Nothing in this presentation should be construed as a forecast, estimate or projection of future financial performance.
## Assets under management and administration (AUMA)

£418.2 billion at 30 June 2017

<table>
<thead>
<tr>
<th>£bn</th>
<th>Institutional</th>
<th>Intermediary</th>
<th>Asset Management</th>
<th>Wealth Management&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Total AUM</th>
<th>AUA</th>
<th>AUMA&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 January 2017</td>
<td>226.3</td>
<td>120.1</td>
<td>346.4</td>
<td>39.6</td>
<td>386.0</td>
<td>11.1</td>
<td>397.1</td>
</tr>
<tr>
<td>Net flows</td>
<td>1.4</td>
<td>(1.2)</td>
<td>0.2</td>
<td>0.6</td>
<td>0.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions&lt;sup&gt;3&lt;/sup&gt;</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.5</td>
<td>2.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment returns</td>
<td>10.9</td>
<td>5.8</td>
<td>16.7</td>
<td>0.9</td>
<td>17.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 June 2017</td>
<td>238.6</td>
<td>124.7</td>
<td>363.3</td>
<td>43.6</td>
<td>406.9</td>
<td>11.3</td>
<td>418.2</td>
</tr>
</tbody>
</table>

<sup>1</sup> Wealth Management flows exclude income drawdowns which are now included within investment returns.

<sup>2</sup> Assets under management and administration comprise assets managed or advised on behalf of clients (Assets Under Management) and assets where Schroders solely provides administrative support through the Benchmark Capital business (assets under administration or AUA).

<sup>3</sup> Wealth Management acquisition relates to the purchase of the wealth management business of C. Hoare & Co.
Regional diversification of AUM*
65% of net operating revenues earned outside UK

* By client domicile.
**A further £11.3bn of assets under administration are located in the UK.
Net flows
Half-yearly

<table>
<thead>
<tr>
<th></th>
<th>H1 2015</th>
<th>H2 2015</th>
<th>H1 2016</th>
<th>H2 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-asset</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emerging</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Debt,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commodities &amp; Real Estate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wealth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

£bn

H1 2015: 8.8
H2 2015: 4.2
H1 2016: 1.0
H2 2016: 0.1
H1 2017: 0.8
Currency profile of AUM
Assets under management £406.9 billion

* USD includes other currencies pegged to USD, including HKD.
** Includes the following currencies which individually constitute 1% of AUM: IDR, INR, SGD, BRL, CAD, SEK, RUB
Currency profile of Asset Management AUM
Assets Management AUM £363.3 billion

Institutional £238.6bn

- USD*: 33%
- GBP: 24%
- EUR: 10%
- AUD: 6%
- CNY: 5%
- JPY: 5%
- KRW: 3%
- TWD: 2%
- CHF: 2%
- Other: 10%

Intermediary £124.7bn

- USD*: 32%
- EUR: 18%
- GBP: 16%
- JPY: 7%
- CNY: 5%
- AUD: 4%
- IDR: 2%
- TWD: 2%
- SGD: 2%
- KRW: 2%
- CHF: 2%
- Other: 8%

* USD includes other currencies pegged to USD, including HKD.

Schroders
Total AUM by channel, region and product
Assets under management £406.9 billion

By channel
- Institutional: 58%
- Intermediary: 31%
- Wealth Management: 11%

By region*
- UK: 41%
- Continental Europe, Middle East & Africa: 24%
- Asia Pacific: 21%
- Americas: 11%

By product
- Equities: 44%
- Fixed Income: 20%
- Multi-asset: 15%
- Emerging Market Debt, Commodities & Real Estate: 9%
- Wealth Management: 20%

* By client domicile.
Asset Management AUM by channel and product

Assets under management £363.3 billion

Institutional AUM £238.6bn
- Equities: 32%
- Fixed Income: 22%
- Multi-asset: 41%
- Emerging Market Debt, Commodities & Real Estate: 5%

Intermediary AUM £124.7bn
- Equities: 56%
- Fixed Income: 25%
- Multi-asset: 17%
- Emerging Market Debt, Commodities & Real Estate: 2%
Asset Management AUM by channel and region*

Assets under management £363.3 billion

Institutional AUM £238.6bn

- UK: 19%
- Continental Europe, Middle East & Africa: 27%
- Americas: 39%
- Others: 15%

Intermediary AUM £124.7bn

- Asia Pacific: 27%
- Americas: 37%
- Others: 26%

* By client domicile.
Asset Management AUM – detailed asset class analysis
Assets under management £363.3 billion

Equities £166.8bn
- Asia Pacific: 19%
- Quantitative equities: 15%
- Global: 14%
- Emerging markets: 13%
- Europe: 12%
- UK: 11%
- Japan: 6%
- US: 5%
- Australia: 4%
- Other: 1%
- US: 30%
- Europe: 21%
- Global: 19%
- Asia Pacific: 19%
- UK: 17%
- Securitised Credit: 6%
- Australia: 4%
- Insurance-linked: 2%
- Convertibles: 2%
- Emerging market bonds: 2%
- Infrastructure Finance: 1%

Fixed Income £84.0bn
- Risk controlled growth: 35%
- LDI: 25%
- UK traditional balanced: 19%
- Income: 16%
- Inflation protection: 10%
- Risk mitigation: 5%
- GAIA: 5%
- Wealth preservation: 3%

Multi-asset £97.4bn
- Real estate: 74%
- Emerging market debt: 16%
- Agriculture and commodities: 7%
- Private equity: 3%
- Emerging Market Debt, Commodities and Real Estate £15.1bn

Emerging Market Debt, Commodities and Real Estate £15.1bn
Intermediary AUM – detailed asset class analysis
Assets under management £124.7 billion

Equities £69.1bn
- Asia Pacific: 24%
- Europe: 16%
- UK: 14%
- Japan: 9%
- US: 9%
- Global: 9%
- Emerging markets: 8%
- Quantitative equities: 5%
- Australia: 3%
- Other: 3%

Fixed Income £31.3bn
- Europe: 36%
- Global: 22%
- Securitised Credit: 10%
- Asia Pacific: 8%
- Australia: 6%
- US: 6%
- Convertibles: 3%
- Insurance-linked: 3%
- UK: 3%
- Emerging market bonds: 3%

Multi-asset £21.4bn
- Income: 44%
- Risk controlled growth: 31%
- GAIA: 14%
- Risk mitigation: 6%
- Inflation protection: 5%

Emerging Market Debt, Commodities and Real Estate £2.9bn
- Real estate: 51%
- Emerging market debt: 34%
- Agriculture and commodities: 14%
- Private equity: 1%
Institutional
Assets under management £238.6 billion

![Bar chart showing gross inflows, gross outflows, and net flows for different periods (H1 2015, H2 2015, H1 2016, H2 2016, H1 2017)]
Intermediary
Assets under management £124.7 billion

<table>
<thead>
<tr>
<th></th>
<th>H1 2015</th>
<th>H2 2015</th>
<th>H1 2016</th>
<th>H2 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross inflows</td>
<td>28.6</td>
<td>18.0</td>
<td>18.8</td>
<td>24.6</td>
<td>29.0</td>
</tr>
<tr>
<td>Gross outflows</td>
<td>(23.8)</td>
<td>(18.5)</td>
<td>(22.1)</td>
<td>(24.2)</td>
<td>(30.2)</td>
</tr>
<tr>
<td>Net flows</td>
<td>4.8</td>
<td>(0.5)</td>
<td>(3.3)</td>
<td>0.4</td>
<td>(1.2)</td>
</tr>
</tbody>
</table>
## Net operating revenue and margins – Asset Management

**Asset Management net operating revenue £809.3 million**

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance fees - £m</strong></td>
<td>38.8</td>
<td>6.4</td>
<td>13.2</td>
</tr>
<tr>
<td><strong>Performance fees on average AUM</strong></td>
<td>1 bps</td>
<td>0 bps</td>
<td>1 bps</td>
</tr>
<tr>
<td><strong>Net operating revenue (ex performance fees) - £m</strong></td>
<td>1,450.7</td>
<td>681.4</td>
<td>796.1</td>
</tr>
<tr>
<td><strong>Net operating revenue (ex performance fees) on average AUM</strong></td>
<td>46 bps</td>
<td>47 bps</td>
<td>45 bps</td>
</tr>
<tr>
<td><em><em>Net income</em> - £m</em>*</td>
<td>1,534.4</td>
<td>708.9</td>
<td>820.0</td>
</tr>
<tr>
<td><em><em>Operating expenses</em> - £m</em>*</td>
<td>962.0</td>
<td>451.3</td>
<td>509.4</td>
</tr>
<tr>
<td><em><em>Profit before tax</em> - £m</em>*</td>
<td>572.4</td>
<td>257.6</td>
<td>310.6</td>
</tr>
</tbody>
</table>

* Excludes exceptional items.
## Income statement progression
### Asset Management profit before tax

<table>
<thead>
<tr>
<th>£m</th>
<th>H1 2015</th>
<th>H2 2015</th>
<th>H1 2016</th>
<th>H2 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institutional</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net operating revenue</td>
<td>309.0</td>
<td>319.7</td>
<td>316.1</td>
<td>376.4</td>
<td>372.8</td>
</tr>
<tr>
<td>Net gains/(losses) on financial instruments and other income</td>
<td>2.5</td>
<td>3.8</td>
<td>12.6</td>
<td>15.6</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Share of profit of associates and joint ventures</td>
<td>6.7</td>
<td>6.1</td>
<td>8.5</td>
<td>8.2</td>
<td>12.0</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>702.1</td>
<td>710.4</td>
<td>708.9</td>
<td>825.5</td>
<td>820.0</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(431.1)</td>
<td>(440.9)</td>
<td>(451.3)</td>
<td>(510.7)</td>
<td>(509.4)</td>
</tr>
<tr>
<td><strong>Asset Management profit before exceptional items</strong></td>
<td>271.0</td>
<td>269.5</td>
<td>257.6</td>
<td>314.8</td>
<td>310.6</td>
</tr>
<tr>
<td><strong>Exceptional items</strong></td>
<td>(6.0)</td>
<td>(6.1)</td>
<td>(8.5)</td>
<td>(10.0)</td>
<td>(9.6)</td>
</tr>
<tr>
<td><strong>Asset Management profit after exceptional items</strong></td>
<td>265.0</td>
<td>263.4</td>
<td>249.1</td>
<td>304.8</td>
<td>301.0</td>
</tr>
<tr>
<td>£m</td>
<td>H1 2015</td>
<td>H2 2015</td>
<td>H1 2016</td>
<td>H2 2016</td>
<td>H1 2017</td>
</tr>
<tr>
<td>-----------------------------------------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Net operating revenue</td>
<td>105.7</td>
<td>101.6</td>
<td>107.1</td>
<td>116.2</td>
<td>130.8</td>
</tr>
<tr>
<td>Net (losses)/gains on financial instruments and other income</td>
<td>(0.2)</td>
<td>0.1</td>
<td>0.1</td>
<td>0.6</td>
<td>2.9</td>
</tr>
<tr>
<td>Net income</td>
<td>105.5</td>
<td>101.7</td>
<td>107.2</td>
<td>116.8</td>
<td>133.7</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(75.5)</td>
<td>(70.4)</td>
<td>(74.8)</td>
<td>(82.8)</td>
<td>(88.2)</td>
</tr>
<tr>
<td>Wealth Management profit before exceptional items</td>
<td>30.0</td>
<td>31.3</td>
<td>32.4</td>
<td>34.0</td>
<td>45.5</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>(4.0)</td>
<td>3.2</td>
<td>(4.0)</td>
<td>(6.1)</td>
<td>(9.1)</td>
</tr>
<tr>
<td>Wealth Management profit after exceptional items</td>
<td>26.0</td>
<td>34.5</td>
<td>28.4</td>
<td>27.9</td>
<td>36.4</td>
</tr>
</tbody>
</table>
## Income statement progression

### Group segment (loss)/profit before tax

<table>
<thead>
<tr>
<th>£m</th>
<th>H1 2015</th>
<th>H2 2015</th>
<th>H1 2016</th>
<th>H2 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net gains on financial instruments and other income</td>
<td>11.9</td>
<td>18.2</td>
<td>14.3</td>
<td>15.6</td>
<td>18.6</td>
</tr>
<tr>
<td>Share of profit of associates*</td>
<td>6.9</td>
<td>1.8</td>
<td>3.6</td>
<td>1.2</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>18.8</td>
<td>20.0</td>
<td>17.9</td>
<td>16.8</td>
<td>20.7</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(14.1)</td>
<td>(16.8)</td>
<td>(14.2)</td>
<td>(14.6)</td>
<td>(15.3)</td>
</tr>
<tr>
<td><strong>Group profit before exceptional items</strong></td>
<td>4.7</td>
<td>3.2</td>
<td>3.7</td>
<td>2.2</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>Exceptional items</strong></td>
<td>(5.4)</td>
<td>(2.4)</td>
<td>1.1</td>
<td>0.9</td>
<td>-</td>
</tr>
<tr>
<td><strong>Group (loss)/profit after exceptional items</strong></td>
<td>(0.7)</td>
<td>0.8</td>
<td>4.8</td>
<td>3.1</td>
<td>5.4</td>
</tr>
</tbody>
</table>

* Comprises RWC Partners Limited and Schroder Ventures Investments Limited associates.
**Total Schroders Group costs**

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total compensation ratio*</td>
<td>44%</td>
<td>45%</td>
<td>44%</td>
</tr>
<tr>
<td>Headcount</td>
<td>4,145</td>
<td>3,866</td>
<td>4,299</td>
</tr>
<tr>
<td>Total costs (£m)*</td>
<td>1,148.4</td>
<td>540.3</td>
<td>612.9</td>
</tr>
<tr>
<td>Total cost ratio*</td>
<td>64%</td>
<td>65%</td>
<td>63%</td>
</tr>
<tr>
<td>Return on average capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(pre-tax)*</td>
<td>22%</td>
<td>21%</td>
<td>23%</td>
</tr>
<tr>
<td>Return on average capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(post-tax)*</td>
<td>17%</td>
<td>16%</td>
<td>18%</td>
</tr>
</tbody>
</table>

- **Total compensation ratio**
  - compensation costs divided by net income

- **Total cost ratio**
  - costs divided by net income

- **Return on average capital (pre-tax)**
  - profit before tax divided by average capital

- **Return on average capital (post-tax)**
  - profit after tax divided by average capital

* Excludes exceptional items.

** Costs and income are subject to adjustments by the remuneration committee.
Group Capital (£m)
Increase of £57m in the six months ended 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.

![Bar chart showing capital allocation and surplus capital for 2016 and H1 2017.](chart.png)