

This Product Highlights Sheet is an important document.

- **It highlights the key terms and risks of this investment product and complements the Prospectus¹.**
- **It is important to read the Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.**
- **You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.**
- **If you wish to purchase the product, you will need to make an application in the manner set out in the Prospectus.**

Schroder Asian Balanced Fund (the “Fund”)

Product Type	Unit Trust	Inception Date	Class A Units: 28 March 2002 Class B Units: 4 October 2005
Manager	Schroder Investment Management (Singapore) Ltd	Custodian	HSBC Institutional Trust Services (Singapore) Limited
Investment Manager of the Underlying Fund	Schroder Investment Management (Hong Kong) Limited	Trustee	HSBC Institutional Trust Services (Singapore) Limited
Capital Guaranteed	No	Dealing Frequency	Every Dealing Day
Name of Guarantor	Not Applicable	Expense Ratio for the year ended 31 December 2010	Class A Units: 2.15% Class B Units: 2.65%

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

The Fund is only suitable for investors who:

- seek long-term capital growth; and
- understand the risk associated with investing in equities, debt securities, and liquidities, as well as investments directly into these assets and/or through financial derivatives.

Further Information

Refer to Para 6 on page 8 of the Prospectus for further information on product suitability.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

You are investing in a unit trust constituted in Singapore that aims to achieve long-term capital appreciation by investing all or substantially all of the assets of the Fund into the Strategic Solutions – Schroder Asian Diversified Growth Fund (the “Underlying Fund”), whose investment objective is to provide a total return, primarily through investment in investment funds (including exchange traded funds) investing in equity, debt securities, and liquidities, as well as investment directly in those types of assets and/or through financial derivative instruments (“FDIs”). In addition, the Underlying Fund may seek exposure to each of real estate, commodities and other real assets mainly through, but not limited to, investment in real estate and commodity related transferable securities (including REITs), FDIs on financial indices and Investment Funds (including exchange traded funds and closed ended funds) which invest in such asset classes.

Refer to Para 5.1, 6.1, 6.2 and 20.1 on page 8 and 19 of the Prospectus for further information on features of the product.

The Underlying Fund is one of the sub-funds in the Strategic Solutions, an open-ended investment company incorporated in Luxembourg.

You may receive half yearly distributions on or about 1 month from 30th June of each year and on or about 2 months from 31st December of each year.

Investment Strategy

The Fund will invest all or substantially all of its assets into the Underlying Fund.

Refer to Para 6.1 and 6.3 on page 8 of the Prospectus for further information on the investment strategy of the Fund.

The Underlying Fund follows an unconstrained approach compared to traditional balanced funds which are benchmark constrained (i.e. the Underlying Fund is not managed to industry benchmarks and/or peer groups), thereby allowing the investment manager of the Underlying Fund to dynamically allocate to asset classes that offer the best risk and return opportunities. Different asset classes perform differently at various times in the economic and market cycle, and by adopting a dynamic approach to asset allocation, the potential in achieving the Underlying Fund’s return objectives is maximized.

Unlike traditional balanced funds that focus on tactically allocating between defensive and growth assets, the investment manager of the Underlying Fund recognizes that there is a range of other assets that can contribute to a combination of better returns and lower risk in a portfolio. These asset classes are included in the investible universe to create a truly diversified portfolio that can withstand changes to the investment environment.

¹ The Prospectus is available for collection from Schroder Investment Management (Singapore) Ltd or any of its appointed distributors during usual office hours.

Parties Involved

WHO ARE YOU INVESTING WITH?

- The Manager is Schroder Investment Management (Singapore) Ltd.
- The Investment Manager of the Underlying Fund is Schroder Investment Management (Hong Kong) Limited.
- The Trustee/custodian is HSBC Institutional Trust Services (Singapore) Limited.
- Prior to 31 October 2011, the registrar is RBC Dexia Trust Services Singapore Limited
- With effect from 31 October 2011, the registrar will be Schroder Investment Management (Luxembourg) S.A..

Refer to Para 2 to 4 on page 7-8 of the Prospectus for further information on the role and responsibilities of these entities.

KEY RISKS

WHAT ARE THE KEY RISKS OF THIS INVESTMENT?

The value of the Fund and its distributions (if any) may rise or fall. These risk factors may cause you to lose some or all of your investment.

Refer to Para 8 on page 9-12 of the Prospectus for further information on risks of the product.

Market Risks

You are exposed to market risks in the Asian markets.

- The value of investments by the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.
- In addition, there are risks involved when investing in Asian markets, of a nature not generally encountered when investing in securities traded on major international markets.

Refer to Para 8.2.1 on page 10 of the Prospectus for further information.

Liquidity Risks

There is no secondary market for the Fund. All realisation requests should be made to the Manager or its appointed agents.

Refer to the "Important Information" section and Para 11.1 on page 14 of the Prospectus for further information.

Product-Specific Risks

You are exposed to equity risks.

- The Fund may invest in stocks and other equity securities and their derivatives which are subject to market risks that historically have resulted in greater price volatility than that experienced by bonds and other fixed income securities.

Refer to Para 8.2 to 8.4 on page 10-11 of the Prospectus for further information.

You are exposed to foreign securities risks.

- Investments in securities throughout the world are subject to numerous risks resulting from market and currency fluctuations, future adverse political and economic developments, the possible imposition of restrictions on the repatriation of currency or other governmental laws or restrictions, reduced availability of public information concerning issuers and the lack of uniform accounting, auditing and financial reporting standards or of other regulatory practices and requirements comparable to those applicable to companies in your domicile.

You are exposed to financial derivative instruments ("FDIs") risks.

- **As at the date of registration of the Prospectus, the Fund may invest in FDIs for the purposes of hedging and/or efficient portfolio management, and the Underlying Fund may invest in FDIs for purposes other than hedging and/or efficient portfolio management in accordance with the Strategic Solutions' Luxembourg Prospectus and the limits and conditions on the use of FDIs under applicable laws in Luxembourg.** The use of FDIs involves increased risks. The ability to use such instruments successfully depends on the Manager's and/or the investment manager of the Underlying Fund's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Manager's and/or the investment manager of the Underlying Fund's predictions are wrong, or if the FDIs do not work as anticipated, the Fund could suffer greater losses than if the Fund and/or the Underlying Fund had not used the FDIs.

You are exposed to currency risks.

- The assets and liabilities of the Fund may be denominated in currencies other than the Singapore dollar and the Fund may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between the Singapore dollar and such other currencies.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

Payable directly by you

You will need to pay the following fees and charges as a percentage of your Gross Investment Sum:

	Class A Units	Class B Units
Preliminary Charge (initial sales charge)	• Currently 5% of the Gross Investment Sum (maximum 5%)	Nil
Realisation Charge	Nil	
Switching Fee	• Currently 1% (maximum of 1% and minimum of S\$5)	

Refer to Para 7 on page 9 of the Prospectus for further information on the fees and charges of the product.

Payable by the Fund from invested proceeds

The Fund will pay the following fees and charges to the Manager and Trustee and (where applicable) in respect of its investment into the Underlying Fund:

Management fee	• Currently nil (maximum 1.5% per annum)
Trustee fee	• Currently not more than 0.05% per annum (currently not subject to any minimum amount) • Maximum 0.25% per annum (subject to a minimum of S\$10,000.00 per annum)
Distribution Charge (Class B Units only)	• Currently 0.5% per annum (maximum 0.6% per annum) of the net asset value ("NAV") of the deposited property attributable to Class B Units
Management Fee of Underlying Fund	• 1.50% per annum
Custody Fee of Underlying Fund	• Up to 0.5% per annum
Administration Fee of Underlying Fund	• Up to 0.4% per annum

VALUATIONS AND EXITING FROM THIS INVESTMENT

HOW OFTEN ARE VALUATIONS AVAILABLE?

The indicative NAV per Unit of each Class is published on the Manager's website at <http://www.schroders.com.sg> one (1) Business Day after the relevant Dealing Day and is also available from the Manager.

The indicative NAV per Unit of each Class is also published in The Straits Times, The Business Times and Lianhe Zaobao on a periodic basis.

Refer to Para 9.7, 11 and 13.1 on page 13 - 16 of the Prospectus for further information on valuation and exiting from the product.

HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You may at any time during the life of the Fund make a request in writing (a "Realisation Request") for the realisation of all or any Units held by you of the Classes of the Fund, subject to the minimum holding requirement as mentioned in the Prospectus. The Realisation Request must specify the Units in the Class of the Fund to be realised.

The realisation proceeds are paid to investors within seven (7) Business Days (or such other period as may be prescribed by the Monetary Authority of Singapore) following the receipt of the Realisation Request.

Your realisation price is determined as follows:

- If you submit the Realisation Request on or before 5 pm on a Dealing Day, you will be paid a price based on the NAV of the Fund on that Dealing Day
- If you submit the Realisation Request after 5 pm on a Dealing Day, you will be paid a price based on the NAV of the Fund on the next Dealing Day

The sale proceeds that you will receive will be the realisation price multiplied by the number of Units realised, less any applicable Duties and Charges. An example is as follows:

$$\begin{array}{rclcl}
 1,000 \text{ Units} & \times & \text{S\$}1,100 & = & \text{S\$}1,100.00 \\
 \text{Number of units realised} & & \text{Notional realisation price} & & \text{Realisation proceeds} \\
 & & \text{(NAV per unit of the relevant class)} & &
 \end{array}$$

This example is on the assumption that there are no Duties and Charges payable.

If applicable to you as provided under the trust deed of the Fund, you can exit the Fund by delivering a notice in writing to the Manager or its appointed distributors to cancel your subscription for Units in the Fund within 7 calendar days from the date of your subscription. However, you will have to take the risk for any price changes in the NAV of the Fund since the time of your subscription.

CONTACT INFORMATION

HOW CAN YOU CONTACT US?

For enquiries, please contact

**Schroder Investment Management
(Singapore) Ltd**

65 Chulia Street #46-00, OCBC Centre

Singapore 049513

Tel: 6534 4288

Website: www.schroders.com.sg

Distributor

The Manager

APPENDIX: GLOSSARY OF TERMS

“Business Day” means any day (other than a Saturday, a Sunday or a gazetted public holiday) on which commercial banks in Singapore are open for business or any other day as the Manager and Trustee may agree.

“Class” means any class of Units in the Fund which may be designated as a class distinct from another class in the Fund as may be determined by the Manager from time to time.

“Dealing Day” means every day which is a Business Day and/or such other day or days in addition thereto or in substitution therefor as the Manager may from time to time, with the approval of the Trustee, determine Provided That there shall be at least one Dealing Day in each calendar month.

“Duties and Charges” means all stamp and other duties, taxes, governmental charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the constitution of the deposited property of the Fund or the increase or decrease of the deposited property of the Fund or the creation, issue, sale, exchange or purchase of Units or the sale or purchase of authorised investments or otherwise, which may have become or may be payable in respect of or prior to or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable but does not include commission payable to agents on sales and repurchases of Units.

“Unit” means one undivided share in the Fund. Where the context so requires, the definition includes a Unit of a Class and a fraction of a Unit and, save where the trust deed of the Fund otherwise provides, a fraction of a Unit shall rank pari passu and proportionately with a whole Unit.