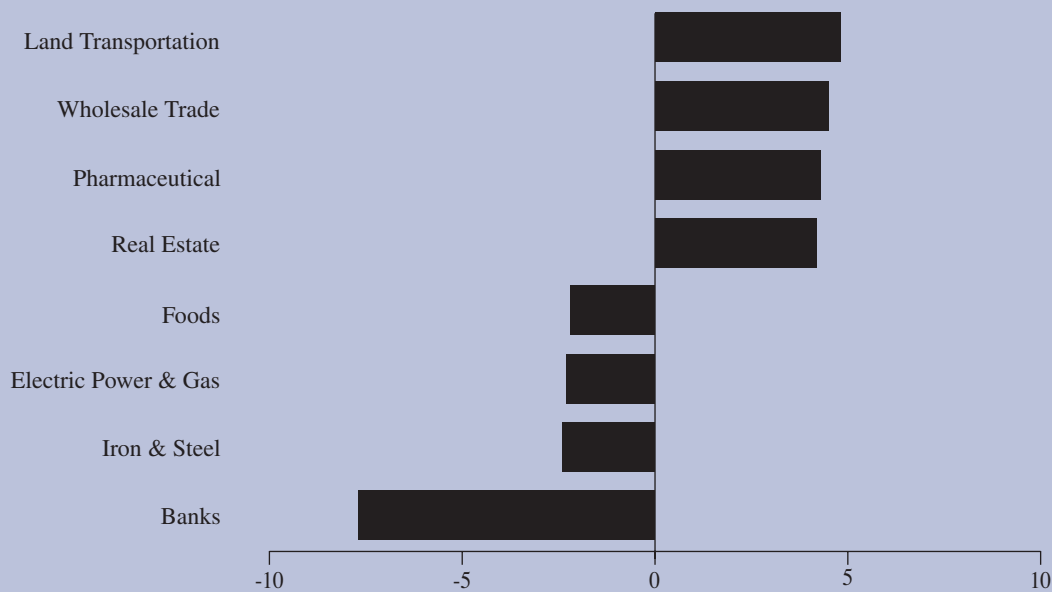
	31 January 2006	31 July 2005	Change %
Total assets (£'000)†	184,281	142,245	+29.6
Total borrowing (£'000)	(26,434)	(22,802)	+15.9
Shareholders' funds (£'000)	157,847	119,443	+32.2
Shares in issue ('000)	125,008	125,008	–
Undiluted net asset value per share – pence	126.27p	95.55p	+32.2
TSE First Section Total Return (in sterling terms) Index*	9.51	7.03	+35.3
Share price – pence	127.00p	91.75p	+38.4
Share price (premium)/discount	(0.58)%	3.98%	–
Market capitalisation (£'000)	158,760	114,695	+38.4

† Calculated in accordance with Association of Investment Trust Companies' (AITC) guidance and comprises shareholders' funds plus gearing used for investment purposes.

* Source: Datastream.

Sector Analysis

Analysis of the Company's four most overweight and underweight sector positions against the TSE First Section Index (%)
as at 31 January 2006



Chairman's Statement

Performance

I am very pleased to report that your Company has experienced a strong period of growth over the six months ended 31 January 2006. The Company's net asset value increased by 32.2%, whilst the share price increased by 38.4%. The Tokyo Stock Exchange ("TSE") First Section produced a Total Return in sterling terms of 35.3% over the same period.

An analysis of the performance of the portfolio can be found in the following Investment Manager's Review.

Director Changes

Mr. Yoshindo Takahashi has been appointed as a Non-Executive Director of the Company with effect from 19 December 2005.

Mr. Takahashi, aged 65, is currently Director of the Office of Pharmaceutical Industry Research, a research arm of Japan Pharmaceutical Manufacturers Association. He is also a member of the Management Committee of Executive Partners Inc, a consulting firm for small and emerging companies and a statutory auditor (Independent) of Netprice Corp, an internet shopping company based in Japan. He was previously Executive Director and Dean of Nomura School of Advanced Management (1996 – 2000) and Executive Vice President of Nomura Research Institute Ltd (1994 – 1996). He served as President and then Chairman of Nomura Research Institute Europe Ltd and Nomura Research Institute America Inc. between 1980 and 1991.

Mr. Takahashi will be proposed for election at the 2006 Annual General Meeting.

Mr. Keisuke Egashira retired as a Director of the Company on 19 December 2005 on accepting the Chairmanship of a major motor-vehicle manufacturer in Japan. He served as a Director of the Company since its launch in 1994 and has made an invaluable contribution to the deliberations of the Board. He leaves with the thanks and best wishes of all the Directors.

Accounting Standards

The Accounting Standards Body has implemented a convergence programme with International Accounting Standards and has introduced a number of new and revised Accounting Standards, which have been adopted in these interim accounts. In addition the Company has also complied with the revised Statement of Recommended Practice issued by the AITC in December 2005. These changes have had no financial impact in our interim accounts other than presentational changes and additional disclosures.

Gearing

During the six-month period ended 31 January 2006, the Company increased total borrowings to Yen 5.5 billion (from Yen 4.5 billion) in line with the increase in asset values. All of the borrowings continue to be obtained via a revolving credit facility with variable draw-down periods, providing flexibility to the Board and the Manager.

Jonathan Taylor

Chairman

30 March 2006

Investment Manager's Review

Performance

The Company's net asset value rose 32.2% in sterling terms during the six months to 31st January 2006.

Over this period, the benchmark Index rose strongly in local currency terms, by 42.6% and slightly less so in sterling terms, by 35.3%. Rising expectations for economic growth and corporate earnings and a resounding victory for Prime Minister Koizumi in parliamentary elections provided a positive impetus to the market.

Commodity-related sectors, such as steels, metals and resources, performed strongly against a backdrop of strong global and, in particular, regional demand and pricing. At the same time, high-beta domestic stocks, such as real estate, brokers, banks and insurance warmed to the prospect of asset inflation. Toward the end of 2005, the market became increasingly momentum – and thematically driven, throwing out exceptional value in some neglected stocks at the end of the period.

Underperformance came from an underweight position in commodity sectors, with the exception of trading companies, and in higher-beta domestic sectors, such as banks, where valuations look stretched.

Outlook

We are expecting real GDP growth above 2% for the third successive fiscal year. Indeed, real GDP growth is likely to grow at this rate again in the next fiscal year ending March 2007. The outlook for next year is dependent on inflation and interest rates. The core CPI turned positive in November (+0.1%) and is likely to continue rising for the next few months. Although we do not expect higher interest rates until the beginning of 2007, the Bank of Japan may feel obliged to act earlier if inflation rises above 1%. Overall, we expect a relatively positive environment for companies with profits growth of around 10%. A greater focus on improving return on equity by using excess capital appropriately would lead to higher valuation multiples.

The chief threats to this scenario are premature tightening of fiscal/monetary policy by the authorities and potential political upheaval as Prime Minister Koizumi steps down.

Investment Policy

The market has maintained a strong focus on domestic reflation. Whilst trends in nominal GDP have been supportive, an important medium term driver of the market will be a further rise in return on equity driven more by balance sheet restructuring. This will benefit cash-generative companies able to use excess cash to reinvest or return to shareholders. The portfolio continues to include exposure to such situations, for example Takeda Pharmaceutical and Nissan Motor.

There is growing evidence that profits momentum is beginning to peak, particularly if one isolates from market earnings those segments which have enjoyed strongly favourable tailwinds, such as trading companies, or banks, where provisions have been written back. Having said that, nominal growth should be sufficiently strong to sustain reasonable levels of profits growth. A concern would be that this proves insufficient to sustain multiples in many segments of the market and we believe, therefore, that stock selection, rather than the sector themes, which have driven the market forward over recent periods, will be increasingly important. We are particularly positive on stocks like Astellas Pharmaceutical, Omron and T&D Holdings and would add to positions on any weakness. Effective net gearing at the end of January was 14.1%.

Schroder Investment Management Limited

30 March 2006

Twenty Largest Investments

At 31 January 2006

Company and Activities	Value of Holdings £'000	Percentage of Shareholders' Funds
Mitsui & Company Large general trading company	10,865	6.88%
Takeda Pharmaceutical Largest pharmaceutical company in Japan	9,574	6.07%
East Japan Railway Japan's largest railway based around Tokyo	9,205	5.83%
Toyota Motor Japan's largest car company	8,766	5.55%
Mitsubishi UFJ Financial Group Major banking and financial service group	6,701	4.25%
Bridgestone Tyre manufacturer	6,121	3.88%
Ricoh Global manufacturer of office equipment	5,423	3.44%
Omron Manufacturer of automated control components	5,183	3.28%
Tachihai Enterprise Tokyo-based real estate developer	4,513	2.86%
Astellas Pharmaceuticals Major pharmaceutical manufacturer	4,429	2.81%
NTT Japan's largest fixed line telephone network	3,922	2.48%
Sumitomo Electric Industries Japanese Electrical Group	3,234	2.05%
Nitto Denko Producer of electrical insulating material	3,198	2.03%
Toho Largest Japanese film distributor and one of the top three cinema operators. Generates substantial leasing income	3,147	1.99%
Millea Holdings Insurance Holding Group	3,136	1.99%
Sompo Japan Insurance Large non life insurance company	3,127	1.98%
Rohm Largest specialist manufacturer of large scale integrated circuits, excelling in semi conductor devices	3,047	1.93%
T&D Holdings Insurance Holding Group	2,786	1.77%
Inabata Trading Company with substantial pharmaceutical interests	2,766	1.75%
Mitsubishi Japan's largest trading company	2,765	1.75%
TOTAL	101,908	64.57%

Income Statement

	Six months ended 31 January 2006 (unaudited)		
	Revenue £'000	Capital £'000	Total £'000
Gains on investments	–	37,541	37,541
Realised exchange (losses)/gains on currency balances	–	(135)	(135)
Unrealised exchange gains/(losses) on the loan facility (note 2)	–	1,287	1,287
Investment income	833	–	833
Bank deposit interest	11	–	11
Investment management fee	(849)	–	(849)
Other administrative expenses	(170)	–	(170)
Net (loss)/return before finance costs, taxation and expiry of warrants	(175)	38,693	38,518
Interest payable	(56)	–	(56)
Net (loss)/return on ordinary activities before taxation	(231)	38,693	38,462
Tax on ordinary activities	(58)	–	(58)
Net (loss)/return attributable to equity shareholders	(289)	38,693	38,404
Net (loss)/return per ordinary share (note 3)	(0.23)p	30.95p	30.72p

The total column is the profit and loss account of the Company. All revenue and capital items derive from continuing operations.

The notes on pages 11 to 13 form an integral part of these accounts.

Revenue £'000	Six months ended 31 January 2005 (unaudited and restated)		Revenue £'000	For the year ended 31 July 2005 (audited and restated)	
	Capital £'000	Total £'000		Capital £'000	Total £'000
–	3,036	3,036	–	8,890	8,890
–	135	135	–	41	41
–	(765)	(765)	–	(553)	(553)
670	–	670	1,682	–	1,682
10	–	10	31	–	31
(644)	–	(644)	(1,307)	–	(1,307)
(225)	–	(225)	(348)	–	(348)
(189)	2,406	2,217	58	8,378	8,436
(77)	–	(77)	(139)	–	(139)
(266)	2,406	2,140	(81)	8,378	8,297
(47)	–	(47)	(118)	–	(118)
(313)	2,406	2,093	(199)	8,378	8,179
(0.25)p	1.93p	1.68p	(0.16)p	6.70p	6.54p

Reconciliation of Movement in Shareholders' Funds

	Share capital £'000	Share premium account £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Capital reserve £'000	Revenue reserve £'000
Balance at 31 July 2005	12,501	7	97,205	3	17,108	(7,381)
Net profit from operating activities	–	–	–	–	38,693	(289)
Realised gain on expiry of warrants	–	–	–	–	–	–
Issue of shares on exercise of warrants	–	–	–	–	–	–
Balance at 31 January 2006	12,501	7	97,205	3	55,801	(7,670)

	Share capital £'000	Share premium account £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Warrant reserve £'000	Capital reserve £'000	Revenue reserve £'000
Balance at 31 July 2004	12,500	3	97,205	1	9,639	(907)	(7,182)
Net profit from operating activities	–	–	–	–	–	2,406	(313)
Realised gain on expiry of warrants	–	–	–	–	(9,637)	9,637	–
Issue of shares on exercise of warrants	1	4	–	2	(2)	–	–
Balance at 31 January 2005	12,501	7	97,205	3	–	11,136	(7,495)

Balance at 31 July 2004	12,500	3	97,205	1	9,639	(907)	(7,182)
Net profit from operating activities	–	–	–	–	–	8,378	(199)
Realised gain on expiry of warrants	–	–	–	–	(9,637)	9,637	–
Issue of shares on exercise of warrants	1	4	–	2	(2)	–	–
Balance at 31 July 2005	12,501	7	97,205	3	–	17,108	(7,381)

The notes on pages 11 to 13 form an integral part of these accounts.

Balance Sheet

	At 31 January 2006 (unaudited) £'000	At 31 January 2005 (unaudited) £'000	At 31 July 2005 (audited) £'000
Fixed Assets			
Investments at fair value through profit or loss	180,581	130,300	139,144
Current Assets			
Debtors	137	158	291
Short-term deposits	4,059	3,809	4,131
Cash at bank	39	45	117
	4,235	4,012	4,539
Creditors: amounts falling due within one year (note 2)	(26,969)	(20,955)	(24,240)
Net Current Liabilities	(22,734)	(16,943)	(19,701)
Total Assets Less Current Liabilities	157,847	113,357	119,443
Net Assets	157,847	113,357	119,443
Capital and Reserves			
Called up share capital	12,501	12,501	12,501
Share premium account	7	7	7
Share purchase reserve	97,205	97,205	97,205
Warrant exercise reserve	3	3	3
Capital reserves	55,801	11,136	17,108
Revenue reserve	(7,670)	(7,495)	(7,381)
Total Equity Shareholders' Funds	157,847	113,357	119,443
Net asset value per ordinary share (note 4)			
Undiluted	126.27p	90.68p	95.55p

The notes on pages 11 to 13 form an integral part of these accounts.

Cash Flow Statement

	Six months ended 31 January 2006 unaudited £'000	Six months ended 31 January 2005 unaudited and restated £'000	Year ended 31 July 2005 audited and restated £'000
Net cash outflow from operating activities	(158)	(335)	(260)
Net cash (outflow)/inflow from investing activities	(4,776)	48	(2,061)
Net cash outflow before financing	(4,934)	(287)	(2,321)
Net cash inflow from financing	4,918	–	2,519
Net cash (outflow)/inflow	(16)	(287)	198
Net debt at beginning of period	(18,554)	(15,727)	(15,727)
Realised exchange gains/(losses) on currency balance	(135)	135	41
Movement in bank loan to finance investments	(4,918)	–	(2,514)
Exchange movement on loan facility	1,287	(768)	(552)
Net debt at period end	(22,336)	(16,647)	(18,554)

Reconciliation of profit before taxation to net cash outflow from operating activities

	Six months ended 31 January 2006 unaudited £'000	Six months ended 31 January 2005 unaudited and restated (see Note 7b) £'000	Year ended 31 July 2005 audited and restated (see Note 7a) £'000
Gain before taxation	38,462	2,140	8,297
(Gain) on investments held	(37,541)	(3,036)	(8,890)
Taxation on investment income	(58)	(47)	(118)
Exchange (gains)/losses	(1,152)	630	512
Movement in accrued income	12	(1)	20
Movement in debtors	(5)	25	8
Movement in creditors	124	(46)	(89)
Net cash outflow from operating activities	(158)	(335)	(260)

The notes on pages 11 to 13 form an integral part of these accounts.

Notes to the Accounts

Accounting Policies

1 Changes in Accounting Policies

The interim financial statements have been prepared on the same basis of accounting policies as set out in the most recently published set of annual financial statements with the following exceptions which have arisen from the adoption of new accounting standards and the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" ("SORP") issued in January 2003 and revised in December 2005.

- (a) FRS 26 (Financial Instruments: (Measurements) – The Company has designated its assets and liabilities as being measured at "fair value through profit or loss". The fair value of fixed asset investments is deemed to be the bid value of those investments at the close of business on the relevant date. Previously, listed investments were valued at last traded price basis. There was no difference between the last traded price basis and bid value of the investments at 31 January 2006, 31 January 2005 and 31 July 2005.

Transaction costs have been included within capital account. Purchase transaction costs amounted to £21,000 for the period to 31 January 2006 and Sales transaction costs amounted to £16,000.

- (b) FRS 25 (Financial Disclosure and Presentation) – Warrants issued by an Investment Trust Company (ITC) should be classified as equity and the net proceeds shown as a warrant reserve and included as part of equity holders' funds. If warrants issued by an ITC lapse unexercised then the amount previously recognised in respect of the warrant should be reclassified as a realised gain. This is not reflected in the profit or loss but reported as a movement in the Reconciliation of Movement in Shareholders' Funds. The accounts for the period ended 31 January 2005 and the year ended 31 July 2005 have been restated to reflect these changes.

- (c) FRS 23 (The effects of changes in Foreign Exchange Rates) – The financial statements of a company are presented in the currency of the primary economic environment in which it operates (its functional currency). The functional and presentational currency of this Company is deemed to be sterling and the financial statements presented accordingly.

2 Included in Creditors are the following:

Creditors: Amounts falling due within one year:

Loans of	31 January 2006	31 January 2005	31 July 2005
Yen	5,500,000,000	4,000,000,000	4,500,000,000
Equivalent to	£26,434,000	£20,501,000	£22,802,000

Realised exchange gains and losses arise on the loan facility when their terms/loan provider are re-negotiated or changed as the loans are denominated in Yen and Sterling is the base currency of the Company. Unrealised exchange gains and losses on the loan facility arise as a consequence of movements in the Yen-Sterling exchange rate between periods of account for the Company.

3 Return per Ordinary Share

	Six months ended 31 January 2006	Six months ended 31 January 2005 Restated (see note 6b)	Year ended 31 July 2005 Restated (see note 6a)
	£'000	£'000	£'000
Revenue Return	(289)	(313)	(199)
Capital Return	38,693	2,406	8,378
Total Return	38,404	2,093	8,179
Weighted average number of shares in issue	125,008,200	125,004,726	125,006,449
Revenue Return	(0.23)p	(0.25)p	(0.16)p
Capital Return	30.95p	1.93p	6.70p
Total Return	30.72p	1.68p	6.54p

- 4 Calculation of the undiluted net asset value per share is based on 125,008,200 ordinary shares in issue (31 January 2005 and 31 July 2005: 125,008,200).

- 5 The half yearly figures are non statutory accounts and are neither audited or reviewed. The abridged financial statements for the year ended 31 July 2005 are extracts from the latest published accounts for that year, a copy of which has been delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

Notes to the Accounts continued

6 Restatement of Balances

A reconciliation is given between the closing balances per the 31 July 2005 and 31 January 2005 accounts and the restated balances following adoption of revisions to UK GAAP and the revised SORP.

a Income Statement

	Previously reported 31 July 2005			Adjustment			Restated 31 July 2005		
	£'000 Revenue	£'000 Capital	£'000 Total	£'000 Revenue	£'000 Capital	£'000 Total	£'000 Revenue	£'000 Capital	£'000 Total
Gains/(losses) on investments		8,890	8,890				–	8,890	8,890
Realised exchange gains		41	41				–	41	41
Unrealised exchanged losses		(553)	(553)				–	(553)	(553)
Investment income	1,682		1,682				1,682	–	1,682
Bank deposit interest	31		31				31	–	31
Investment management fee	(1,307)		(1,307)				(1,307)	–	(1,307)
Other administrative expenses	(348)		(348)				(348)	–	(348)
Net (loss)/return before finance, taxation and expiry of warrants	58	8,378	8,436				58	8,378	8,436
Realised gain on expiry of warrants (see note 1b)		9,637	9,637		(9,637)	(9,637)	–	–	–
Interest payable	(139)		(139)				(139)	–	(139)
Net (loss)/return before taxation	(81)	18,015	17,934		(9,637)	(9,637)	(81)	8,378	8,297
Tax on ordinary activities	(118)		(118)				(118)	–	(118)
Net (loss)/return attributable to equity shareholders	(199)	18,015	17,816		(9,637)	(9,637)	(199)	8,378	8,179
Net (loss)/return per ordinary share	(0.16)p	14.41p	14.25p	0.00p	(7.71)p	(7.71)p	(0.16)p	6.70p	6.54p

b

	Previously reported 31 January 2005			Adjustment			Restated 31 January 2005		
	£'000 Revenue	£'000 Capital	£'000 Total	£'000 Revenue	£'000 Capital	£'000 Total	£'000 Revenue	£'000 Capital	£'000 Total
Gains/(losses) on investments		3,036	3,036				–	3,036	3,036
Realised exchange gains		135	135				–	135	135
Unrealised exchanged losses		(765)	(765)				–	(765)	(765)
Investment income	670		670				670	–	670
Bank deposit interest	10		10				10	–	10
Investment management fee	(644)		(644)				(644)	–	(644)
Other administrative expenses	(225)		(225)				(225)	–	(225)
Net (loss)/return before finance, taxation and expiry of warrants	(189)	2,406	2,217				(189)	2,406	2,217
Realised gain on expiry of warrants (see note 1b)		9,637	9,637		(9,637)	(9,637)	–	–	–
Interest payable	(77)		(77)				(77)	–	(77)
Net (loss)/return before taxation	(266)	12,043	11,777		(9,637)	(9,637)	(266)	2,406	2,140
Tax on ordinary activities	(47)		(47)				(47)	–	(47)
Net (loss)/return attributable to equity shareholders	(313)	12,043	11,730	–	(9,637)	(9,637)	(313)	2,406	2,093
Net (loss)/return per ordinary share	(0.25)p	9.64p	9.39p	0.00p	(7.71)p	(7.71)p	(0.25)p	1.93p	1.68p

Notes to the Accounts continued

7a Reconciliation of the cash flow statement for the year ended 31 July 2005

	Previously reported Cash flows £'000	Adjustment £'000	Adjusted Cash flow £'000
Net cash flow from operating activities (see note 1 below)	104	(364)	(260)
Return on investments and servicing of finance (see note 1 below)	(244)	244	–
Taxation (see note 1 below)	(120)	120	–
Net cash outflow from financial investments	(2,061)	–	(2,061)
Net cash outflow before financing	(2,321)	–	(2,321)
Financing	2,519	–	2,519
Increase in cash	198	–	198

7b Reconciliation of the cash flow statement for the period ended 31 January 2005

	Previously reported Cash flows £'000	Adjustment £'000	Adjusted Cash flow £'000
Net cash flow from operating activities (see note 1 below)	(120)	(215)	(335)
Return on investments and servicing of finance (see note 1 below)	(162)	162	–
Taxation (see note 1 below)	(53)	53	–
Net cash outflow from financial investments	48	–	48
Net cash outflow before financing	(287)	–	(287)
Financing	–	–	–
Decrease in cash	(287)	–	(287)

Notes to the reconciliation

1. Servicing of finance and taxation have now been analysed within operating activities.

Company Summary

The Company

Schroder Japan Growth Fund plc is an investment trust listed on the London Stock Exchange. It is an independent investment trust managed and administered by Schroders. The Company has, since its launch in 1994, measured its performance against the TSE First Section Index in sterling terms. The Company measures its performance on a total return basis in addition to a capital return basis in accordance with guidance issued by the Association of Investment Trust Companies.

It is not intended that the Company should have a limited life, but the Directors consider it desirable that the Shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Articles of Association of the Company contain provisions requiring the Directors to put a proposal for the continuation of the Company to Shareholders at the Company's Annual General Meeting in the year 2009 and thereafter at five yearly intervals.

Price Information

The Company's ordinary shares are listed on the London Stock Exchange. The price of the shares is quoted daily in the Financial Times and The Daily Telegraph.

Real time share price information is available on the FT Cityline by dialling:

0906 003 4478 for the ordinary shares.

Calls are charged at 60p per minute at all times.

Share price information, subject to a twenty minute delay, is available on the internet at:

<http://www.schroders.co.uk/its>

The site also contains other information on the Company including, inter alia, a sector analysis and the Company's ten largest investments. There is also a factsheet, which is published quarterly and is available to Shareholders, in printed form, on request from the Secretary of the Company.

The Company releases its Net Asset Value to the London Stock Exchange on a weekly basis.

Capital Gains Tax Information

For the benefit of those share and warrant holders who acquired their holdings in the original Offer for Subscription, acquisition costs of the shares and warrants for capital gains tax purposes based upon initial dealings on 11 July 1994 are as follows:

Each ordinary share of 10p each	90.98p
Each warrant	45.10p

For the 2006/2007 tax year, the annual capital gains (after adjusting for indexation and taper relief) of private individuals in excess of £8,800 (2005/2006: £8,500) are assessed for capital gains tax.

Capital gains on shares disposed of by individuals may be eligible for taper relief. The taper reduces the amount of a chargeable gain according to how long the asset has been held for periods after 5 April 1998.

Company Summary continued

Schroder Investment Trust Dealing Service

The Schroder Investment Trust Dealing Service provides a convenient and cost effective means of investing in the shares of the Company. The Service offers investors:

- a regular investment option from a minimum of £50 per month
- a lump sum investment option from a minimum of £1,000
- daily dealing
- competitive charges
- the option to reinvest income.

Other investment trusts which are available through this service are Schroder AsiaPacific Fund plc, Schroder Income Growth Fund plc, Schroder Split Investment Fund plc, Schroder Split ZDP plc, Schroder UK Growth Fund plc, Schroder UK Mid & Small Cap Fund plc, SVG Capital plc and International Biotechnology Trust plc.

If you would like further information about the Schroder Investment Trust Dealing Service, please contact the Secretary of the Company at 31 Gresham Street, London EC2V 7QA or call Schroder Investor Services on freephone 0800 718 777.

Individual Savings Account – Schroder Maxi ISA Plan

Schroders are providing a non CAT standard investment trust ISA, which includes Schroder Japan Growth Fund plc. The investment trust ISA is designed as a maxi account, made up entirely of a stocks and shares component; a cash or insurance component is not offered.

The Schroder ISA offers investors:

- lump sum investments in the ordinary shares of the Company from a minimum of £1,000 to a maximum of £7,000 in the current tax year.
- a regular investment option from a minimum of £50 per month
- competitive charges
- the option to reinvest income
- the option to include other trusts.

If you would like further information about the Schroder Maxi ISA please contact the Secretary of the Company at 31 Gresham Street, London EC2V 7QA or call Schroder Investor Services on freephone 0800 718 777.

Registrar Services

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Lloyds TSB Registrars Scotland at PO Box 28448, Finance House, Orchard Brae, Edinburgh, Scotland EH4 1WQ. The helpline telephone number of Lloyds TSB Registrars is 0870 601 5366.

Lloyds TSB Registrars Scotland maintain a web-based enquiry service for shareholders. Currently the “Shareview” site (address below) contains information available on public registers.

Shareholders will be invited to enter their name, shareholder reference (account number) and post code and will be able to view information on their own holding. Visit www.shareview.co.uk for more details.

Schroders plc is a leading asset management group, the shares of which are listed on the London Stock Exchange.

Schroders has been involved in investment management since 1922, and today is one of the leading international investment management houses, providing investment services, research and marketing functions from offices located in countries throughout the world.

Worldwide, as at end December 2005, Group assets under management were valued at £122.5 billion.

We manage funds across all asset categories, including equities, fixed income, cash and property. Our clients include corporations, local and public authorities, pension funds, insurance companies, charities and individuals.

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