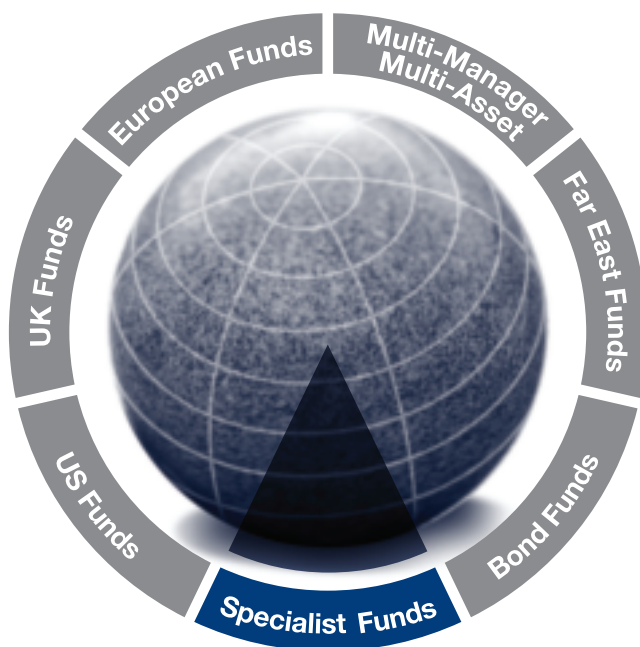


Schroder

Global Healthcare Fund

Interim Short Report

16 August 2013 to 15 February 2014



Schroders

Schroder Global Healthcare Fund

Review of Investment Activities

From 15 August 2013 to 14 February 2014, the price of A Accumulation units on a selling price to selling price basis rose 9.37%. In comparison, the MSCI All Country World Health Care Index and the MSCI World Index generated total returns of 8.28%¹ and 2.75%¹ respectively in sterling terms.

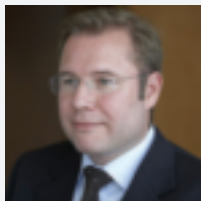
¹ Source: Thomson Reuters Datastream.

Global equity markets made gains as the global economic recovery gained traction led by developed markets. Health care related equities outperformed their global peers by a clear margin helped by an improving US economy and a wave of innovation in the industry.

The portfolio made a strong return and outperformed both the health care index and global markets. The stellar performer was US pharmaceutical Lannett, a manufacturer of generic prescription products. Its shares more than doubled on the back of a significant acceleration in revenue growth and a strong outlook for 2014. Shire, a global pharmaceutical with a leading position in Attention Deficit and Hyperactivity Disorder (ADHD), was another standout performer. Shares reached their highest price since being publically listed as its cost cutting efforts support growth. We have trimmed our position to lock in profits.

There were no significant changes in allocation.

The health care sector is in an exciting phase of genuine innovation and ground breaking developments which we expect to continue to drive growth. Within the fund this is carefully balanced with exposure to attractively valued defensive names that offer better yield, better valuation and improving outlook relative to other defensive parts of the market.



Fund Manager:
John Bowler

Fund Information

	Interim	Final
Accounting dates	15 February	15 August
Revenue allocation date		15 October

	For the period to 15.2.14	For the year to 15.8.13
Ongoing charges figure		
A Income units	1.68% ¹	1.69%
A Accumulation units	1.68% ¹	1.69%
Z Income units	0.93% ¹	0.94%
Z Accumulation units	0.93% ¹	0.94%

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

Performance Record

	Net Asset Value as at 15.2.14 pence per unit	Net Asset Value as at 15.8.13 pence per unit	Net Asset Value % change
Fund performance			
A Income units	98.48	89.37	10.19
A Accumulation units	100.02	90.77	10.19
Z Income units	83.70	75.68	10.60
Z Accumulation units	85.08	76.93	10.59

	3 months	6 months	5 years
Schroder Global Healthcare Fund	4.93%	9.37%	103.76%
MSCI All Country World Health Care Index	3.40%	8.28%	104.70%
MSCI World Index	(1.72)%	2.75%	94.95%

Fund Source: A Accumulation units on a selling price to selling price basis to 14.2.14.

Indices Source: Thomson Reuters Datastream, total returns in sterling terms to 14.2.14.

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				
2009	60.59	41.47	60.96	41.55
2010	65.44	51.66	65.85	51.98
2011	68.38	53.53	68.96	53.99
2012	74.62	63.05	75.64	63.67
2013	95.24	69.94	96.73	70.89
2014 to 15 February	98.64	93.84	100.20	95.31

	Z Income units		Z Accumulation units	
	Highest buying p	Lowest selling p	Highest buying p	Lowest selling p
Year to 31 December				
2009	–	–	–	–
2010	–	–	–	–
2011	53.31	48.56	53.31	48.56
2012	61.70	53.31	61.70	53.31
2013	80.82	59.80	82.14	59.80
2014 to 15 February	83.83	79.68	85.21	81.00

Net revenue	A Income units	A Accumulation units
Year to 31 December	pence per unit	pence per unit
2009	0.2394	0.2399
2010	0.1234	0.1166
2011	0.0732	0.0778
2012	0.2590	0.2648
2013	0.1784	0.1855
2014 to 15 February	Nil	Nil

	Z Income units	Z Accumulation units
Year to 31 December	pence per unit	pence per unit
2009	–	–
2010	–	–
2011	Nil	Nil
2012	Nil ¹	0.5752
2013	1.2495	0.6692
2014 to 15 February	Nil	Nil

¹ There was no distribution for Z Income units as the total amount distributable was below the de minimis.

Portfolio Information

	% of net assets as at 15.2.14	% of net assets as at 15.8.13
Spread of investments		
Japan	2.23	3.02
Australia	0.00	0.11
Belgium	1.35	1.04
Denmark	4.15	1.02
France	3.20	6.02
Germany	1.46	2.58
Ireland	3.33	0.68
Italy	0.78	0.87
Jersey	1.72	2.38
Netherlands	0.77	0.57
Norway	0.00	1.00
Switzerland	12.84	11.24
United Kingdom	5.62	2.89
Israel	2.15	2.09
United States	56.62	60.83
Brazil	0.37	0.37
Net other assets	3.41	3.29

	% of net assets as at 15.2.14		% of net assets as at 15.8.13
Major holdings			
Novartis	5.42	Roche Holding Genusscheine	5.99
Johnson & Johnson	5.35	Johnson & Johnson	5.89
Roche Holding Genusscheine	4.64	Sanofi	4.33
Pfizer	3.91	Novartis	4.10
Amgen	3.86	Amgen	3.81
Merck	3.78	Bristol-Myers Squibb	3.80
Novo Nordisk B	3.33	Gilead Sciences	3.32
AstraZeneca	3.25	Pfizer	3.26
Bristol-Myers Squibb	2.93	UnitedHealth Group	2.99
UnitedHealth Group	2.90	Merck	2.88



Investment Objective & Policy

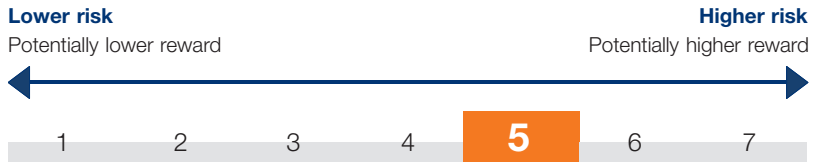
The fund's investment objective is to achieve capital growth.

The fund will invest in healthcare, medical services and related products and companies on a world wide basis.

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 and reward indicator changed from 6 to 5 with effect from 19 February 2014.

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 focuses on specific sectors. This carries more risk than funds spread across a number of different industry sectors.

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 Global Healthcare Fund for the period ended 15 February 2014. 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 1 October 2013 the minimum initial investment for Z Income units and Z Accumulation units decreased from £3 million to £1 million.

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, Atria One, 144 Morrison Street, Edinburgh EH3 8EX.

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.



