

Schroders plc

Interim management statement

5 May 2011

Schroders plc today issues its interim management statement covering the three months to 31 March 2011.

- **Profit before tax £103.8 million (Q1 2010: £93.2 million)**
- **Net inflows £3.1 billion**
- **Total funds under management £201.4 billion (31 December 2010: £196.7 billion)**

Asset Management

Asset Management net revenue for the quarter increased to £261.2 million (Q1 2010: £244.8 million) including performance fees of £7.8 million (Q1 2010: £27.2 million). Profit before tax was £97.3 million (Q1 2010: £88.9 million). Net inflows totalled £3.0 billion, comprising £2.8 billion in Institutional and £0.2 billion in Intermediary. Funds under management at the end of March were £185.0 billion (31 December 2010: £180.5 billion).

Private Banking

Private Banking net revenue increased to £30.1 million (Q1 2010: £24.3 million). Profit before tax was £6.7 million (Q1 2010: £1.3 million). Net inflows of £0.1 billion took funds under management to £16.4 billion (31 December 2010: £16.2 billion).

Group segment

The loss before tax in the Group segment was £0.2 million (Q1 2010 profit: £3.0 million) reflecting lower returns on investment capital. Total equity increased to £1.84 billion (31 December 2010: £1.80 billion).

Outlook

Intermediary flows have slowed, reflecting the impact of market volatility on retail investor demand, although we continue to see good opportunities in Institutional.

Michael Dobson, Chief Executive, and Kevin Parry, Chief Financial Officer, will host a conference call for the investment community, to discuss the first quarter interim management statement at 9am BST on Thursday, 5 May 2011.

The conference call telephone number is 0800 694 1515 (International: +44 (0)1452 584 053), conference ID 65381221. For individuals unable to participate in the conference call, a telephone replay will be available until Wednesday 11 May 2011. Please telephone 0800 953 1533 (International: +44(0) 1452 550 000), conference ID 65381221#.

For further information please contact:

Schroders

Emma Holden - Head of Corporate Communications

+44 20 7658 2329

emma.holden@schroders.com

Maitland

William Clutterbuck

+44 20 7379 5151

wclutterbuck@maitland.co.uk

Forward-looking statements

This interim management statement may contain certain forward-looking statements with respect to the financial condition, results of operations 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. Without limitation, any statements preceded or followed by or that include the words 'targets', 'plans', 'believes', 'expects', 'aims', or 'anticipates' or the negative of these terms and other similar terms are intended to identify such forward looking statements. 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 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

Funds under management

	Institutional £bn	Intermediary £bn	Private Banking £bn	Total £bn
31 December 2010	106.4	74.1	16.2	196.7
Net flows	2.8	0.2	0.1	3.1
Investment returns	0.8	0.7	0.1	1.6
31 March 2011	110.0	75.0	16.4	201.4

Financial information

	Asset Management £m	Private Banking £m	Group £m	Inter-segment eliminations and adjustments £m	Total £m
Q1 2011					
Net revenue	261.2	30.1	(0.7)	1.4	292.0
Operating expenses	(165.3)	(23.4)	(3.4)	(1.4)	(193.5)
Operating profit/(loss)	95.9	6.7	(4.1)	-	98.5
Net finance (charges)/income	(0.2)	-	4.5	-	4.3
Share of profit/(loss) of associates and joint ventures	1.6	-	(0.6)	-	1.0
Profit/(loss) before tax	97.3	6.7	(0.2)	-	103.8

	Asset Management £m	Private Banking £m	Group £m	Inter-segment eliminations and adjustments £m	Total £m
Q1 2010					
Net revenue	244.8	24.3	5.0	1.4	275.5
Operating expenses	(160.1)	(23.0)	(6.6)	(1.4)	(191.1)
Operating profit/(loss)	84.7	1.3	(1.6)	-	84.4
Net finance income	0.9	-	1.1	-	2.0
Share of profit of associates and joint ventures	3.3	-	3.5	-	6.8
Profit before tax	88.9	1.3	3.0	-	93.2

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