

Schroder US Mid Cap Fund

Final Short Report

1 June 2012 to 31 May 2013



Schroders

Schroder US Mid Cap Fund

Review of Investment Activities

From 31 May 2012 to 31 May 2013, the price of A Accumulation units on a selling price to selling price basis rose 27.29%. In comparison, from 30 May 2012 to 30 May 2013 the Frank Russell 2500 Index generated a total return of 35.47%¹ in sterling terms. Due to the fund's valuation point, the performance periods for the fund and benchmark are at different dates, however, the information is comparable.

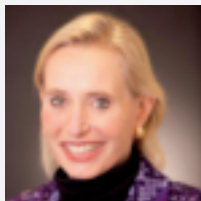
¹ Source: Thomson Reuters Datastream.

Concerns surrounding weak data from China, the continuing impact of the eurozone crisis and disappointing economic numbers from the US drove the market for much of the period. However, the market has been up 31.70%² (in sterling terms) since the US election in November.

The fund underperformed the index over the period. Medium sized US companies produced strong returns and outperformed larger companies over the period. The main detractor was Cleco, an electric utility company, due to rising government bond yields. Overall stock selection, particularly in the financial services and health care sectors, added value. The largest contributor to returns was Vantiv, an electronic payment processor, after the company initiated a significant buy back initiative and reported strong earnings. There were no material changes in fund composition over the period.

We believe the US stockmarket is still vulnerable to slowdowns in the eurozone and China. However, the portfolio is driven by bottom up analysis and we continue to focus on identifying good companies with attractive business models.

² Source: Bloomberg, from 30/11/2012 to 31/05/2013



Fund Manager:
Jenny Jones

Fund Information

	Interim	Final
Accounting dates	30 November	31 May
Revenue allocation date		31 July

	For the year to 31.5.13	For the year to 31.5.12
Ongoing charges figure		
A Income units	1.67%	1.66%
A Accumulation units	1.67%	1.66%
Z Income units	0.92%	0.91% ¹
Z Accumulation units	0.92%	0.91% ¹

¹ The Ongoing charges figure is annualised based on the fees suffered during the accounting period.

Performance Record

	Net Asset Value as at 31.5.13 pence per unit	Net Asset Value as at 31.5.12 pence per unit	Net Asset Value % change
Fund performance			
A Income units	73.48	57.58	27.61
A Accumulation units	73.54	57.63	27.61
Z Income units	62.34	48.51	28.51
Z Accumulation units	62.42	48.54	28.59

	3 months	1 year	5 years
Schroder US Mid Cap Fund	8.75%	27.29%	68.58%
Frank Russell 2500 Index	8.57%	35.47%	90.26%

Fund Source: A Accumulation units on a selling price to selling price basis to 31.5.13.

Index Source: Thomson Reuters Datastream, total return in sterling terms to 30.5.13.

Due to the fund's valuation point, the performance periods for the fund and benchmark are at different dates, however, the information is comparable.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

Performance Record (continued)

Unit price range	A Income units		A Accumulation units	
	Highest buying p	Lowest selling p	Highest buying p	Lowest selling p
Year to 31 December				
2008	48.19	31.29	48.19	31.29
2009	50.99	32.60	51.14	32.60
2010	61.36	45.79	61.41	45.82
2011	63.74	47.04	63.79	47.08
2012	63.92	55.70	63.96	55.75
2013 to 31 May	74.15	59.42	74.21	59.47

	Z Income units		Z Accumulation units	
	Highest buying p	Lowest selling p	Highest buying p	Lowest selling p
Year to 31 December				
2008	–	–	–	–
2009	–	–	–	–
2010	–	–	–	–
2011	–	–	–	–
2012	51.89	46.96	51.89	46.95
2013 to 31 May	62.93	50.29	62.97	50.32

Net revenue		A Income units	A Accumulation units
Year to 31 December		pence per unit	pence per unit
2008		Nil	Nil
2009		Nil	Nil
2010		Nil	Nil
2011		Nil	Nil
2012		Nil	Nil
2013 to 31 May		Nil	Nil

Year to 31 December	Z Income units	Z Accumulation units
	pence per unit	pence per unit
2008	–	–
2009	–	–
2010	–	–
2011	–	–
2012	0.0303	0.0303
2013 to 31 May	0.0357	0.0326

Portfolio Information

	% of net assets as at 31.5.13	% of net assets as at 31.5.12
Spread of investments		
Energy	4.13	3.69
Materials	4.55	9.10
Industrials	19.89	12.37
Consumer Discretionary	18.39	13.89
Consumer Staples	0.81	0.69
Health Care	11.18	11.04
Financials	14.63	16.95
Information Technology	12.34	13.43
Telecommunication Services	0.71	2.76
Utilities	3.41	5.50
US Dollar Denominated Derivatives	0.06	0.00
Net other assets	9.90	10.58

	% of net assets as at 31.5.13		% of net assets as at 31.5.12
Major holdings			
Ross Stores	1.83	Amdocs	2.13
Sealed Air	1.74	Waste Connections	1.87
Vantiv A	1.70	PartnerRe	1.86
Life Technologies	1.60	Questar	1.79
Gardner Denver	1.57	Crown Holdings	1.73
Denbury Resources	1.54	Big Lots	1.70
PartnerRe	1.45	Energen	1.64
Apartment Investment & Management A	1.45	Ross Stores	1.61
Parexel International	1.43	Airgas	1.61
PTC	1.39	Willis Group Holdings	1.60

Investment Objective & Policy

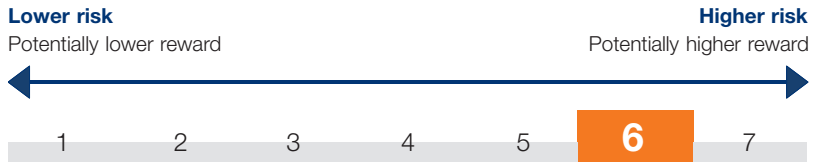
The fund's investment objective is to provide capital growth and income primarily through investment in equity securities of medium sized US companies.

Investment will be in directly held transferable securities. The fund may also invest in collective investment schemes, warrants and money market instruments.



Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the fund's future risk profile.

The fund is in this category because it can take higher risks in search of higher rewards and its price may rise and fall accordingly.

The fund's risk category is not guaranteed to remain fixed and may change over time.

A fund in the lowest category does not mean a risk free investment.

Specific risks

The fund invests in assets which are exposed to currencies other than sterling. Exchange rates may cause the value of overseas investments and the revenue from them to rise or fall.

The fund invests predominantly in the securities of a particular country. There may be a greater risk than investing in funds which hold securities in a range of countries.

The fund invests in smaller companies which may be less liquid than larger companies and price swings may therefore be greater than in larger company funds.

The fund entered into stock lending arrangements. There was a risk that the borrower may have become insolvent or refused to honour its obligations to return the securities causing a delay to the fund in recovering its securities and possibly incurring a loss. Although the fund is permitted to stock lend it is not the intention to do so in the future.

For these reasons, the purchase of units should not normally be regarded as a short term investment.

Report & Accounts

This document is a short report for the Schroder US Mid Cap Fund for the year ended 31 May 2013. The long form Report & Accounts for the fund are available on our website www.schroders.co.uk or upon written request to Schroders, FREEPOST, RLTZ-CHSY-HBUT, PO Box 1102, Chelmsford, Essex CM99 2XX.

Other information

With effect from 31 December 2012 the initial management charge was removed for A Income units and A Accumulation units.

The information contained in this report is designed to enable unitholders to make an informed judgement on the activities of the fund during the period it covers and the results of those activities at the end of the period. For more information about the activities and performance of the fund during this and previous periods, please contact the Manager.

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website **www.schroders.co.uk**.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

For investors' security, calls to Schroder Investor Services may be recorded. **Manager:** Schroder Unit Trusts Limited, 31 Gresham Street, London, EC2V 7QA. Authorised and regulated by the Financial Conduct Authority. **Trustee:** J.P. Morgan Trustee and Depositary Company Limited, Chaseside, Bournemouth, BH7 7DA. Authorised and regulated by the Financial Conduct Authority. **Independent Auditors:** PricewaterhouseCoopers LLP, Erskine House, 68-73 Queen Street, Edinburgh EH2 4NH.

For further literature please contact Schroder Investor Services on 0800 718 777 or at investorservices@schroders.com, or visit our website at www.schroders.co.uk.



