

Schroders

2012 Q3 results

Data Pack



Schroders

November 2012 | For professional investors only. This material is not suitable for retail clients

Contents

	Page
Assets under management (AUM)	2
Regional diversification of AUM	3
Gross sales and net inflows	4-5
Currency profile of AUM	6
AUM diversification	7-11
Asset Management business flows	12-14
Net revenue and margins – Asset Management	15
Income and cost metrics for the Group	16
Total costs and headcount	17-18
Income statement progression	19-21
Statement of financial position (balance sheet)	22
Movement in capital	23
Forward-looking statements	24

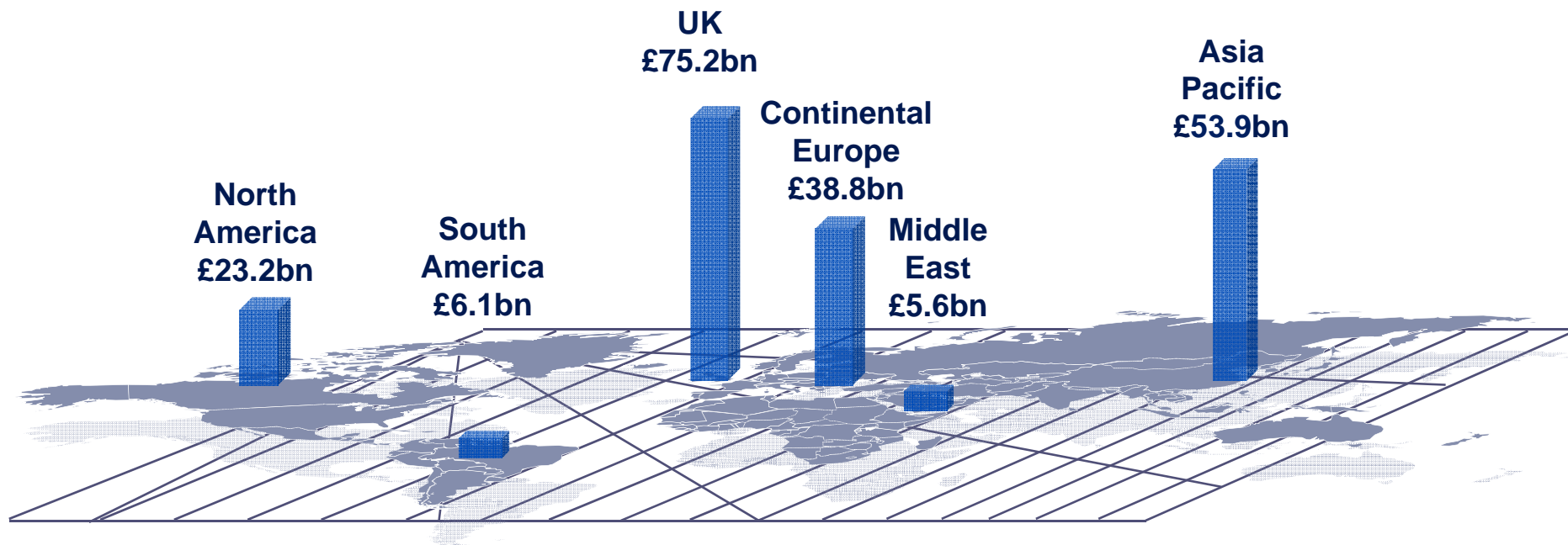
Assets under management (AUM)

£202.8 billion at 30 September 2012

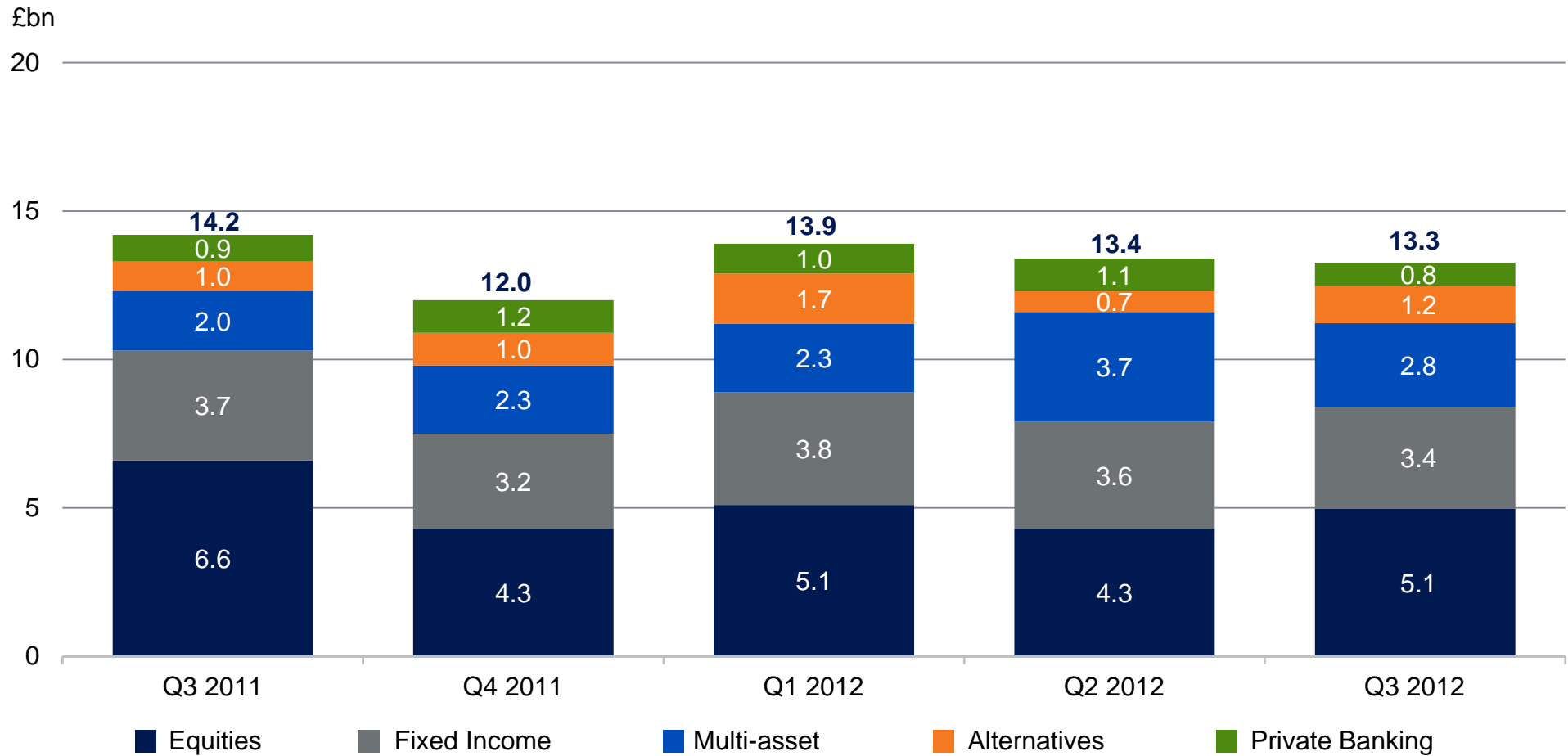
£bn	Asset Management		Private Banking	Total
	Institutional	Intermediary		
31 December 2011	108.4	62.9	16.0	187.3
Net flows	3.8	1.8	(0.3)	5.3
Investment returns	6.2	3.6	0.4	10.2
30 September 2012	118.4	68.3	16.1	202.8

Regional diversification of AUM

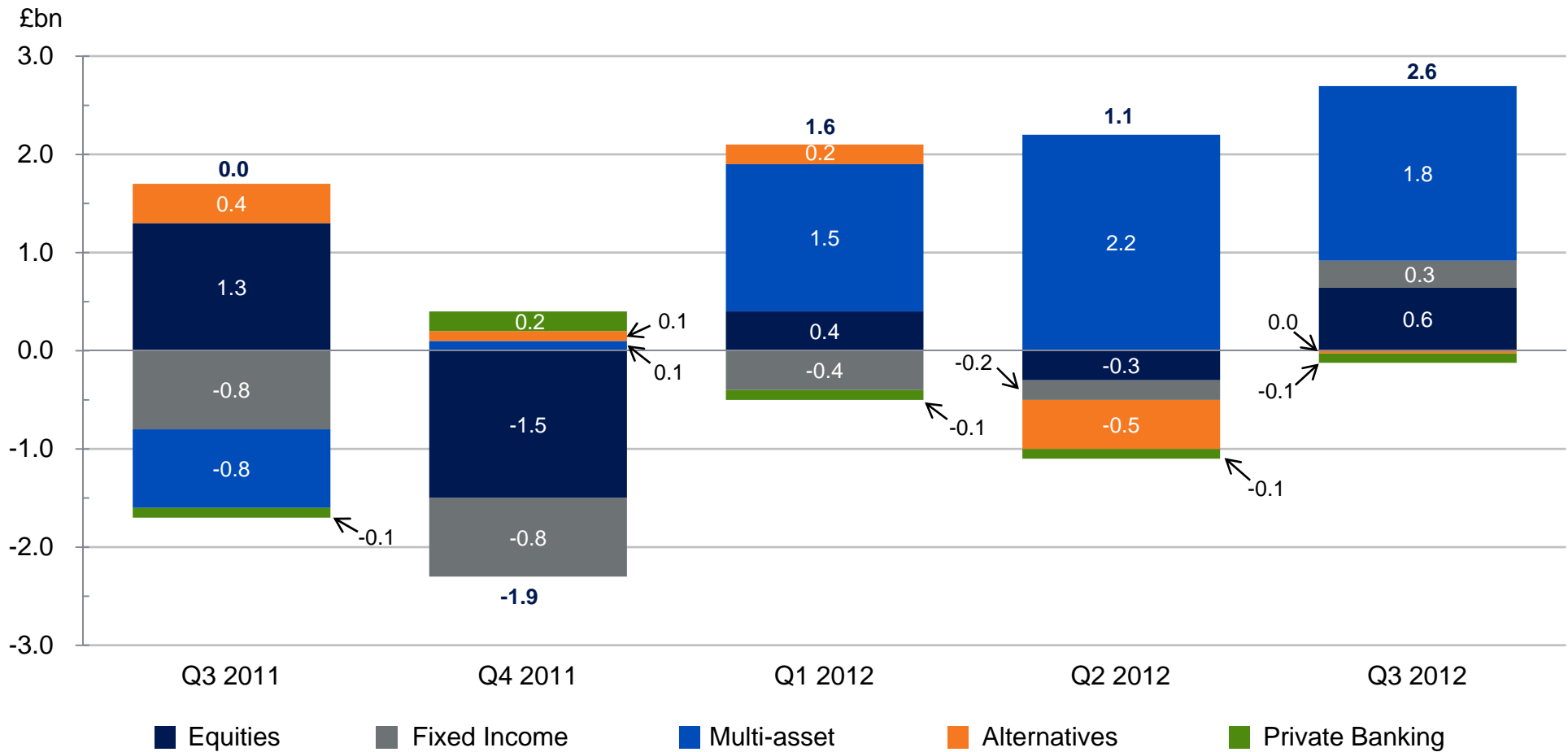
65% of revenues outside UK



Gross sales

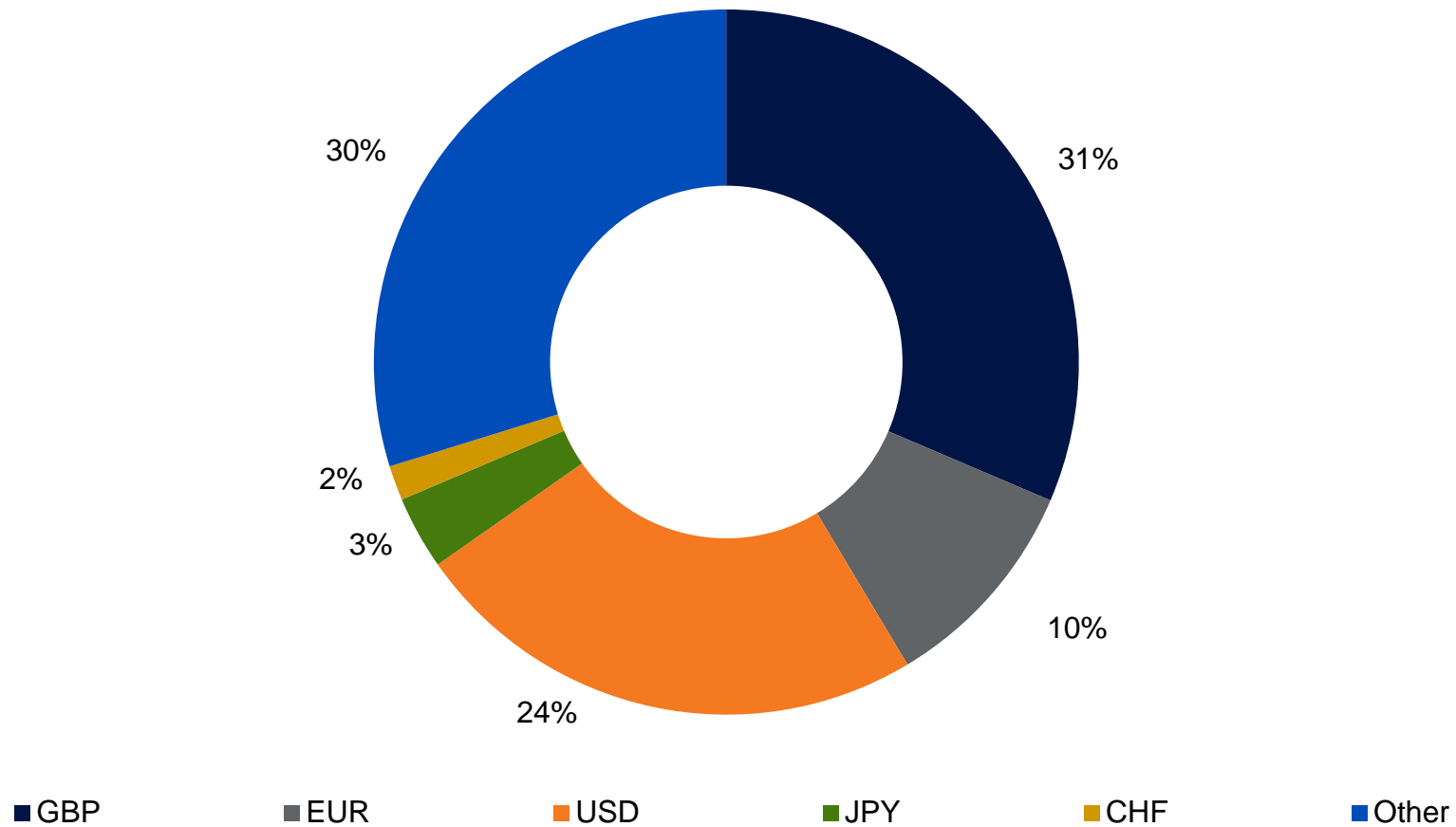


Net inflows



Currency profile of AUM

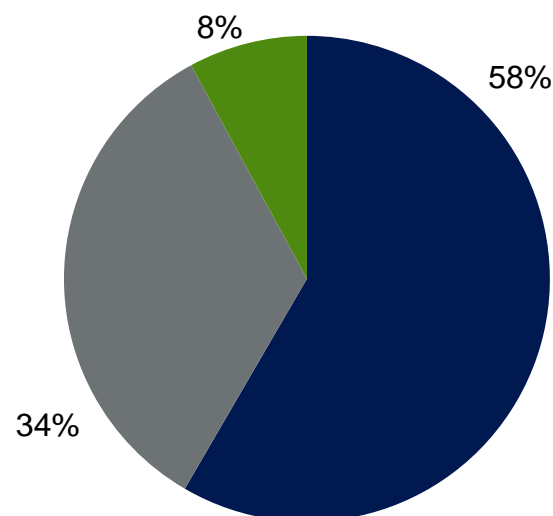
Assets under management £202.8 billion



Total AUM by channel, region and product

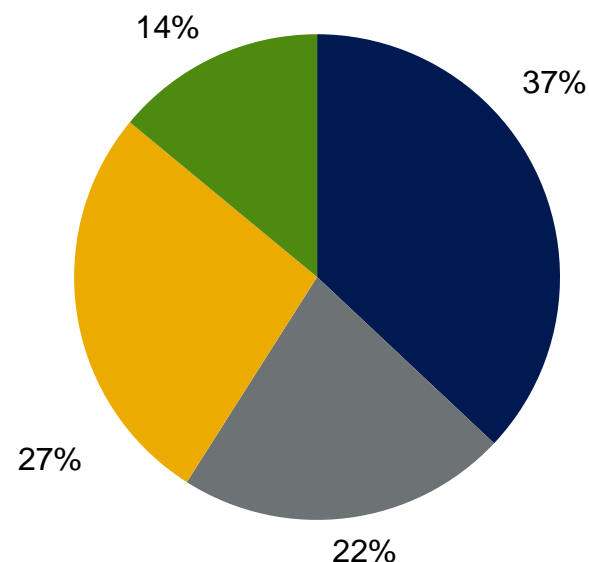
Assets under management £202.8 billion

By channel



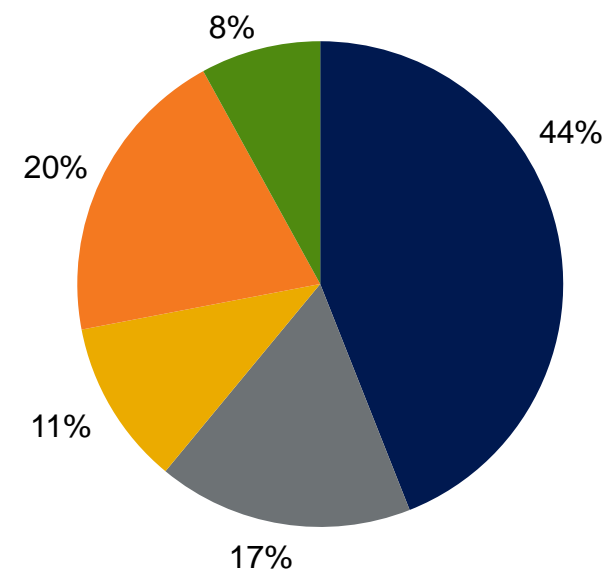
- Institutional
- Intermediary
- Private Banking

By region



- UK
- Continental Europe*
- Asia Pacific
- Americas

By product

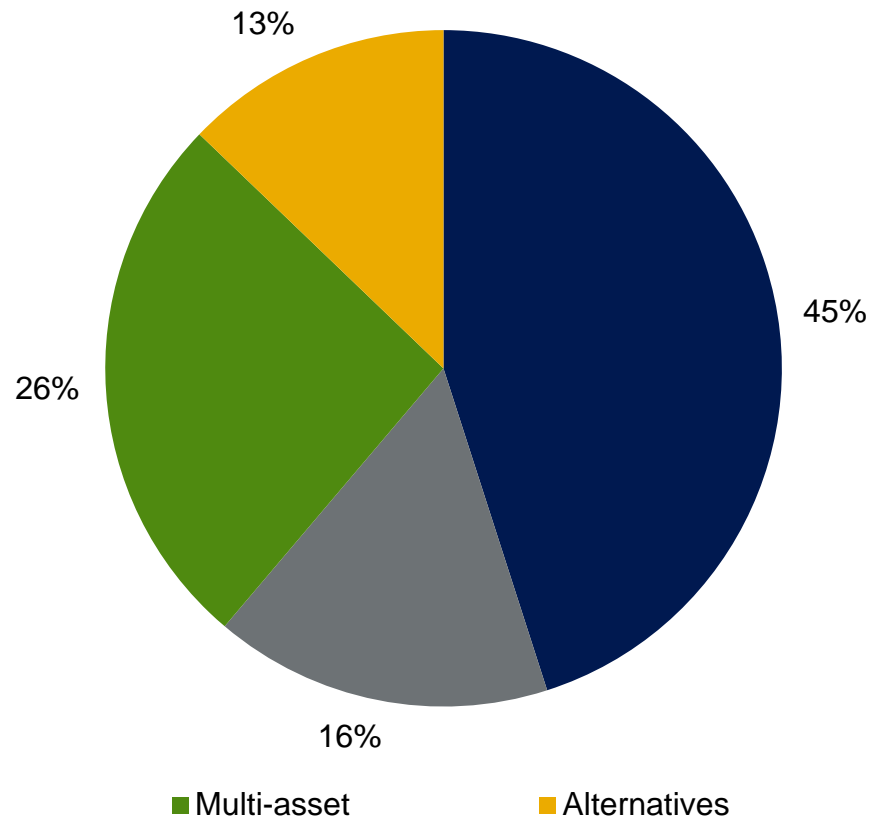


- Equities
- Fixed Income
- Alternatives
- Multi-asset
- Private Banking

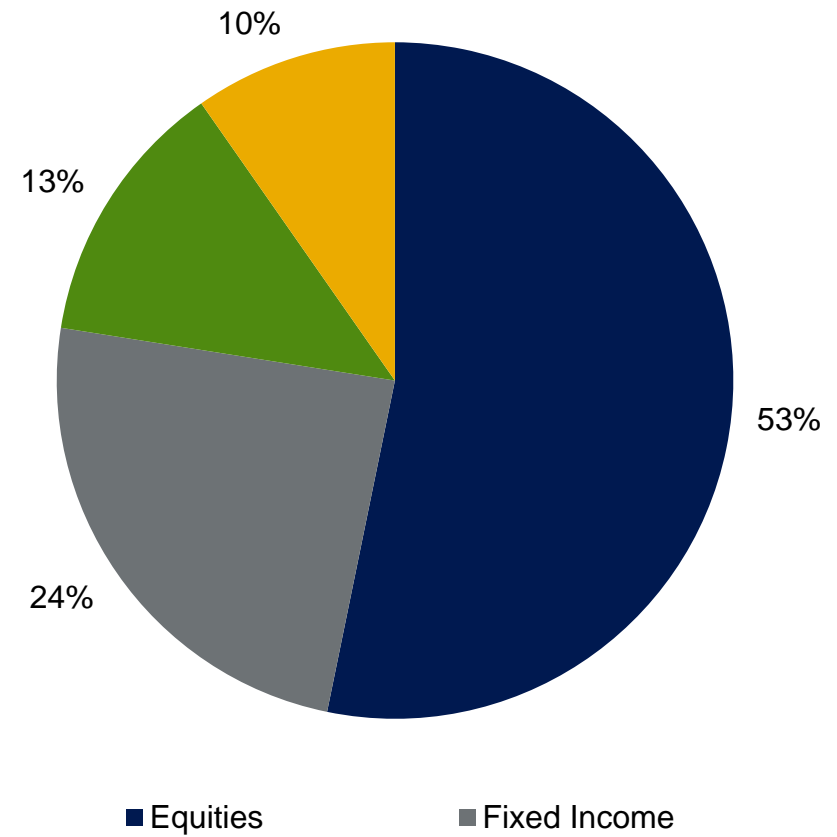
* Including Middle East
By client domicile

Asset Management AUM by channel and product

Institutional AUM £118.4bn

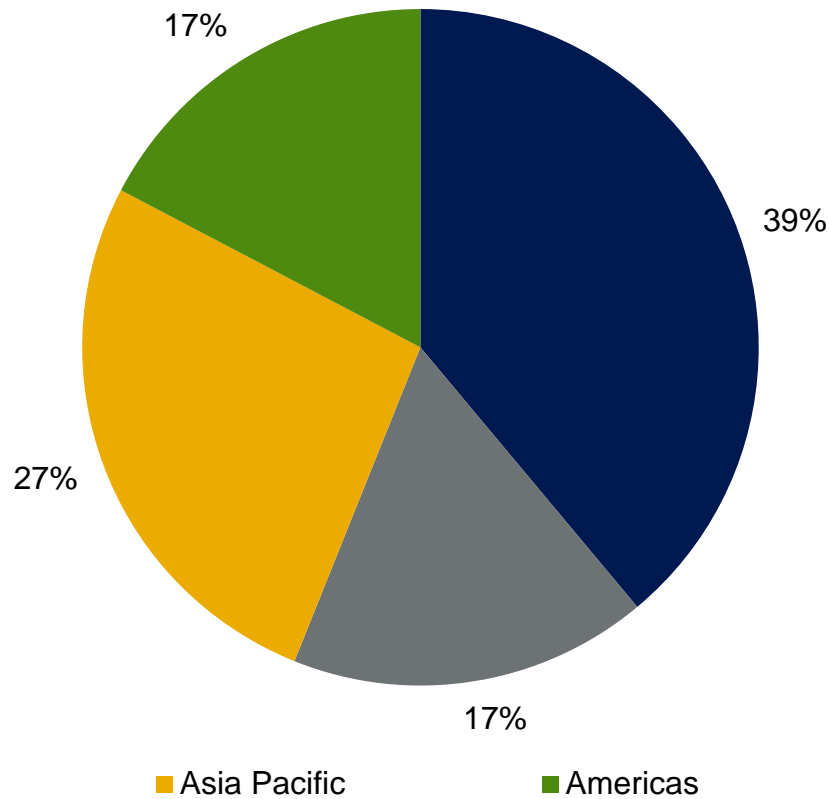


Intermediary AUM £68.3bn

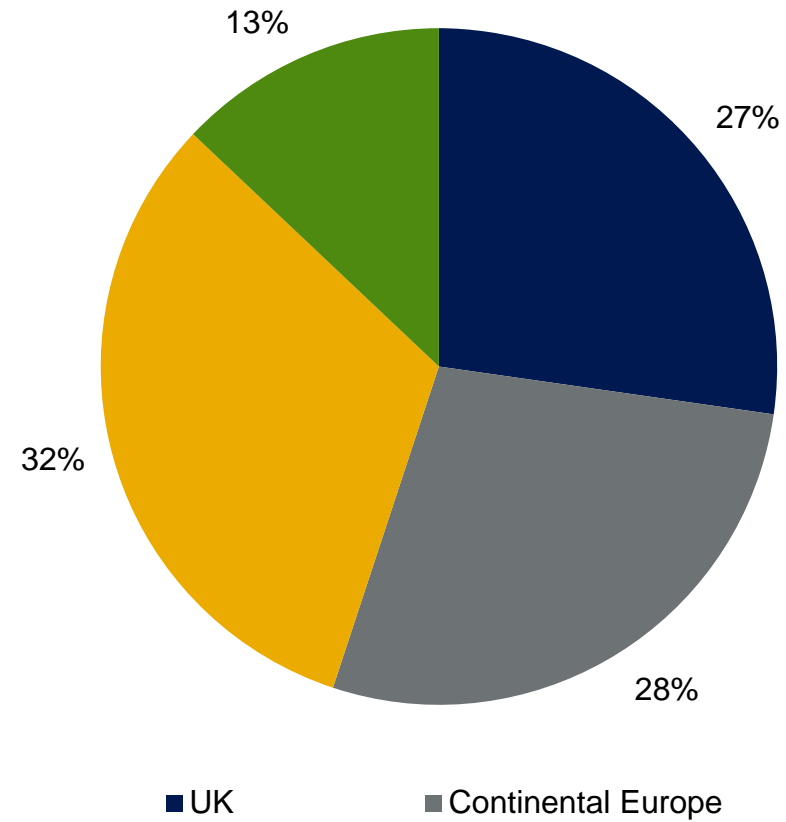


Asset Management AUM by channel and region

Institutional AUM £118.4bn



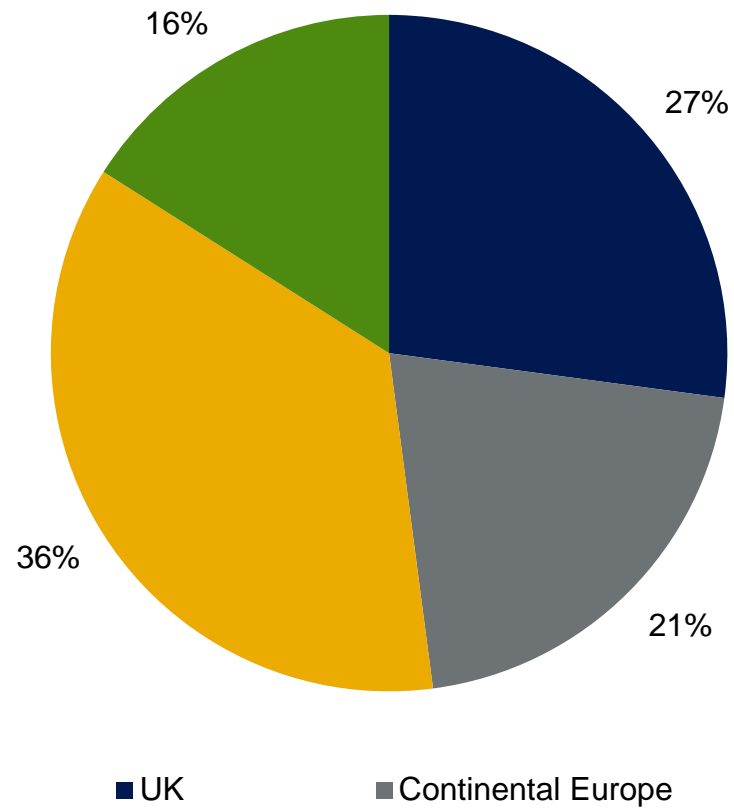
Intermediary AUM £68.3bn



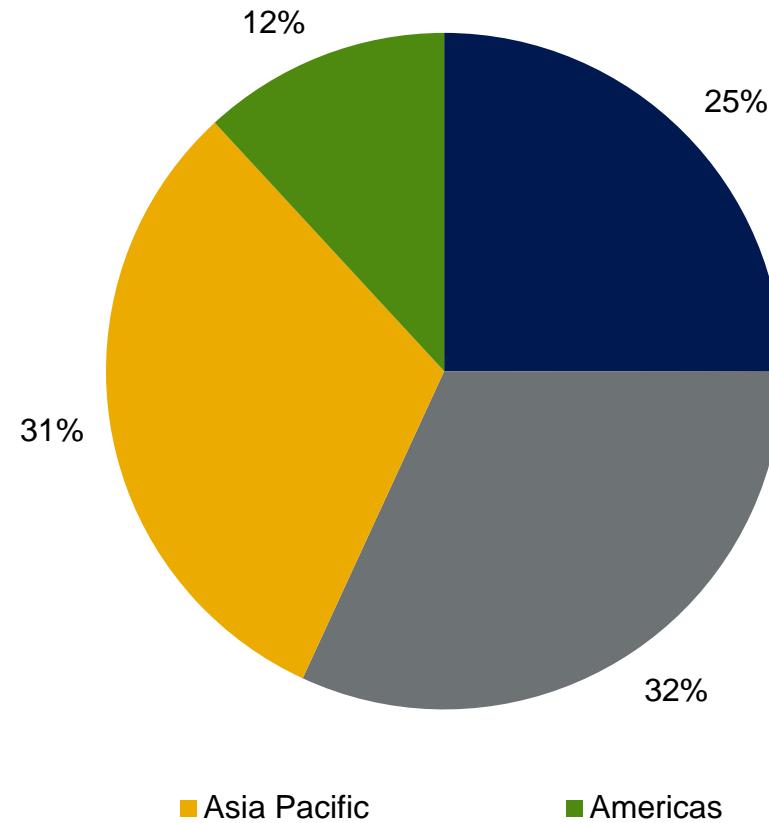
By client domicile

Asset Management AUM analysis

Equities AUM £89.3bn



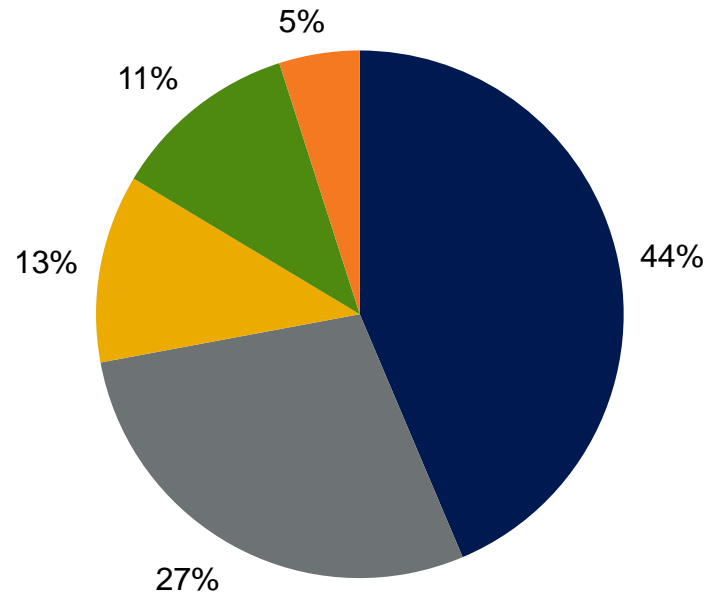
Fixed income AUM £35.5bn



By client domicile

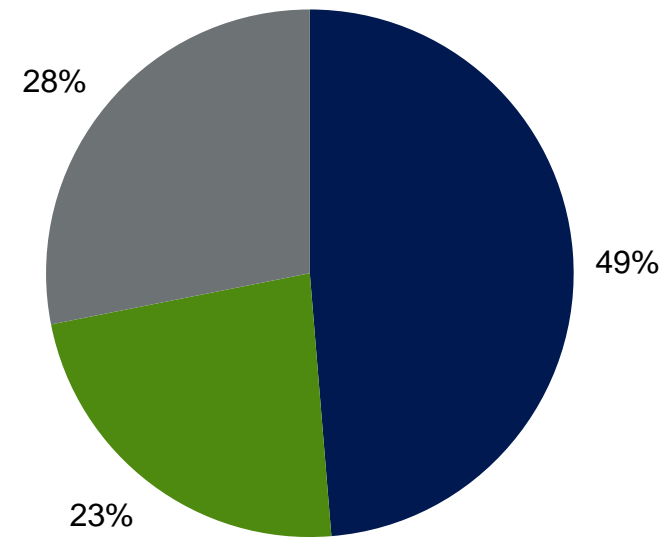
Asset Management AUM analysis

Alternatives AUM £21.8bn



- Property
- Commodities
- Emerging market debt
- Funds of hedge funds
- Private equity funds of funds

Multi-asset AUM £40.1bn



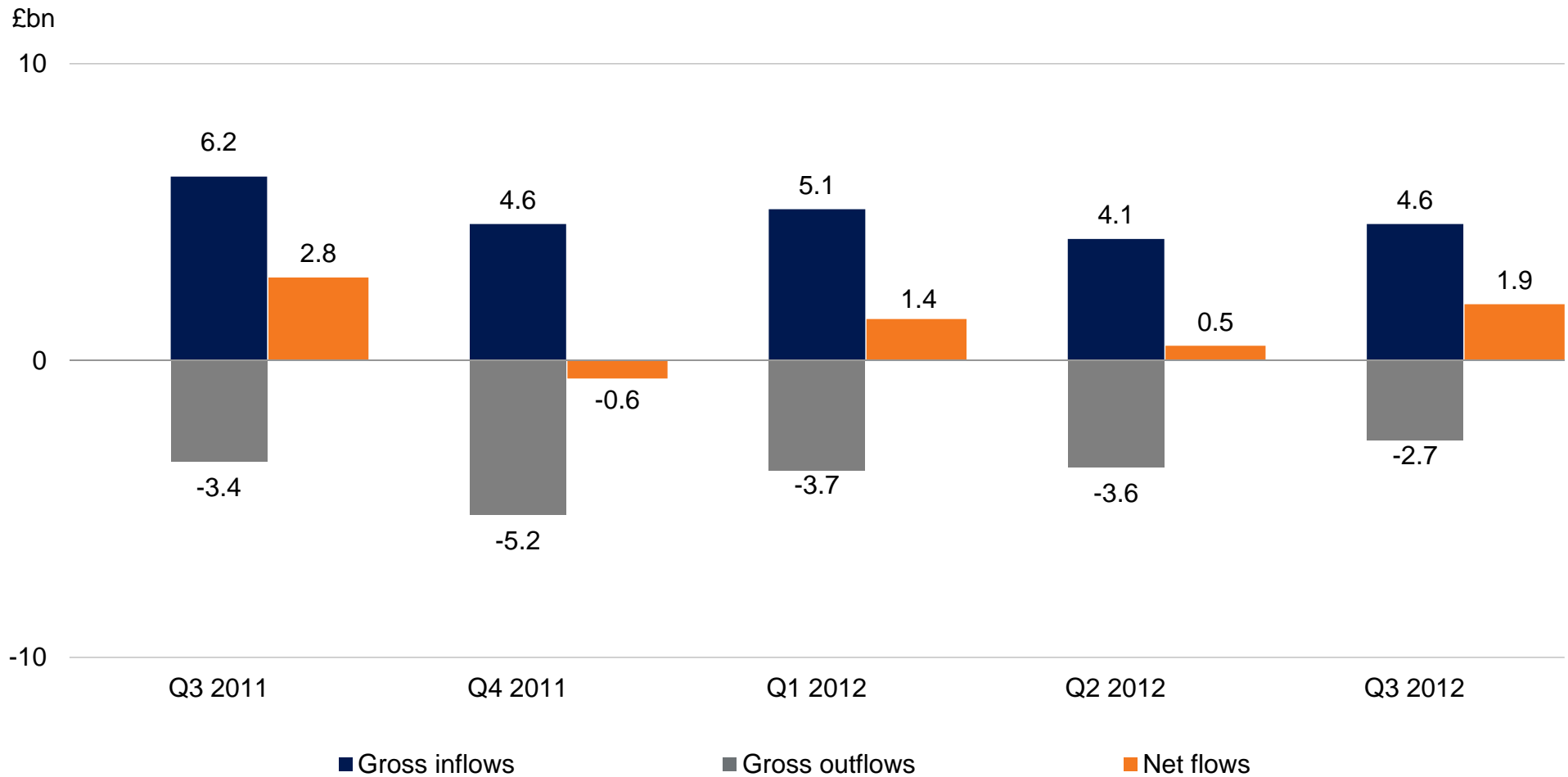
- UK & US multi-asset
- Liability-driven investment
- Other multi-asset

Asset Management business flows

£bn	Q2 2012			Q3 2012		
	Inflows	Outflows	Net	Inflows	Outflows	Net
Institutional	4.1	(3.6)	0.5	4.6	(2.7)	1.9
Intermediary	8.2	(7.5)	0.7	7.9	(7.1)	0.8
Total Asset Management	12.3	(11.1)	1.2	12.5	(9.8)	2.7

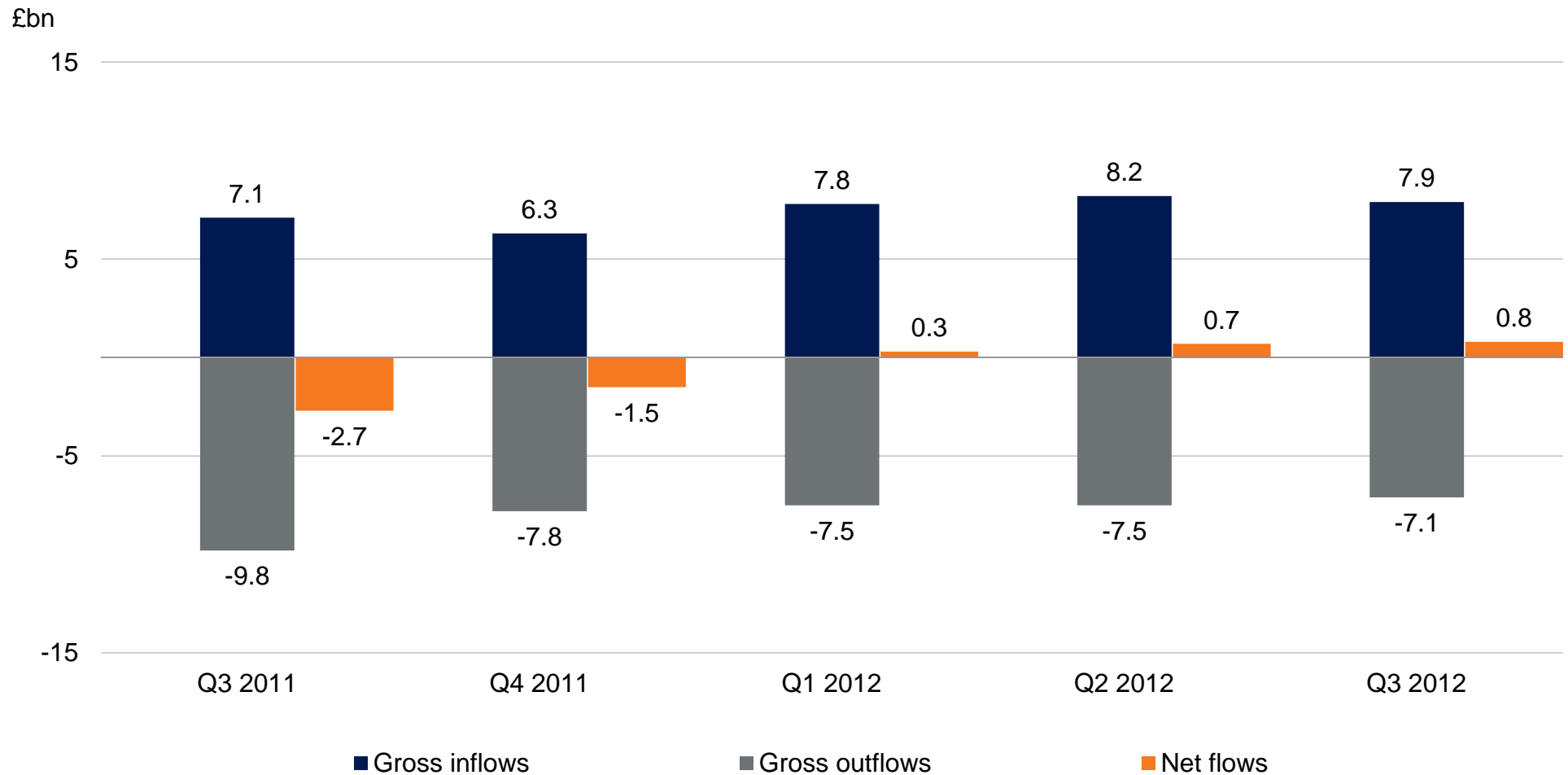
Institutional

Assets under management: £118.4bn (30 June 2012: £113.3bn)



Intermediary

Assets under management: £68.3bn (30 June 2012: £65.3bn)



Net revenue and margins – Asset Management

Asset Management net revenue £246.0 million (Q3 2011: £256.8 million)

	Q3 2011	Q3 2012
AM net revenue - £m	256.8	246.0
Average AM AUM – £bn	177.4	182.7
AM net revenue on average AM AUM	58bps	54bps
AM performance fees – £m	14.3	1.9
AM performance fees on average AM AUM	4bps	1bps
AM costs – £m	166.6	161.2
AM costs on average AM AUM	38bps	35bps
AM operating profit – £m	90.2	84.8
AM operating profit on average AM AUM	20bps	19bps

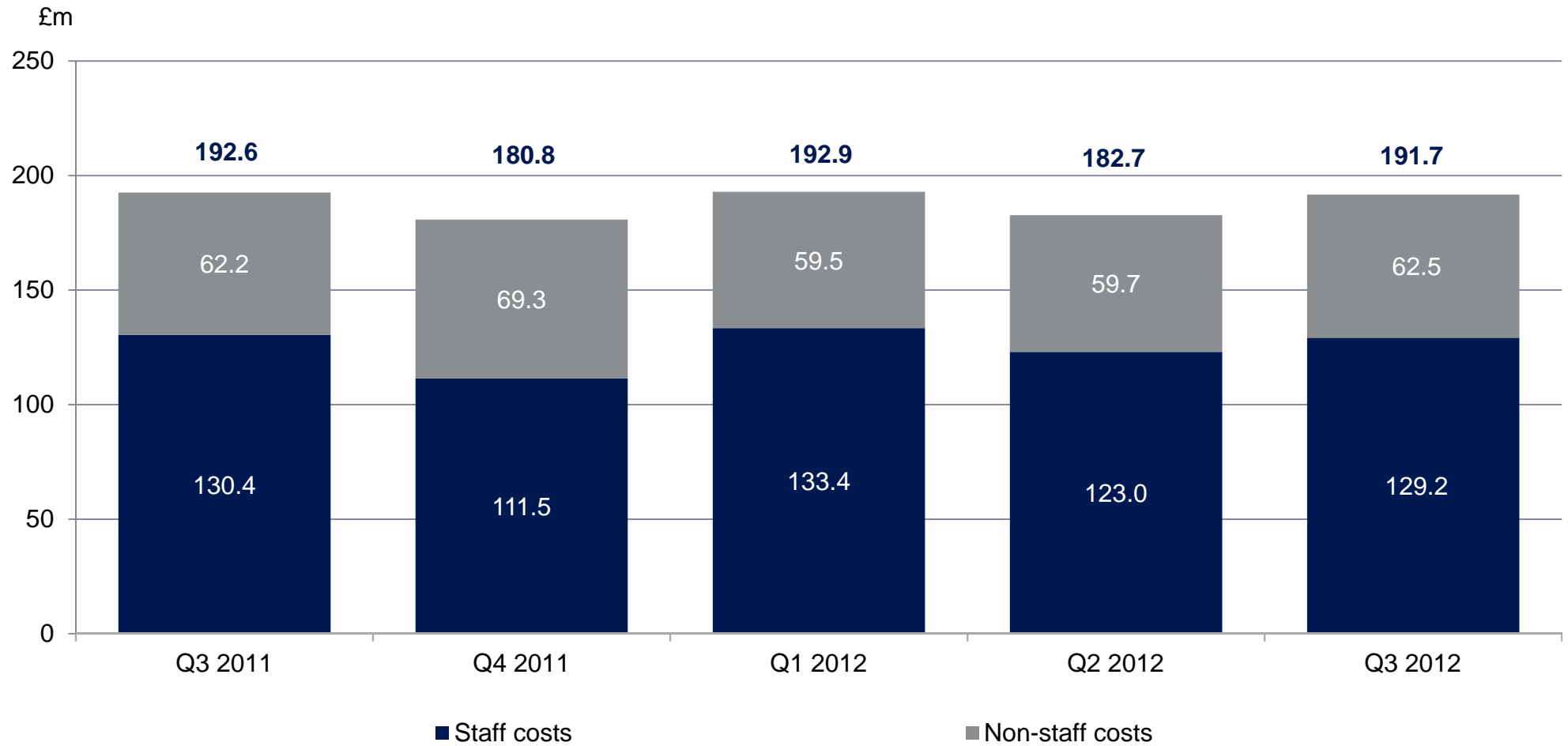
Income and cost metrics for the Group

	FY 2011	Q3 2011 YTD	Q3 2012 YTD
Compensation cost: operating revenue ratio	44%	45%	48%
Bonus: pre-bonus operating profit	39%	41%	38%
Cost: net revenue ratio	66%	66%	69%
Return on average capital (pre-tax)	22%	23%	18%
Return on average capital (post-tax)	17%	18%	14%

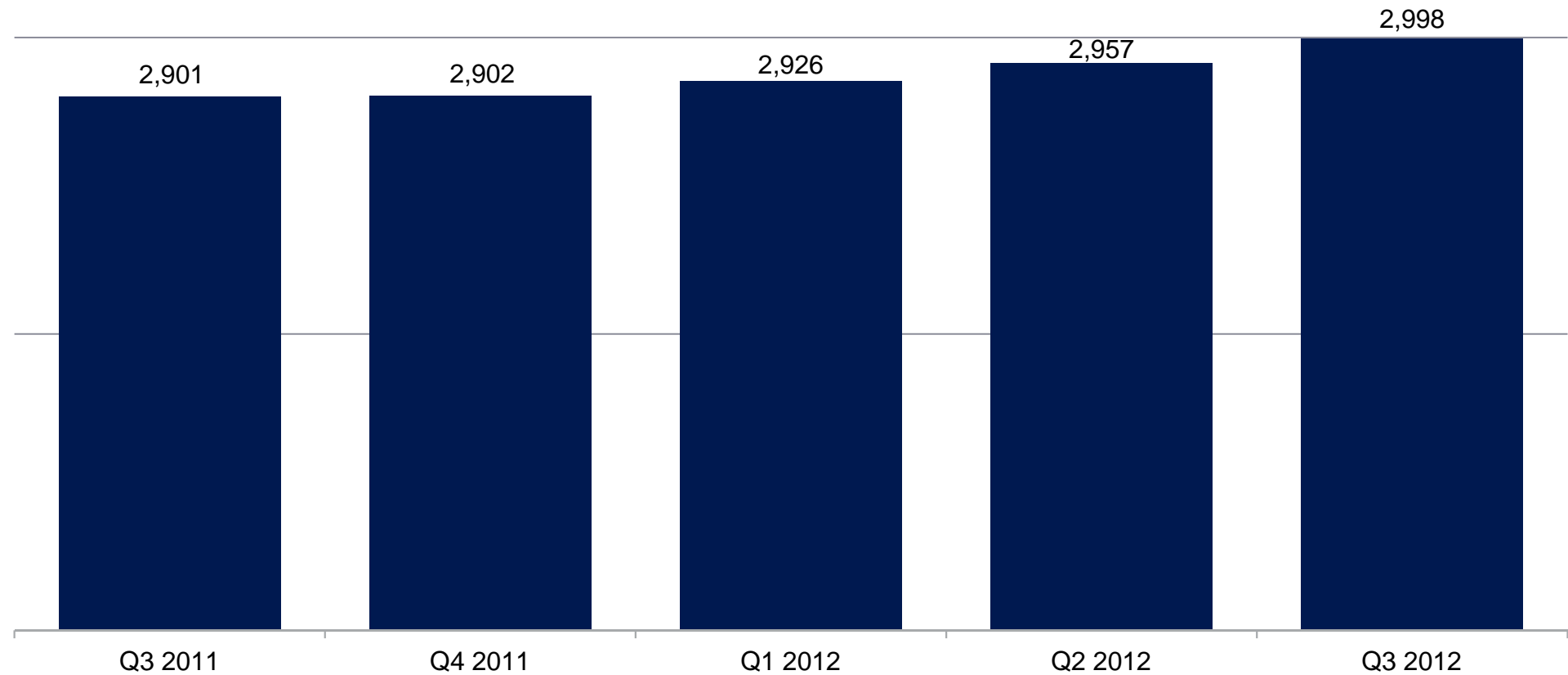
- Compensation cost: operating revenue = total Group compensation costs divided by Asset Management and Private Banking net revenues*
- Bonus: pre-bonus operating profit = total Group bonus divided by pre-bonus Asset Management and Private Banking profit before tax
- Cost: net revenue = total Group costs divided by net revenue
- Return on average capital (pre-tax) = total Group profit before tax divided by average capital
- Return on average capital (post-tax) = total Group profit after tax divided by average capital

* Adjusted by the Remuneration Committee for allowable and disallowable revenues

Total costs



Headcount



Income statement progression

Asset Management profit before tax

£m	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Institutional	109.4	118.4	120.0	113.0	117.1
Intermediary	147.4	131.7	130.8	127.2	128.9
Net revenue	256.8	250.1	250.8	240.2	246.0
Costs	(166.6)	(156.7)	(164.2)	(154.8)	(161.2)
JVs and associates	2.5	–	2.0	1.3	0.9
Net finance income/(charge)	–	0.2	–	(0.1)	0.1
Asset Management profit	92.7	93.6	88.6	86.6	85.8

Income statement progression

Private Banking profit before tax

£m	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Net revenue	29.3	27.0	27.1	25.5	24.6
Costs	(22.6)	(22.2)	(20.7)	(21.5)	(20.6)
Private Banking profit	6.7	4.8	6.4	4.0	4.0

Income statement progression

Group segment profit/(loss) before tax

£m	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
Net revenue	4.3	(8.1)	4.8	(4.4)	5.9
Costs	(3.4)	(1.9)	(8.0)	(6.4)	(9.9)
JVs and associates*	(1.8)	(1.1)	(0.1)	(0.4)	0.1
Net finance income	3.1	2.7	3.8	2.5	2.7
Group profit/(loss)	2.2	(8.4)	0.5	(8.7)	(1.2)

*Schroder Ventures Investments Limited only

Statement of financial position

Balance sheet

£m	30 Jun 2012	30 Sep 2012
Intangible assets including goodwill	141.9	139.4
Other non-current assets	711.5	711.6
Current assets	4,462.5	4,685.8
Assets backing unit-linked liabilities	9,193.7	9,435.2
Total assets	14,509.6	14,972.0
Non-current liabilities	439.4	414.6
Current liabilities	2,938.0	3,153.3
Unit-linked liabilities	9,193.7	9,435.2
Total liabilities	12,571.1	13,003.1
Net assets	1,938.5	1,968.9
Total equity*	1,938.5	1,968.9

*Includes non-controlling interests Sep 2012: £0.4m (Jun 2012: £0.4m)

Movement in capital

£m	2012
Opening balance	1,901.6
Profit before tax	266.0
Net fair value movement arising from AFS financial assets	8.9
Exchange differences on translation of foreign operations after hedging	(22.9)
Tax	(61.3)
Net share buy-backs	(41.4)
Dividends	(104.1)
Other transactions with owners	22.1
Closing balance	1,968.9

Forward-looking statements

These presentation slides may contain forward-looking statements with respect to the financial condition, results of operations, strategy and businesses of the Schroders Group.

These statements and forecasts involve risk and uncertainty because they are based on current expectations and assumptions but they relate to events and depend upon circumstances in the future and you should not place reliance on them. Without limitation, any statements preceded or followed by or that include the words 'targets', 'plans', 'believes', 'expect', 'aims', 'estimates' or 'anticipates' or the negative of these terms and other similar terms are intended to identify such forward-looking statements.

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