

Schroders plc

Trading update

30 October 2007

Schroders plc is today issuing a trading update for the three months to 30 September 2007.

- **Continued growth in higher margin business across Retail and Institutional channels**
- **Third quarter profit before tax up 53 per cent. to £98.1 million (Q3 2006: £64.0 million)**
- **Profit before tax for the first nine months of 2007 up 45 per cent. to £283.7 million (2006: £196.3 million)**

Asset Management

Asset Management revenues for the quarter were £198.8 million (Q3 2006: £157.2 million), costs were £131.6 million (Q3 2006: £108.9 million) and profit before tax was up 39 per cent. to £67.2 million (Q3 2006: £48.3 million). For the first nine months, Asset Management profit before tax was up 31 per cent. to £190.4 million (2006: £145.1 million).

Private Banking

Private Banking revenues for the quarter were £27.3 million (Q3 2006: £23.4 million), costs were £16.0 million (Q3 2006: £16.5 million) and profit before tax was up 64 per cent. to £11.3 million (Q3 2006: £6.9 million). For the first nine months, Private Banking profit before tax was up 50 per cent. to £27.2 million (2006: £18.1 million).

Private Equity and Group

Profit before tax from Private Equity was £20.2 million (Q3 2006: £6.2 million). For the first nine months, profit before tax from Private Equity was £56.4 million (2006: £23.9 million). There was a loss before tax in Group of £0.6 million in the third quarter (Q3 2006: £2.6 million profit), bringing profit before tax in Group for the first nine months to £9.7 million (2006: £9.2 million).

Funds under Management

Funds under management at the end of September 2007 were £137.7 billion (end June 2007: £137.6 billion) with net inflows in the quarter of £1.5 billion in Retail and £0.1 billion in Private Banking. Net outflows were £2.9 billion in Institutional, principally in UK balanced and Asian equity mandates, but Institutional revenues have continued to grow reflecting our focus on higher margin products.

Schroders plc
Registered office at:
31 Gresham Street, London EC2V 7QA
Registered Number 3909886 England

Michael Dobson, Chief Executive; and Stephen Brooks, Chief Financial Officer; will host a conference call for the investment community, to discuss the third quarter trading update at 9am GMT on Tuesday, 30 October 2007. The conference call telephone number is 0845 245 5000 (International: +44 (0)1452 562 716), conference ID 22213327.

For individuals unable to participate in the conference call, a telephone replay will be available until Tuesday 6 November 2007. Please telephone 0845 245 5205 (International: +44(0) 1452 550 000), conference ID 22213327#.

For further information please contact:

Emma Tovey - Head of Corporate Communications

+44 20 7658 2329

emma.tovey@schroders.com

Forward-looking statements

This trading update may contain forward-looking statements with respect to the financial condition, results, operations and businesses of Schroders plc. Such statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that will occur 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. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this 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 trading update should be construed as a profit forecast.