

Schroder International Selection Fund

Asian Bond

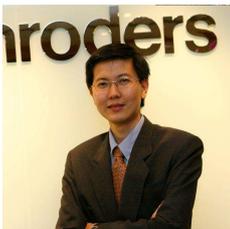
A Accumulation Share Class

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 issued by governments, government agencies, supra-national and corporate issuers in Asia excluding Japan.

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



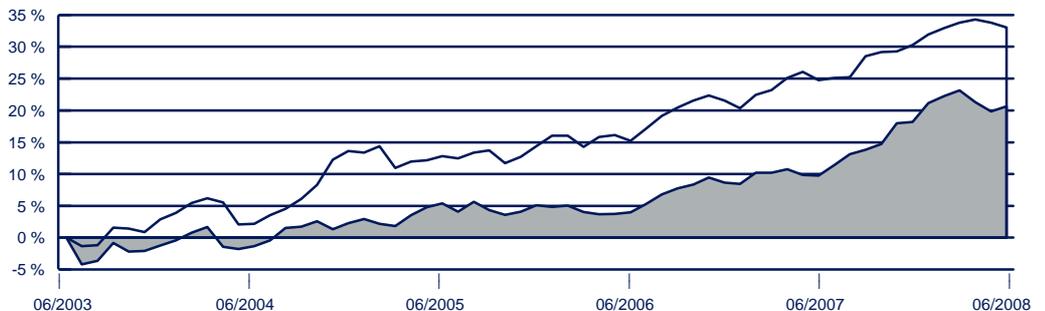
How Phuang Goh

Schroder ISF Asian Bond invests in debt instruments from a diverse range of Asian countries (excluding Japan), each with very different economic structures and credit fundamentals. While the Asian bond asset class is relatively young, it is one that is growing rapidly, presenting a multitude of opportunities for investors. In recent years, Asian governments have embarked on a process of structural improvements, which have resulted in increased foreign reserves, healthier banking systems and improved trade balances. Asian bonds thus have the potential to benefit from healthier economic growth, in addition to the current favourable environment of relatively stable core inflation and longer term Asian currency appreciation.

We also take advantage of regional currency markets, as holding a variety of currencies helps maintain the low risk nature of the portfolio. Looking ahead, we anticipate that Asian economies will continue to prosper through structural advances – such as better banking systems and increased foreign reserves. Therefore, we see great potential in the region's fixed income and currency markets and will look to position the fund accordingly to take advantage of these improvements over the long term.

Performance in %

— Asian Bond
 ■ Citi Treasury / Agency TR



Performance in %	3 months	1 year	3 years	5 years	Beta	Annual Volatility (%)
Asian Bond	-0.6	6.6	17.9	33.0	0.32	3.73
Citi Treasury / Agency TR	-2.0	9.9	14.5	20.6	---	3.63

Discrete Yearly Performance in %	Q2/2007 - Q2/2008	Q2/2006 - Q2/2007	Q2/2005 - Q2/2006	Q2/2004 - Q2/2005	Q2/2003 - Q2/2004
Asian Bond	6.6	8.2	2.2	10.4	2.2
Citi Treasury / Agency TR	9.9	5.5	-1.3	6.9	-1.4

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



Schroders

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Asset Allocation in %



NB: The country allocation does not reflect any NDF (Non-Deliverable Forwards) currency exposure.

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.

27.35% 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	16/10/1998
Total Fund Size (Million)	USD 2,352.8
Fund Base Currency	USD
S&P Fund Management Ratings	-
Morningstar Rating	★★★★
Modified Duration of Fund in Years	1.71
Modified Duration of Index in Years	---
Reuters	LU0106250508.LUF
Bloomberg	SCHABDA LX
Initial Fee	5.26 %
Annual Management Fee	1.25 %
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 (Singapore) Ltd, 65 Chulia Street 46-00, OCBC Centre, Singapore 049513, Singapore

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The Schroder ISF Asian 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 Höhenhof, 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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