

# Schroders

## 2009 Q3 Interim Management Statement

Chief Executive  
Michael Dobson

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**Schroders**

# 2009 Q3 Results

- **Profit before tax and exceptional items £57.8 million (Q3 2008: £71.5 million)**
- **Profit before tax and after exceptional items £43.6 million (Q3 2008: £78.0 million)**
- **Third quarter net inflows £7.0 billion (Intermediary £3.7 billion; Institutional £3.3 billion)**
- **Funds under management: £138.1 billion (30 June 2009: £113.3 billion)**

# Net revenue

before exceptional items

£ million	2008				2009		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Institutional	67.5	80.7	67.9	91.9	50.0	62.0	66.6
Intermediary	123.7	122.4	115.3	79.4	77.5	87.8	106.1
Asset Management	191.1	203.1	183.2	171.2	127.5	149.9	172.7
Private Banking	27.5	28.7	29.0	26.1	26.4	22.8	23.5
Group	4.2	3.7	4.3	(4.8)	3.1	0.0	1.8
inter segment elimination and adjustments	0.8	2.3	1.1	1.4	1.3	1.3	1.3
<b>Total</b>	<b>223.6</b>	<b>237.7</b>	<b>217.6</b>	<b>193.9</b>	<b>158.3</b>	<b>174.0</b>	<b>199.4</b>

# Costs

before exceptional items

£ million	2008				2009		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Fixed staff	53.7	58.7	55.8	55.9	58.3	52.9	53.5
Variable staff	46.5	44.8	37.4	20.6	17.8	31.6	44.5
Non-staff	54.7	60.3	61.0	77.9	54.4	53.8	52.6
<b>Total</b>	<b>154.8</b>	<b>163.8</b>	<b>154.3</b>	<b>154.4</b>	<b>130.5</b>	<b>138.3</b>	<b>150.6</b>
<b>Headcount (No.)</b>	2,949	2,998	2,974	2,834	2,737	2,626	2,612

# Exceptional items

£ million	Q1 2009	Q2 2009	Q3 2009
ABS/MBS	(6.3)	1.5	(0.1)
Seed Capital	(5.8)	(6.7)	(2.6)
Hedge Funds	0.5	0.8	1.1
Property	-	(7.7)	(7.4)
Private Equity	(1.7)	1.1	(0.1)
Other	0.4	0.2	7.2
<b>Total Revenue</b>	<b>(12.8)</b>	<b>(10.8)</b>	<b>(9.2)</b>
Redundancy costs	(4.5)	(1.8)	(1.2)
Office restructuring	(2.2)	(0.5)	-
Surplus space	(3.0)	-	(3.7)
Impairment of intangibles & joint ventures	-	(3.7)	-
Vicarelo loan impairment	(1.4)	-	-
<b>Total Costs</b>	<b>(11.0)</b>	<b>(6.0)</b>	<b>(5.0)</b>
<b>Total Exceptional items</b>	<b>(23.8)</b>	<b>(16.8)</b>	<b>(14.2)</b>

# Net new business by channel

£ billion	2008				2009		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Institutional	(1.8)	0.6	(1.1)	(1.5)	(2.4)	1.6	3.3
Intermediary	0.5	(0.8)	(2.9)	(3.1)	0.2	2.3	3.7
Asset Management	(1.3)	(0.2)	(4.0)	(4.6)	(2.2)	3.9	7.0
Private Banking	0.3	(0.1)	(0.1)	0.3	0.1	0.0	0.0
<b>Total</b>	<b>(1.0)</b>	<b>(0.3)</b>	<b>(4.1)</b>	<b>(4.3)</b>	<b>(2.1)</b>	<b>3.9</b>	<b>7.0</b>

# Funds under management

£ billion	2008				2009		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Institutional	66.6	67.6	61.3	59.6	54.5	59.7	72.8
Intermediary	52.5	51.2	42.5	38.9	37.2	42.4	54.0
Asset management	119.1	118.8	103.8	98.5	91.7	102.1	126.8
Private banking	11.5	11.4	11.0	11.7	11.4	11.1	12.1
<b>Total</b>	<b>130.6</b>	<b>130.2</b>	<b>114.7</b>	<b>110.2</b>	<b>103.1</b>	<b>113.3</b>	<b>138.9</b>
China JV - FUM £bn	3.7	3.3	3.5	4.9	5.0	5.6	6.1
- PBT £m	1.5	1.9	1.5	1.5	1.8	2.3	4.1