

Schroders plc

Interim management statement

10 November 2009

Schroders plc is today issuing an interim management statement covering the three months to 30 September 2009.

- **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 £138.9 billion (30 June 2009: £113.3 billion)**

Asset Management

Asset Management income for the quarter was £177.5 million (Q3 2008: £188.1 million), costs before exceptional items were £122.2 million (Q3 2008: £127.4 million) and profit before tax and exceptional items was £55.3 million (Q3 2008: £60.7 million). Exceptional charges were £1.3 million (Q3 2008: £1.6 million) relating to redundancies. For the first nine months, Asset Management profit before tax and exceptional items was £121.6 million (2008: £198.8 million).

Private Banking

Private Banking income for the quarter was £23.6 million (Q3 2008: £29.0 million), costs were £17.3 million (Q3 2008: £17.4 million) and profit before tax was £6.3 million (Q3 2008: £11.6 million). For the first nine months, Private Banking profit before tax and exceptional items was £21.2 million (2008: £33.9 million).

Group

The result for the Group segment for the quarter was a loss before tax and exceptional items of £3.8 million (Q3 2008: loss £0.8 million). Exceptional charges of £12.9 million comprised £3.7 million of surplus space

provisions and unrealised impairments of financial assets of £9.2 million. For the first nine months, the result for the Group segment before tax and exceptional items was a loss of £8.1 million (2008: profit £12.1 million).

Funds under management

Funds under management at 30 September 2009 increased to £138.9 billion (30 June 2009: £113.3 billion) with £7.0 billion of net inflows in the quarter across a broad range of products. Net inflows in Intermediary in the third quarter were £3.7 billion and £3.3 billion in Institutional.

For the nine months, net inflows were £6.2 billion in Intermediary and £2.4 billion in Institutional. Net inflows for the nine months in Private Banking were £0.1 billion. Overall, net inflows for the nine months were £8.7 billion. Net inflows have continued to be good since the quarter end.

Michael Dobson, Chief Executive, and Kevin Parry, Chief Financial Officer, will host a conference call for the investment community, to discuss the third quarter interim management statement at 9 am GMT on Tuesday, 10 November 2009. The conference call telephone number is 0800 694 1515 (International: +44 (0)1452 584 053), conference ID 36443535. For individuals unable to participate in the conference call, a telephone replay will be available until Wednesday 18 November 2009. Please telephone 0800 953 1533 (International: +44(0) 1452 550 000), conference ID 36443535#.

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Forward-looking statements

This interim management statement may contain forward-looking statements with respect to the financial condition, results of operations and businesses of Schroders plc. Such statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances 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 forward-looking statements and forecasts. The forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this interim management statement. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this interim management statement should be construed as a profit forecast.

Appendix – Additional information

Funds under management

£ billion	Institutional	Intermediary	Private Banking	Total
31 December 2008	59.6	38.9	11.7	110.2
Net flows	2.4	6.2	0.1	8.7
Market movements & other	10.8	8.9	0.3	20.0
30 September 2009	72.8	54.0	12.1	138.9

Group capital as at 30 September 2009

£ million	30 September 2009	30 June 2009	31 December 2008
Investment Capital:			
Cash and cash equivalents	70	62	310
Liquid debt securities	533	442	118
Fixed income: mortgage and asset backed securities	-	1	105
Third party hedge funds	23	32	53
Seed capital	106	136	214
Private equity	79	68	58
Property and other investments	26	30	41
Total Investment Capital	837	771	899
Private Banking:			
Cash and cash equivalents	888	841	662
Other net liabilities	(642)	(611)	(395)
Total Private Banking	246	230	267
Other Operational Capital:			
Cash and cash equivalents	299	261	95
Liquid debt securities	115	75	235
Other net assets	60	160	136
Total other Operational Capital	474	496	466
Total Group Capital	1,557	1,497	1,632

Liquid debt securities include bank CDs and deposits.

Schroders plc
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