

Schroder International Selection Fund

Global Corporate Bond

A Accumulation EUR Hedged 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 and issued by governments, government agencies, supra-national and corporate issuers worldwide. A minimum of 80% of the net assets of the Fund will be held in non-sovereign securities.

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



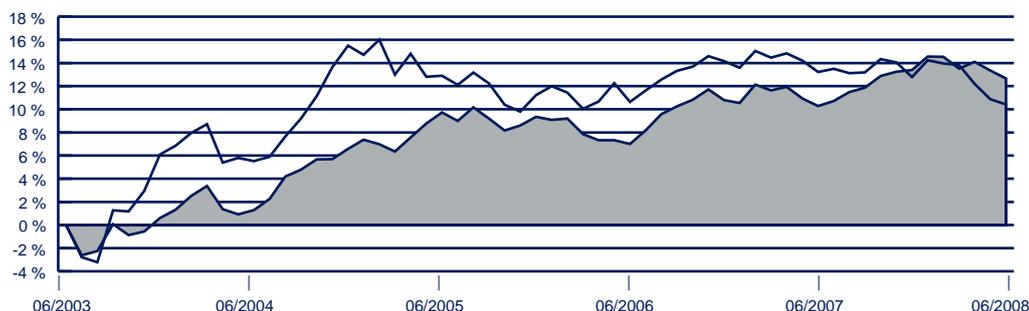
Lisa Coleman

Schroder ISF Global Corporate Bond invests in bonds issued by companies from around the world. The fund's manager, supported by Schroders' global team of credit analysts, seeks to identify high quality companies which offer the best possible risk/reward profile. The fund can also invest in non-corporate fixed income assets, usually as a defensive measure, if the fund manager deems necessary. Investing on a global basis can allow investors to benefit from the best opportunities available around the world, and does not limit the fund manager to a single region or market.

Corporate bonds are generally less risky than equities but are typically more risky than government bonds. The central appeal of the corporate bond market is that bonds in this sector generally offer higher yields than those available on government bonds, offering the potential for higher returns over the longer term. At Schroders, our investment approach is based upon fundamental analysis and then making small and frequent investment decisions across the widest possible range of uncorrelated opportunities. This broadens the investable universe and is designed to deliver an optimal combination of risk and return.

Performance in %

— Global Corporate Bond
 ■ Lehman Brothers Global Aggregate - Credit Component EUR hedged



Performance in %

	3 months	1 year	3 years	5 years	Beta	Annual Volatility (%)
Global Corporate Bond	-3.0	-2.5	-2.2	10.4	0.81	3.84
Lehman Brothers Global Aggregate - Credit Component EUR hedged	-0.8	2.2	2.7	12.7	---	3.86

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 Corporate Bond	-2.5	2.3	-2.0	7.0	5.5
Lehman Brothers Global Aggregate - Credit Component EUR hedged	2.2	3.1	-2.5	8.3	1.3

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

On 01/07/2002 Schroder ISF Hedged Global Bond changed its name to Schroder ISF Global Corporate Bond and changed its investment objective. The performance track record begins at this date. In July 2002, the benchmark changed from Salomon Smith Barney Currency Hedged WGBI to the Lehman Brothers Global Aggregate - Credit Component. 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. General Electric Capital 5.875% 15/02/2012	3.0
2. Aviva 5.75% 14/11/2011	2.9
3. Freddie Mac Gold Pool 5.5% 15/07/2038	2.8
4. Morgan Stanley Capital 4.85% 13/06/2041	2.4
5. MBNA 7.5% 15/03/2012	2.1
Total number of holdings =	110



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Asset Allocation in %



Index Source: Lehman Brothers

Other Net Assets is comprised of Cash (6.77%); Commercial Papers (0.00%); Derivatives (0.51%: unrealised profits / losses on fixed income futures, credit default swaps, interest rate swaps, FX forwards); Other Assets and Liabilities (-1.99%: Payables and Receivable, Short term Investments).

6.82% 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	20/09/1994
Total Fund Size (Million)	USD 27.5
Fund Base Currency	USD
S&P Fund Management Ratings	AA
Morningstar Rating	☆☆
Modified Duration of Fund in Years	5.25
Modified Duration of Index in Years	5.39
Reuters	LU0201324851.LUF
Bloomberg	SCHGAAE 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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The Schroder ISF Global Corporate Bond is within the scope of the European Union Directive 2003/48/EC (Taxation of Savings Income in the Form of Interest Payments), as implemented in Luxembourg Law.

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Subscriptions for shares of the Company can only be made on the basis of its latest prospectus and simplified prospectus together with the latest audited annual report (and subsequent unaudited semi-annual report, if published), copies of which can be obtained, free of charge, from Schroder Investment Management (Luxembourg) S.A., 5, rue Hohenhof, L-1736 Senningerberg, Luxembourg. The Company is a Luxembourg-registered UCITS recognised in the UK under Section 264 of the Financial Services and Markets Act 2000. There will be no right to cancel any agreements to purchase shares under section 6.7 of the UK Financial Services Conduct of Business Sourcebook. All or most of the protection provided by the UK regulatory system does not apply to investments in the Company and compensation will not be available under the UK Financial Services Compensation Scheme.

In accordance with the current prospectus, other than for Schroder ISF Global Property Securities, Schroder ISF Asia Pacific Property Securities, Schroder ISF European Defensive and Schroder ISF Middle East, the Company will seek UK distributor status for all distribution A and C shares and I shares of Schroder ISF Taiwanese Equity.

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