

Schroder International Selection Fund

European Special Situations

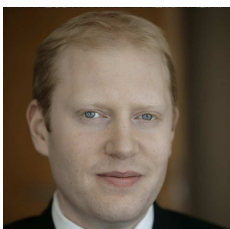
A Accumulation Share Class

Investment Objective, Policy and Risk

To provide capital growth through investment in equity securities of European companies. In order to achieve the objective of the Fund, the Investment Manager will invest in a select portfolio of securities in special situations, where the Investment Manager believes a special situation to be a company whose future prospects are not fully reflected in its valuation.

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



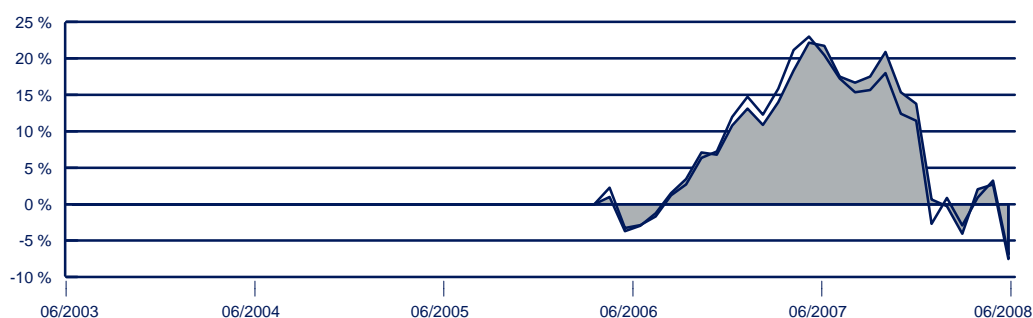
Leon Howard-Spink

One of the fund's main characteristics is the flexibility to invest without having to follow a particular stockmarket index. In other words, we can invest in any stock in Europe where its future prospects are not reflected in its current share price. We maintain an exposure to a diversity of companies across Europe, including those with defensive characteristics that should outperform in the event of a slowdown.

We are particularly attracted to companies with good track records over a long period of time; industry leaders; operators in markets with limited competition and high barriers to entry; or firms whose fortunes do not closely track the economic cycle. We do not explicitly follow themes or take bets on what will happen in the wider economy. Our focus is on finding and meeting companies with strong underlying businesses, solid market positions, good long-term growth drivers and excellent management teams. We believe this investment strategy will reward investors with superior long-term performance.

Performance in %

— European Special Situations
■ MSCI EUROPE - NET RETURN



Performance in %	3 months	1 year	3 years	5 years	Beta	Annual Volatility (%)
European Special Situations	-4.1	-22.7	---	---	---	---
MSCI EUROPE - NET RETURN	-3.6	-24.0	---	---	---	---

Discrete Yearly Performance in %	Q2/2007 - Q2/2008	Q2/2006 - Q2/2007	Q2/2005 - Q2/2006	Q2/2004 - Q2/2005	Q2/2003 - Q2/2004
European Special Situations	-22.7	24.0	---	---	---
MSCI EUROPE - NET RETURN	-24.0	25.1	---	---	---

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

Top 10 Holdings in %

Holding	% NAV
1. Actelion	3.9
2. E.ON 0%	3.5
3. KONINKLIJKE KPN NV	2.9
4. Roche Holding	2.8
5. Intertek Group	2.8
6. Nestle	2.7
7. Syngenta	2.6
8. Telefonica SA	2.6
9. ING Groep NV	2.5
10. Getinge	2.5
Total number of holdings =	54



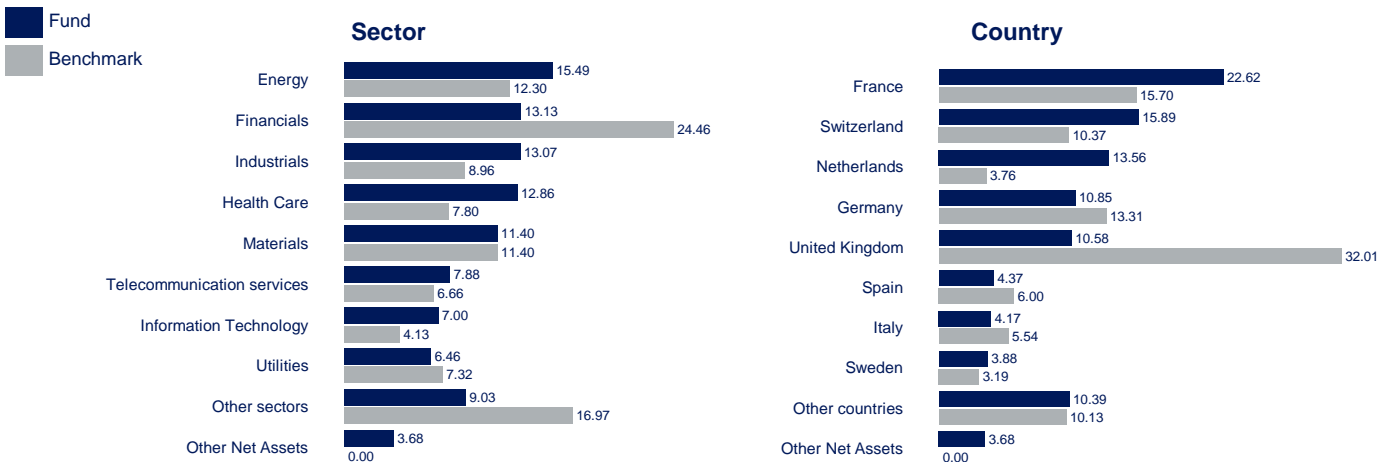
Schroders

Schroder International Selection Fund

European Special Situations

A Accumulation Share Class

Asset Allocation in %



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.

Index Data Source: MSCI

3.31% 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

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

Fund Launch Date	31/03/2006
Total Fund Size (Million)	EUR 432.6
Fund Base Currency	EUR
S&P Fund Management Ratings	A
Reuters	LU0246035637.LUF
Bloomberg	SCHESSA LX
Initial Fee	5.26 %
Annual Management Fee	1.50 %
Performance Fee	15% of the Fund's outperformance of the MSCI Europe, subject to high water mark
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

Third party data are owned by the applicable third party identified above and is provided for your internal use only. Such data may not be reproduced or re-disseminated and may not be used to create any financial instruments or products or any indices. Such data are provided without any warranties of any kind. Neither the third party data owner nor any other party involved in the publication of this document can be held liable for any error. The terms of the third party's specific disclaimers are set forth in the Important Information section on our website www.schroders.co.uk.

The Schroder ISF European Special Situations is not 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.

This document does not constitute an offer to anyone, or a solicitation by anyone, to subscribe for shares of Schroder International Selection Fund (the "Company"). Nothing in this document should be construed as advice and is therefore not a recommendation to buy or sell shares.

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.

This document is issued by Schroder Investment Management (Luxembourg) S.A., 5, rue Hohenhof, L-1736 Senningerberg, Luxembourg. Registered No. B 37.799. Approved for issue in the UK by Schroder Investment Management Limited, 31, Gresham Street, London EC2V 7QA. Authorised and regulated by the Financial Services Authority.

Schroders has expressed its own views and opinions in this document and these may change.



Schroders