

9th August 2007

Schroders 2007 Interim Results



Schroders

H1 2007: strong results

Pre-tax profit up 40% to £185.6 million

Dividend up 20% to 9.0p

Gross margins up 5bps to 60bps

Net outflows £0.3 billion (H1 2006: £2.0 billion)

Good investment performance

Retail: diversified growth

Funds under management £48.7 billion (end 2006: £42.5 billion)

Net sales £3.6 billion (H1 2006: £2.3 billion)

Net inflows in UK, Europe, Asia Pacific, Americas

Established funds and new products

€44 billion Luxembourg platform

Institutional: growing revenues

Funds under management £79.6 billion (end 2006: £77.4 billion)

Outflows in UK, Japan

Revenues up 15%

Gross sales up 35% to £5.7 billion

- high alpha quant equities
- multi-asset
- alternatives

Private Banking: well positioned for growth

Pre-tax profit up 42% to £15.9 million

Further efficiency gains

Focus on new business and revenue growth

Alternatives: 12% of total funds under management

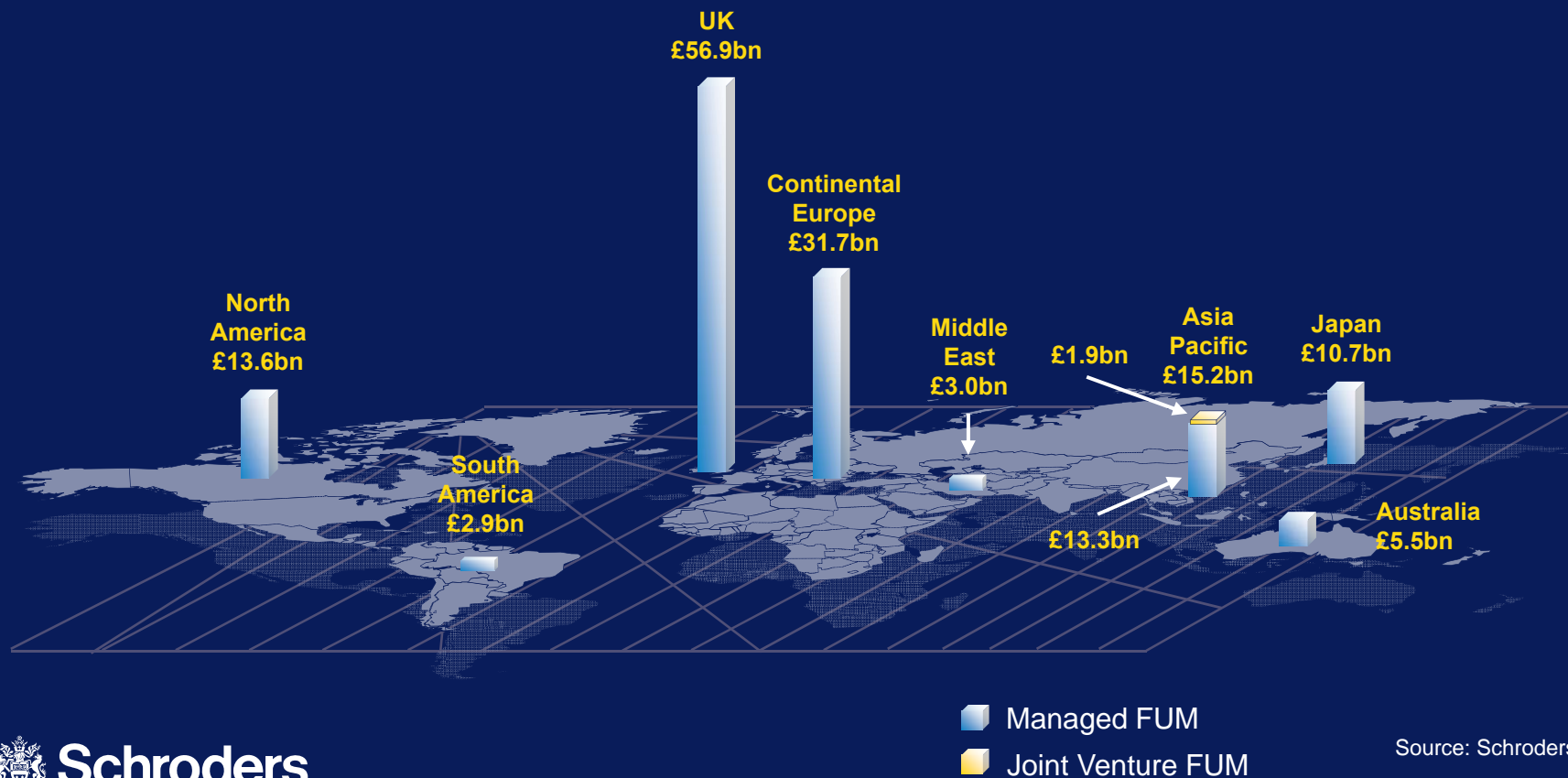
Funds under management £14.9 billion (end 2006: £12.5 billion)

Aareal integrated to create £9.5 billion pan European property business

\$1.1 billion flows into commodities and agriculture funds

NFC performing well – funds under management \$4.5 billion
– net new business \$0.8 billion

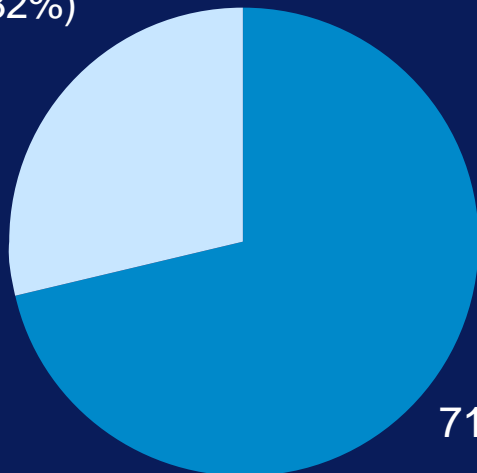
A global business: 67% of revenues from outside UK



Investment performance: improving long term record

Retail

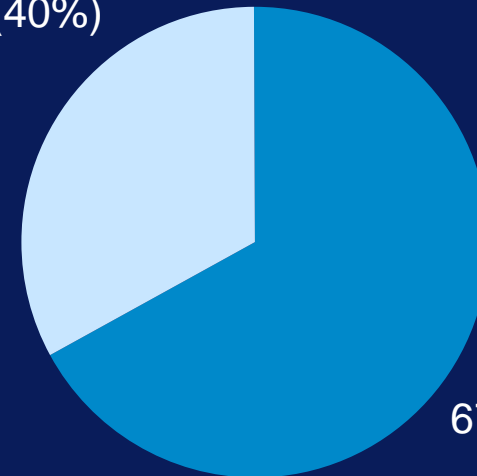
29% (32%)



71% (68%)

Institutional

33% (40%)



67% (60%)

■ Above benchmark 3 years to end June 2007 (end 2006)

■ Below benchmark

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Stephen Brooks
Chief Financial Officer



Schroders

Agenda

- Financial overview**
- Asset Management**
- Private Banking**
- Private Equity and Group**

Continued growth across our business

Profit before tax £185.6 million ▲ 40%
(H1 2006: £132.3 million)

Asset Management profit before tax £123.2 million ▲ 27%
(H1 2006: £96.8 million)

Private Banking profit before tax £15.9 million ▲ 42%
(H1 2006: £11.2 million)

Private Equity profit before tax £36.2 million ▲ 105%
(H1 2006: £17.7 million)

Funds under management £137.6 billion ▲ 7%
(31 December 2006: £128.5 billion)

Record half year profits and continued revenue growth

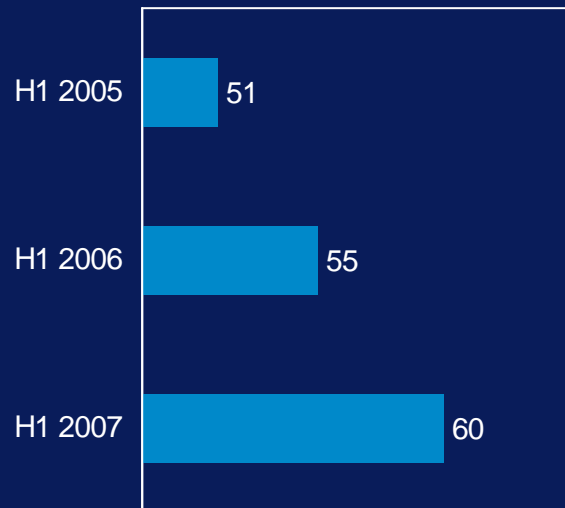


Total revenue of £471.5mn ▲ 20%

Costs of £285.9mn ▲ 10%

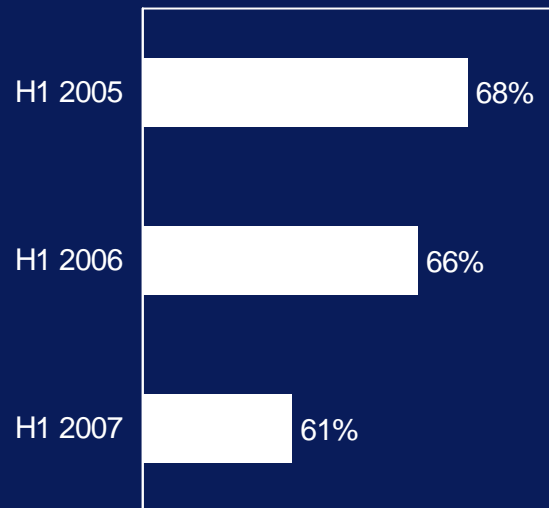
Underpinned by continued strong financial performance across a range of measures

Margins (bps)



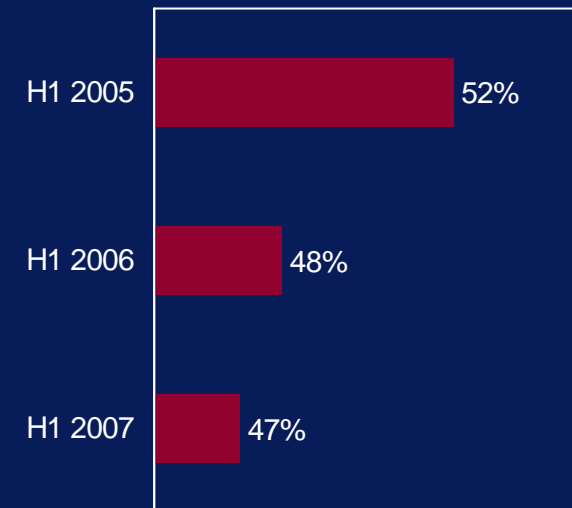
Margin up 5 bps from H1 2006

Cost: income ratio



Group cost: income ratio declining

Compensation costs: operating revenues

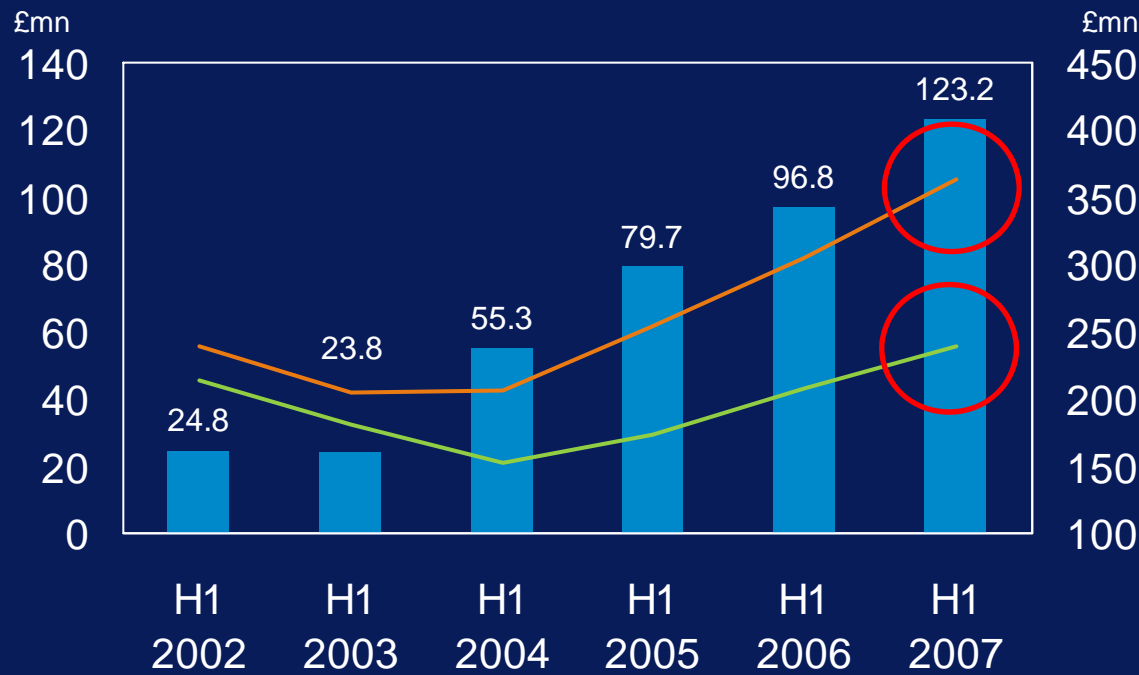


Trending down

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Our core Asset Management business continues to grow rapidly



Total revenue of £363.7mn ▲ **19%**

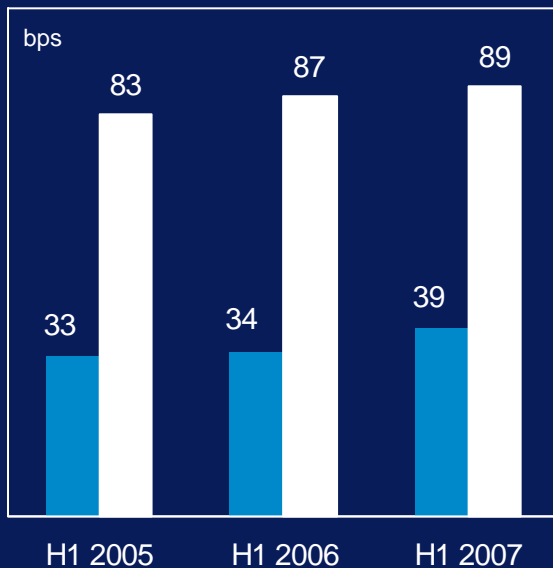
Costs of £240.5mn ▲ **15%**

■ PBT — Income — Costs

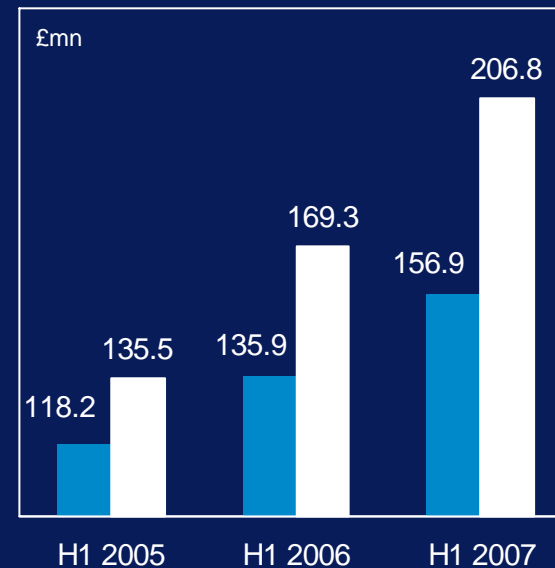
Figures 2002-2003 based on UK GAAP, figures from 2004 onwards based on IFRS
 H1 2005 uses underlying profit adjusted for £20.1mn gain on discontinued outsourcing project
 In 2002-2003, Private Banking was not separately disclosed

Margins and revenues are growing in all channels...

Margins



Revenues

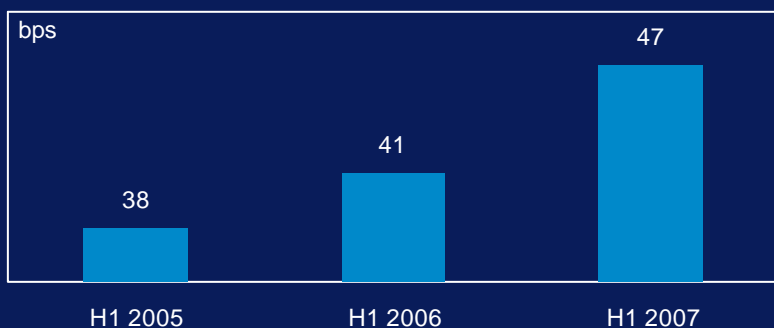


■ Institutional
■ Retail

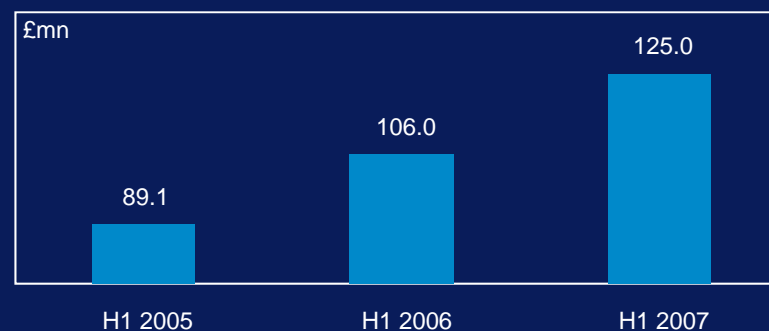
Retail and Institutional new business pushing total Asset Management margins up 6bps

...and all geographies

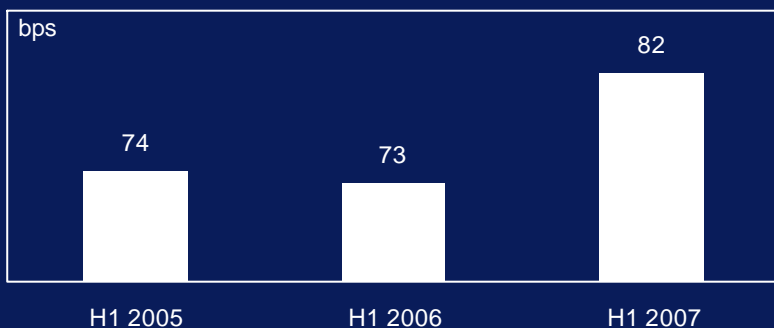
UK Margins



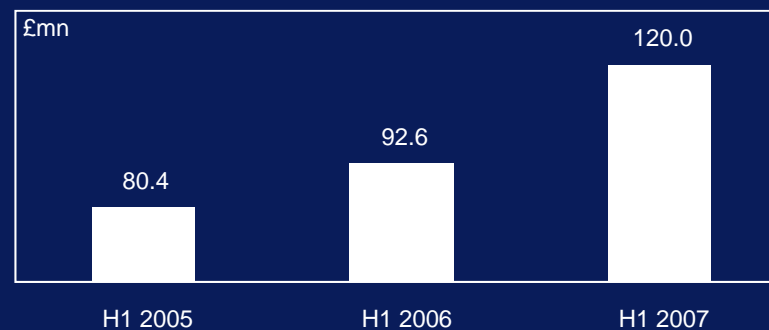
Revenues



Continental Europe Margins

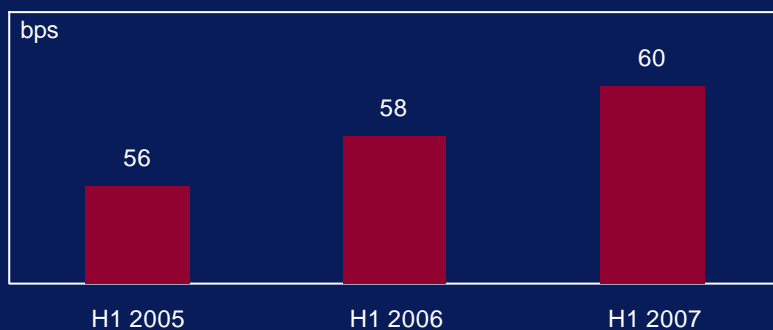


Revenues

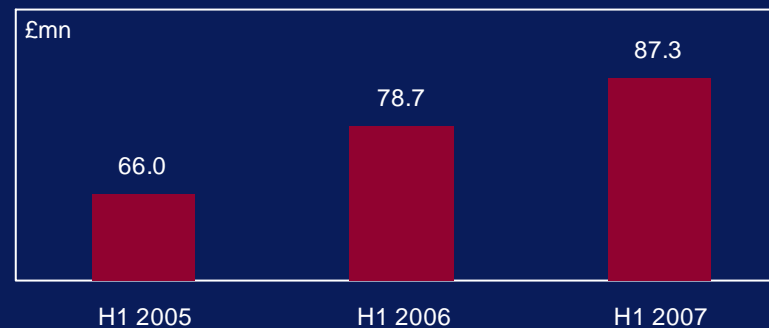


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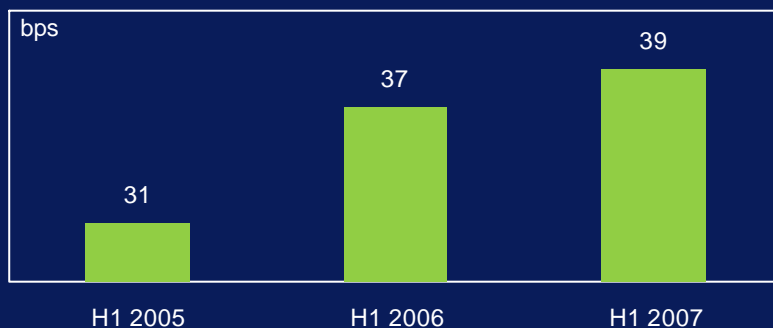
Asia Pacific Margins



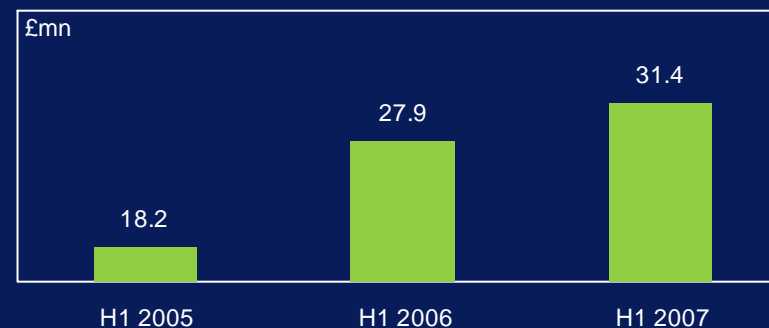
Revenues



Americas Margins



Revenues



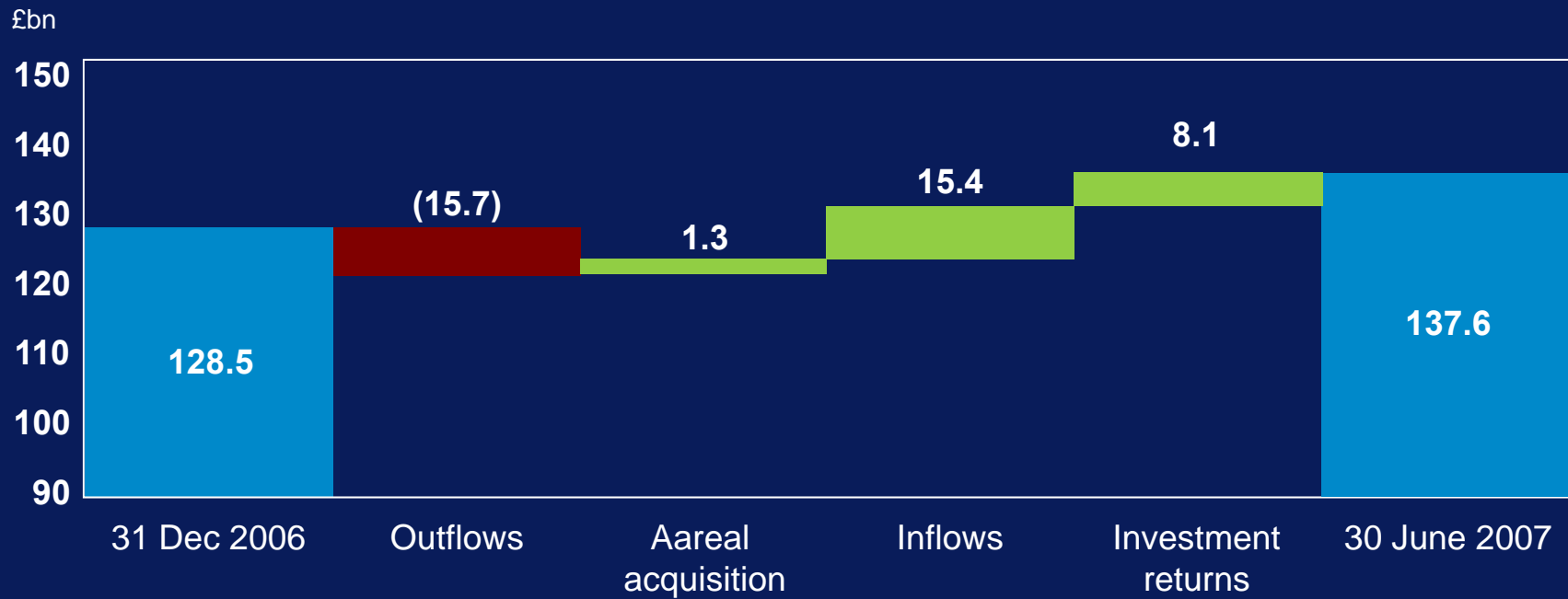
Growth supported by controlled cost increases

£mn	H1 2006	H1 2007
Staff costs	143.0	162.2
Non-staff costs	65.4	78.3
Total Asset Management costs	208.4	240.5
Asset Management cost: income ratio	68%	66%

Key drivers

- Investment in infrastructure
- Increased marketing and brand expenditure
- Continued control of overall staff costs

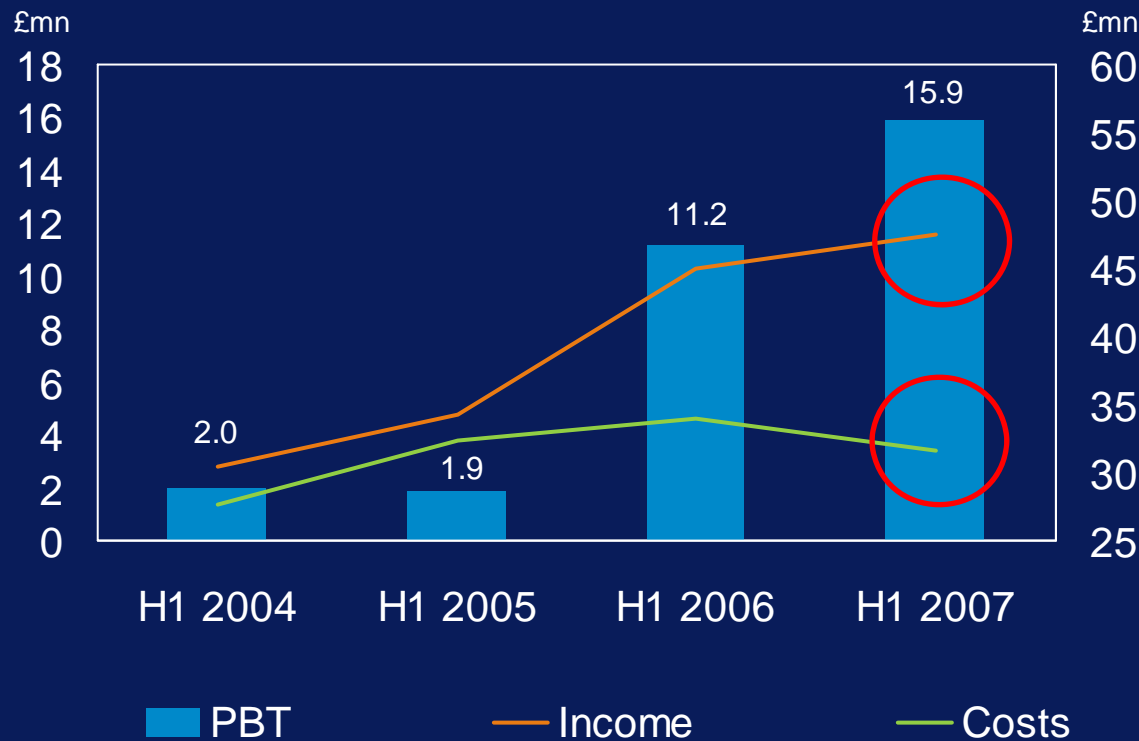
Funds under management have grown by 7%



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Private Banking turnaround



Revenues of **£47.5mn** ▲ 5%

Costs of **£31.6mn** ▼ 7%

Agenda

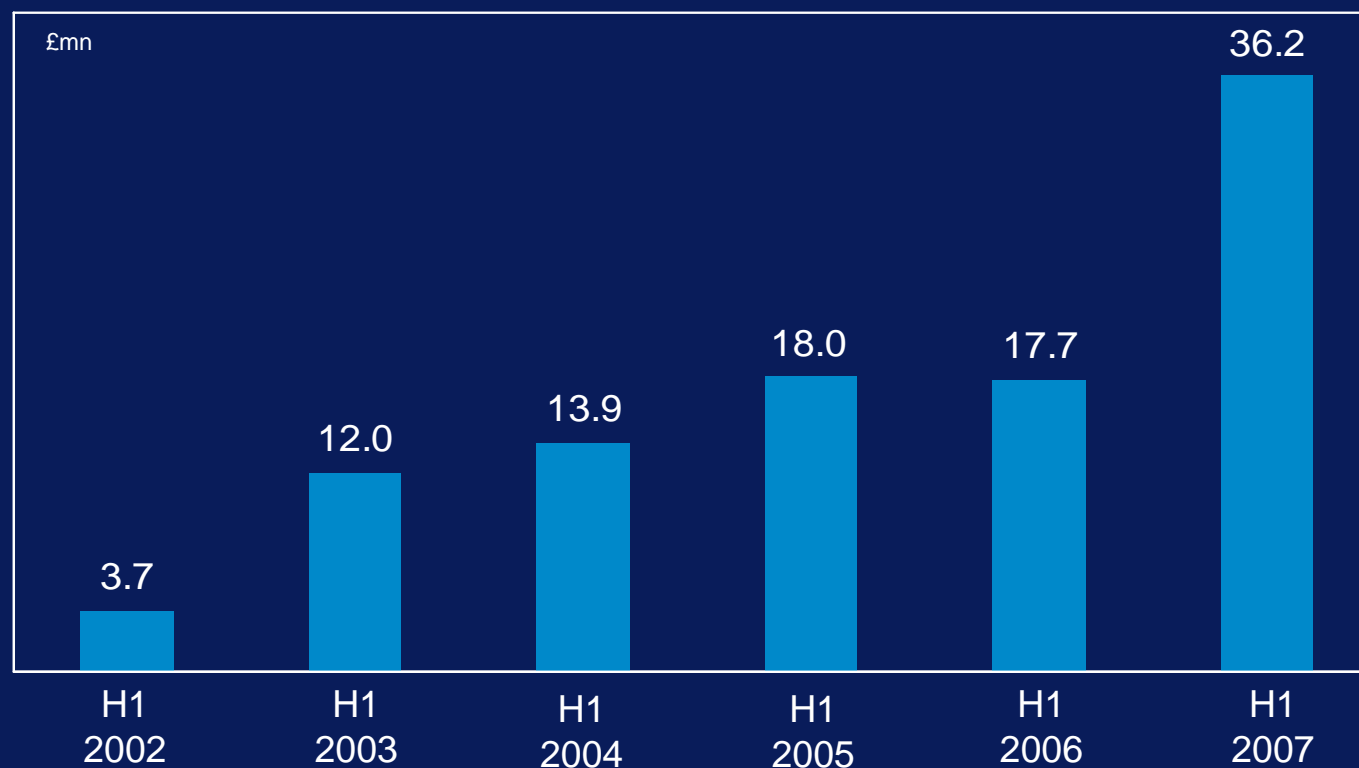
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Private Equity continues to generate significant returns

	H1 2005	H1 2006	H1 2007
Revenues	19.4	19.3	38.4
Unrealised profit within reserves*	76.1	74.4	96.6
Total Private Equity investments	171.2	154.9	161.7

Private Equity continues to generate significant returns

Profit before tax



The interim dividend is increasing to 9 pence

	2005		2006		2007 Interim	
	Pence per share	£mn	Pence per share	£mn	Pence per share	£mn
Interim	7.0	20.3	7.5	21.4	9.0	25.8
Final	14.5	42.0	17.5	49.5		
	21.5	62.3	25.0	70.9		
H1 basic earnings per share		30.8p		33.7p		49.0p
H1 diluted earnings per share		30.6p		33.2p		48.2p

Summary

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Forward-looking statements

These presentation slides contain certain forward-looking statements and forecasts with respect to the financial condition and results of the businesses of Schroders plc

These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future

There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by those forward-looking statements and forecasts. Nothing in this presentation should be construed as a profit forecast