Revenue growth with cost discipline
Leading to increased profits

- Pre-exceptional profit up 23%
- Total cost ratio improved to 63%
- Positive net new business
- Interim dividend of 34.0 pence

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2016</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income (£m)</td>
<td>974.4</td>
<td>834.0</td>
<td>17%</td>
</tr>
<tr>
<td>Pre-exceptional PBT (£m)</td>
<td>361.5</td>
<td>293.7</td>
<td>23%</td>
</tr>
<tr>
<td>AUMA (£bn)</td>
<td>418.2</td>
<td>343.8</td>
<td>22%</td>
</tr>
<tr>
<td>Total cost ratio*</td>
<td>63%</td>
<td>65%</td>
<td>-</td>
</tr>
<tr>
<td>EPS** (p)</td>
<td>103.5</td>
<td>84.5</td>
<td>22%</td>
</tr>
<tr>
<td>DPS (p)</td>
<td>34.0</td>
<td>29.0</td>
<td>17%</td>
</tr>
</tbody>
</table>

*Total Group costs before exceptional items divided by net income before exceptional items.

**Basic earnings per share before exceptional items.
Net new business by channel
Flows led by Institutional demand

* Excludes Friends Life mandate win of £12bn in December 2014
Net new business by channel
Flows led by Institutional and branded funds

- Strong branded fund flows
- Significant redemption of US Multi-asset sub-advised mandate
- Improvement in Wealth Management flows
Net new business by asset class

Continued Fixed Income demand

- Continued demand for Fixed Income across both channels
- Multi-asset £4.3bn NNB excluding sub-advised
- Return for Intermediary equity demand

* Excludes Friends Life mandate win of £12bn in December 2014
Net new business by region
Global diversification proves resilient

Strong UK performance

Continued mixed picture in Asia Pacific
- Japan net inflows
- Australia net outflows

Strong European Intermediary

* Excludes Friends Life mandate win of £12bn in December 2014
North America
Underlying momentum in area of strategic importance

- Turnaround in underlying flows
- Continued Institutional growth
- Momentum with Hartford Schroder range in Intermediary Branded

£bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Institutional</th>
<th>Intermediary branded</th>
<th>Intermediary sub-advised</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>(1)</td>
<td>(1)</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>(2)</td>
<td>(2)</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>(3)</td>
<td>(3)</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>(4)</td>
<td>(4)</td>
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<tr>
<td>2016</td>
<td>(5)</td>
<td>(5)</td>
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<tr>
<td>H1 2017</td>
<td>(6)</td>
<td>(6)</td>
<td></td>
</tr>
</tbody>
</table>

2017 Half-year results | July 2017
North America
Strong inflows in Institutional and Intermediary Branded

- £2.0bn of net new business (excluding sub-advised outflow)
- Institutional inflows diversified by asset class
- Equity demand in Intermediary

£bn
1.4
1.2
1.0
0.8
0.6
0.4
0.2
(0.2)

<table>
<thead>
<tr>
<th>£bn</th>
<th>Institutional</th>
<th>Intermediary Branded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-asset</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMD, Comms and RE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Equities | Fixed Income | Multi-asset | EMD, Comms and RE
Building out Private Assets
Including strategic Adveq acquisition

- New head of Private Assets
- $20bn in Private Assets

Adveq acquisition:
- Specialises in Global SME buyouts
- High quality client base
- Good fee margins and longevity
- Commitments of over $7bn
- Expected to complete in the near future
Profit before tax and exceptional items up 23% to £361.5m

£m

Profit before tax and exceptional items
293.7

Net income
140.4

Net income
10

Compensation costs
(53.5)

Compensation costs
(53.5)

Non-compensation costs
(19.1)

Non-compensation costs
(19.1)

Profit before tax and exceptional items
361.5

Profit before tax and exceptional items
361.5

Tax
(76.0)

Tax
(76.0)

Exceptional items
(15.6)

Exceptional items
(15.6)

Profit after tax and before exceptional items
285.5

Profit after tax and before exceptional items
285.5

Profit after tax
and exceptional items
269.9

Profit after tax
and exceptional items
269.9

Asset Management
257.6

Asset Management
310.6

Wealth Management
45.5

Wealth Management
32.4

Group segment
3.7

Group segment
5.4

H1 - 16

H1 - 17

H1 - 17

H1 - 17

2017 Half-year results | July 2017
Net income

Net income up 17% to £974m

£m

Net operating revenue
+ £145m

Acquisitions
17

Markets and FX
131

Net new business
(9)

Performance fees
6

Other income
(5)

Net income
974

Wealth Management
134

Asset Management
820

Group segment
18

Group segment
20

H1 - 16

H1 - 17

Net income
834

Wealth Management
107

Asset Management
709

11
Institutional net operating revenue

Average AUM up £45 billion from H1 2016

Net operating revenue margin excluding performance fees 31bps (FY 2016: 32bps)

Closing AUM at record high of £238.6 billion
Intermediary net operating revenue

Average AUM up £23 billion from H1 2016

Net operating revenue margin excluding performance fees 71bps (FY 2016: 73bps)

Closing AUM at record high of £124.7 billion
Wealth Management net operating revenue

- Net banking interest up 7% from H1 2016
- Net operating revenue margin excluding performance fees 62bps (FY 2016: 65bps)
- Closing AUM at record high of £43.6 billion
Operating expenses
Total cost ratio 63%

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceptional items</td>
<td></td>
<td>16.3</td>
</tr>
<tr>
<td>Non-compensation costs</td>
<td>165.5</td>
<td>184.6</td>
</tr>
<tr>
<td>Compensation costs</td>
<td>374.8</td>
<td>428.3</td>
</tr>
<tr>
<td>Total cost ratio</td>
<td>550.3</td>
<td>629.2</td>
</tr>
<tr>
<td>Total compensation ratio</td>
<td>10.0</td>
<td>16.3</td>
</tr>
<tr>
<td>Total compensation ratio</td>
<td>45%</td>
<td>44%</td>
</tr>
<tr>
<td>Total cost ratio</td>
<td>65%</td>
<td>63%</td>
</tr>
</tbody>
</table>
Group Capital
Increase of £57m as at 30 June 2017

*Comprises co-investment funds and private equity
**Comprises goodwill, intangible assets, pension scheme surplus, other associates and joint ventures and deferred tax
Summary

Strong results reflecting good cost discipline

- Net income up 17% to £974m
- Total cost ratio down to 63%
- Profit before tax and exceptional items up 23% to £361.5m
- EPS up 22% to 103.5 pence
- Interim dividend up 17% to 34 pence
Schroders investor day

- Tuesday 3rd October
- Deep dive into areas of strategic future growth
- Presentations from wider senior management team
Outlook

- Industry headwinds, but opportunities for growth
- Demonstrating ability and willingness to invest
- Maintaining strong cost discipline
Forward looking statement

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