

# Schroder International Selection Fund

## Swiss Small & Mid Cap Equity

### A Accumulation Share Class

#### Investment Objective, Policy and Risk

To provide capital growth primarily through investment in equity securities of smaller and medium-sized Swiss companies. Smaller and medium-sized Swiss companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of the Swiss market.

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 equities are subject to market risk 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



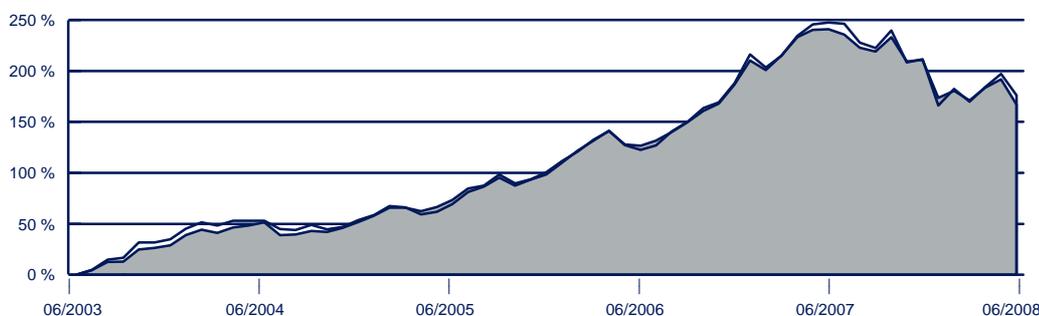
Philipp Bruderer

The fund invests in small and medium-sized companies which are extremely well run and are well placed to produce above average profits. Typically this sector of the market has the highest potential for growth. Small and medium sized companies tend to be less well researched than larger companies. Therefore, by conducting thorough research ourselves we believe we can find good investments in all market conditions.

We use an active fund management style as such we place great emphasis on maintaining close contact with company managers. The team continually assesses profit growth potential in view of the company's merits and high priority is given to company management ability. The local knowledge of our Swiss-based analysts is complemented by the global sector expertise of our worldwide analyst network. The fund is not constrained by any particular investment style and we believe this flexibility is essential since different factors impact the movement of share prices at different stages of the economic and stockmarket cycles.

#### Performance in %

— Swiss Small & Mid Cap Equity  
 ■ SPI Extra TR chain linked



#### Performance in %

	3 months	1 year	3 years	5 years	Beta	Annual Volatility (%)
Swiss Small & Mid Cap Equity	2.4	-20.5	63.1	176.3	1.02	16.19
SPI Extra TR chain linked	-1.6	-21.7	54.1	167.0	---	15.08

#### Discrete Yearly Performance in %

	Q2/2007 - Q2/2008	Q2/2006 - Q2/2007	Q2/2005 - Q2/2006	Q2/2004 - Q2/2005	Q2/2003 - Q2/2004
Swiss Small & Mid Cap Equity	-20.5	56.2	31.3	10.8	52.9
SPI Extra TR chain linked	-21.7	50.3	30.9	14.6	51.3

#### 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

In October 2004 the SPI Extra replaced the Swiss 2nd Liners Dynamic Index. The full track record of the previous index has been kept and chain linked to the new one.

#### Top 10 Holdings in %

Holding	% NAV
1. Actelion	4.9
2. Temenos	4.6
3. Schweizerhall	4.4
4. Schindler Holding	4.1
5. Sika	4.0
6. Geberit AG	3.9
7. Logitech International	3.7
8. Schweiter I	3.5
9. Winterthur Technologie	3.3
10. Petroplus	3.2
<b>Total number of holdings =</b>	<b>44</b>



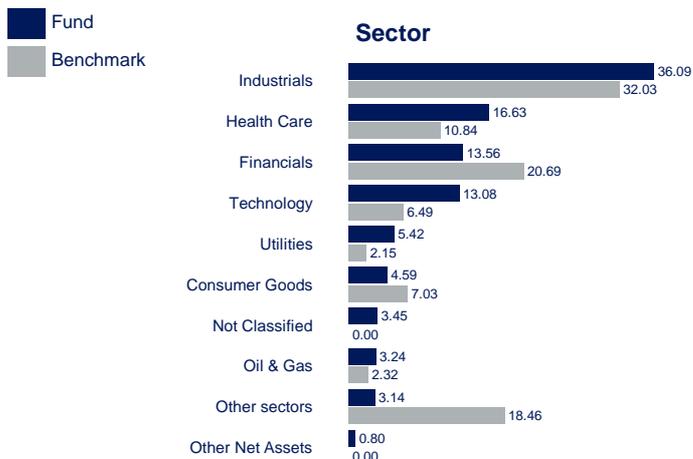
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#### Asset Allocation in %



Index Source: Bloomberg

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

-2.10% 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&amp;P Fund Management Ratings are sourced from S&amp;P.

<b>Fund Launch Date</b>	28/06/2002
<b>Total Fund Size (Million)</b>	CHF 228.1
<b>Fund Base Currency</b>	CHF
<b>S&amp;P Fund Management Ratings</b>	-
<b>Morningstar Rating</b>	★★★
<b>Reuters</b>	LU0149524034.LUF
<b>Bloomberg</b>	SISSMA LX
<b>Initial Fee</b>	5.26 %
<b>Annual Management Fee</b>	1.50 %
<b>Minimum Investment Amount</b>	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.
<b>Investment Manager</b>	Schroder & Co Bank AG, Central 2, 8021 Zurich, Switzerland

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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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