

Schroder International Selection Fund

Global Bond

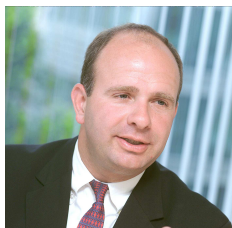
A Accumulation Share Class

Investment Objective, Policy and Risk

To provide a return of capital growth and income primarily through investment in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide, with a maximum of 20 % of the net assets of the Fund being invested in securities with a credit rating below investment grade (as measured by Standard & Poor's or any equivalent grade of other credit rating agencies).

The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Investments in debt securities are primarily subject to interest rate, credit and default risks and, potentially, to currency exchange rate risk. This fund may use financial derivative instruments as a part of the investment process. This may increase the fund's price volatility by amplifying market events.

Fund Overview



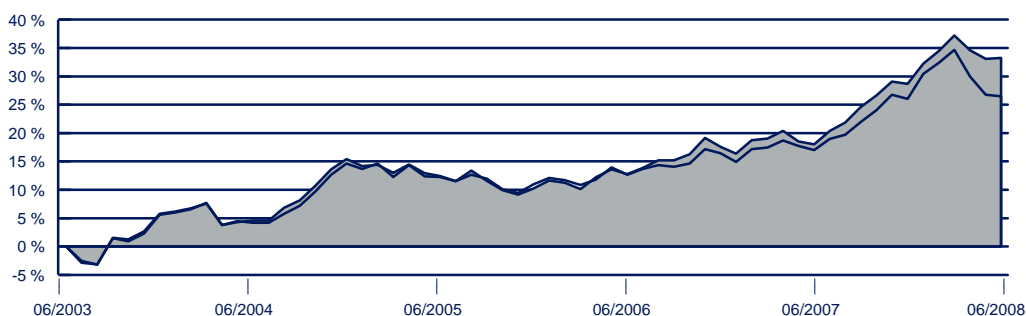
Bob Michele

Schroder ISF Global Bond invests predominantly in bonds issued by governments, government-related entities and companies from around the world. We look to identify areas of the market that we believe offer attractive investment opportunities. For those investors who are seeking to balance their portfolio, an investment in global bonds provides the opportunity to reduce exposure to stock markets while potentially benefiting from the reduced risk that is typical of fixed income funds.

For investors whose bond holdings are currently concentrated in their home markets (such as US investors holding primarily US-issued bonds or Eurozone investors holding bonds issued by European entities), investing in bonds on a global basis can offer a good source of diversification and the chance to benefit from a wider range of opportunities. The fund could be well suited to an investor either looking for a regular income or steady capital growth, generated with relatively low levels of risk.

Performance in %

— Global Bond
 ■ Lehman Brothers Global Aggregate Bond Index



Performance in %	3 months	1 year	3 years	5 years	Beta	Annual Volatility (%)
Global Bond	-6.1	8.1	12.7	26.5	0.50	5.98
Lehman Brothers Global Aggregate Bond Index	-2.9	12.9	18.5	33.2	---	7.82

Discrete Yearly Performance in %	Q2/2007 - Q2/2008	Q2/2006 - Q2/2007	Q2/2005 - Q2/2006	Q2/2004 - Q2/2005	Q2/2003 - Q2/2004
Global Bond	8.1	3.9	0.4	7.7	4.2
Lehman Brothers Global Aggregate Bond Index	12.9	4.7	0.3	7.5	4.6

Past performance is not a guide to future performance and may not be repeated.

All fund performance data are on a NAV to NAV basis, net income reinvested. Data is not available for the time periods with no % growth stated. In case a share class is created after the fund's launch date, a simulated past performance is used, based upon the performance of an existing share class within the fund, taking into account the difference in the Total Expense Ratio.

Source: Schroders

In August 2001, the index changed from Salomon Smith Barney WGBI Gross (USD) to the Lehman Brothers Global Aggregate Bond Index. The full track record of the previous benchmark has been kept and chain linked to the new one.

Top 5 Holdings in %

Holding	% NAV
1. Freddie Mac Gold Pool 5.5% 15/07/2038	10.3
2. United States Treasury Note 2.625% 31/05/2010	5.0
3. Japan Government Bond 1.8% 20/03/2016	4.3
4. United States Treasury Inflation Indexed Bonds 0.625% 15/04/2013	3.9
5. Italian Government Bond 4% 01/03/2010	2.6
Total number of holdings =	120



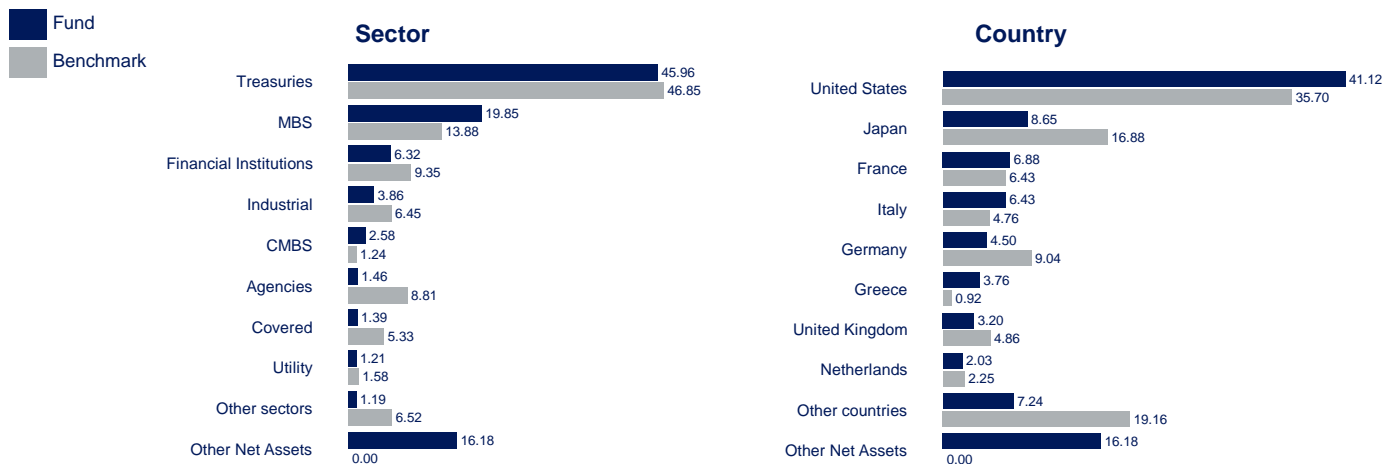
Schroders

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Asset Allocation in %



Index Source: Lehman Brothers

Other Net Assets is comprised of pure Cash (Cash in Bank), Payables and Receivables, Unrealised Profit and Loss on Forwards/ Futures/Swaps & Options and short term investments with 1 month or less to maturity.

26.76% of the fund was held as cash or short term investments with 1 month or less to maturity. Any negative cash position represents borrowing of a temporary nature to cover timing differences on trade settlements.

Key Information

Morningstar Ratings are sourced from Morningstar.

S&P Fund Management Ratings are sourced from S&P.

Fund Launch Date	03/06/1993
Total Fund Size (Million)	USD 273.0
Fund Base Currency	USD
S&P Fund Management Ratings	-
Morningstar Rating	★★★
Modified Duration of Fund in Years	5.37
Modified Duration of Index in Years	5.31
Reuters	LU0106256372.LUF
Bloomberg	SCHGBAA LX
Initial Fee	5.26 %
Annual Management Fee	0.75 %
Minimum Investment Amount	EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency. The minimum subscription amount may be waived at the Director's discretion.
Investment Manager	Schroder Investment Management Limited, 31, Gresham Street, London EC2V 7QA, United Kingdom

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