Schroder
AsiaPacific Fund plc

Half-Yearly Report to 31 March 2009

Schroders

Investment Objective

The Company's principal investment objective is to achieve capital growth through investment primarily in equities of companies located in the continent of Asia (excluding the Middle East and Japan), together with the Far Eastern countries bordering the Pacific Ocean (excluding Australasia), with the aim of achieving growth in excess of the MSCI All Countries Far East (Free) excluding Japan Index in sterling (Benchmark Index) over the longer term.

Directors

The Hon. Rupert Carington (Chairman)
Robert Binyon
The Rt. Hon. the Earl of Cromer
Anthony Fenn
Jan Kingzett

Advisers

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*Calls to this number are charged at 8p per minute from a BT landline. Other telephone providers' costs may vary.

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Financial Highlights

	31 March 2009	30 September 2008	% Change
Total assets (£'000)*	215,822	263,593	(18.1)
Borrowings (£'000)	6,977	39,272	(82.2)
Shareholders' Funds (£'000)	208,845	224,321	(6.9)
Shares in issue ('000)	167,190	167,190	+0.0
Net asset value per share	124.91p	134.17p	(6.9)
Share price	115.00p	113.00p	+1.8
Share price discount	7.93%	15.78%	
Market capitalisation (£'000)	192,268	188,925	+1.8

	6 months ended 31 March 2009	Year ended 30 September 2008
NAV total return**	(4.86)%	(33.41)%
MSCI All Countries Far East (Free) ex Japan Total Return Index – sterling terms***	(1.11)%	(29.93)%

* Calculated in accordance with the AIC guidance and comprises shareholders' funds plus borrowings used for investment purposes
** Source: Fundamental Data
*** Source: Thomsons Datastream

Ten Largest Investments

As at 31 March 2009 Company and Activity	Value of Holdings £'000	% of Shareholders' Funds
Samsung Electronics Korean producer of memory semiconductors.	12,097	5.79
Jardine Strategic Holdings Large holding company in Singapore, including stakes in Dairy Farms Limited, hotels and financial services.	9,279	4.44
Taiwan Semiconductor Manufacturing Taiwanese manufacturer of semiconductor products.	7,985	3.82
Jardine Matheson Diversified Hong Kong holding company with interests in property, retailing and hotels.	7,568	3.62
Swire Pacific 'A' Diversified Hong Kong company with interests in property, aviation, beverages, marine services and trading & industrial.	7,426	3.56
China Unicom Chinese provider of mobile communications services.	7,047	3.38
China Mobile Chinese provider of mobile communications services.	5,988	2.87
Niko Resources Indian based developer and producer of petroleum and natural gas.	5,590	2.68
Industrial & Commercial Bank of China Provides a broad range of personal and corporate commercial banking services all over China.	5,187	2.48
LG Telecom South Korean provider of personal communication services.	5,078	2.43
Total	**73,245**	**35.07**

At 30 September 2008, the ten largest investments represented 36.08% of shareholders' funds.

Chairman's Statement

Performance

During the six-month period ended 31 March 2009, the Company's net asset value per share produced a negative total return of 4.86% while the MSCI All Countries Far East (Free) excluding Japan Index produced a negative total return of 1.11%. During the period the share price increased from 113p to 115p per share as the discount narrowed from 15.8% to 7.9%.

Since 31 March 2009, the Company benefitted from rallies in regional markets and, as at 21 May, the net asset value had increased to 145.7p per share and the share price had increased to 133.0p per share.

Further comment on performance and investment policy may be found in the Manager's Review.

Gearing Policy

During the period, the borrowing facility was reduced from US$100 million to US$75 million and, in April 2009 the borrowing facility was again reduced to US$50 million. The amount drawn under the facility was reduced from US$25 million at the beginning of the period to US$10 million. All of the borrowings continue to be obtained via a revolving credit facility to provide flexibility.

The gearing levels throughout the period operated within the limits agreed by the Board so that net borrowings do not exceed 20% of shareholders' funds. At the beginning of the period, the net effective gearing ratio (borrowings less cash and short-term deposits as a percentage of net assets) was 4.7%, and this was reduced to 0.3% at 31 March 2009.

Outlook

The six months covered by this report have been traumatic ones for all equity markets. While South East Asia has not been immune from the global problems, there have been two mitigating factors for shareholders: the rise of local currencies relative to sterling, and an investor perception that Asian economies and banking systems in general are financially stronger than most of their Western counterparts.

The immediate consequence is that, following further recovery since the end of the interim period, the Company's NAV today is almost the same as it was just before Lehman Brothers went bankrupt last September. There are considerable uncertainties and volatility remains high but your Board continues to believe that the region's long term strengths will provide opportunities for the NAV to continue to recover over the medium term.

Rupert Carington
Chairman

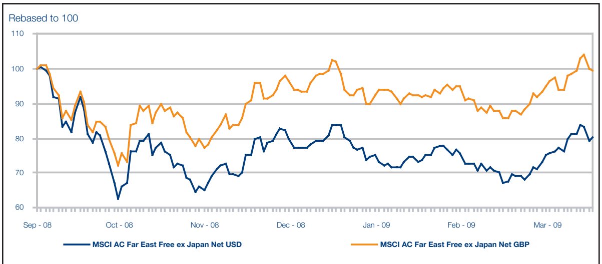
29 May 2009

Investment Manager's Review

During the six months to 31 March 2009, the total return on the Company's net assets was -4.86%, slightly under-performing the benchmark index, which produced a total return of -1.11%.

The first half of the Company's financial year opened with the continued reverberations of the collapse of Lehman Brothers, and investor aversion to any "risky" asset class other than cash or government bonds. This tightening of credit conditions was just as evident in Asian credit spreads as elsewhere, while the economic consequences of tighter credit conditions fed rapidly through to the global economy. Consumer and corporate demand weakened sharply across the board, while tight financial conditions compounded the problems via a frantic liquidation of inventories. With much of Asia at the start of the supply chain, exports, having held up rather well through to the third quarter of 2008, collapsed, with 40-50% year on year declines being reported in Japan and Taiwan over the turn of the year.

Performance of the MSCI AC Far East ex Japan Net Dividends Reinvested Index in GBP and USD – 30 September 2008 to 31 March 2009



Source: Thomson Datastream as at 31 March 2009

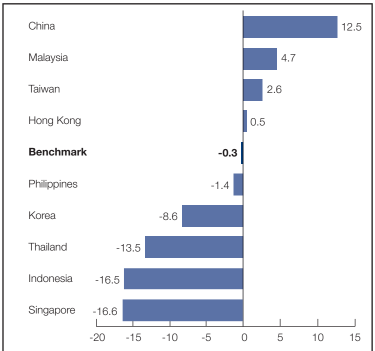
In the circumstances, it may seem surprising that the Company's benchmark index, at least in sterling terms, was broadly unchanged for the period as a whole, comparing favourably with the 14.3% decline in the MSCI World index. Since regional markets hit their lows at the end of October, they have staged an impressive recovery from valuation levels which were close to those last witnessed at the trough of the Asian crisis in 1998. The Company has also benefitted from the weakness of sterling compared to regional currencies.

The recovery has been in the face of widespread downgrades in regional earnings forecasts, and reflects both an appreciation of the region's structural strengths (current account surpluses, generally well capitalised banking systems and fiscal conservatism) and a belief that modest recovery would follow once the liquidation of inventories has run its course. Furthermore, interest rates round the region have been falling as inflationary pressures recede, and there have been a range of fiscal packages, most notably from China which has acted with vigour to offset the contractionary impact of export declines.

There have been wide variations in performance between regional markets. China has been the outstanding performer, led by real estate, consumer cyclicals and raw material stocks. The buoyancy of China has had some spin-off benefits for Hong Kong and Taiwan, although in general the heavy exposure of Hong Kong to financials and asset stocks has hampered returns. Malaysia and the Philippines have proved somewhat defensive.

Singapore, Indonesia and Thailand have offered the poorest returns. Singapore's balance sheet strengths have been outweighed by the extreme openness of the economy where trade is over three times GDP and the economy contracted an estimated 11.5% in real terms in the first quarter of 2009. Indonesia has inevitably suffered greatly during a period of elevated risk aversion, with a 23% decline in the rupiah versus the US dollar. Political ferment has held back the Thailand market.

Country returns of the MSCI AC Far East ex Japan Net Dividends Reinvested Index in GBP – 30 September 2008 to 31 March 2009



Source : Factset

Performance and Portfolio Activity

The portfolio lagged the benchmark index over the period, with the bulk of the shortfall occurring in the sharp falls of October. Gearing was a factor, and the underlying portfolio suffered from an insufficiently defensive positioning. Over the period as a whole, stock selection was relatively robust in Taiwan and China, but weak in Singapore, Malaysia, and Hong Kong.

It has been an active period for the portfolio, reflecting the volatility of regional markets. We added to Korea in the quarter when both the market and currency was reflecting an unduly pessimistic assessment of its undoubted financial fragility, and we also built up exposure to real estate and consumer stocks in China reflecting our belief that these sectors had been unduly sold off and that the significant moves to stimulate the economy would stabilise the economy and restore a measure of investor confidence. The primary funding sources have been Indonesia and Singapore.

Outlook and Policy

Since the end of February, global equities have staged an impressive rally. From the low point of the first quarter, global economic data have generally surprised positively. While end demand is still subdued in the OECD, the inventory liquidation phase appears largely complete. In an Asian context, momentum has built steadily in China, and cash-rich domestic investors have re-entered selected markets, most notably in China itself (with the A share index up 50% from its lows) and in Taiwan where tax reform has encouraged re-patriation of assets.

This has been a period of hyper-activity by global monetary and fiscal authorities, as all major economies have seen some combination of further interest rate cuts, fiscal packages and quantitative easing. These aggressive monetary measures are clearly having some impact on the credit markets which are the direct targets of central bank buying, and there has been some pick-up in corporate bond issuance although largely limited to the best credits. The rapid loosening of monetary policy is undoubtedly the key difference between now and the 1930s, but the key risk for equity investors is an underlying picture of slow growth, low pricing power and excessive debt in developed economies.

We expect regional markets to consolidate. The upcoming results season is likely to be challenging, and it is very unclear what the levels of global demand are going to be once the current inventory rebuild is over. However, there remain some supports for Asia; monetary easing was much delayed, and therefore its full effects have still to feed through to activity, while the levels of financial gearing are generally low. The same is broadly true of the fiscal easing. Developments thus far in China have been encouraging although longer-term implications for corporate profits are not all good. Valuations, while no longer at the historic lows, are not unduly stretched.

The Company's portfolio is therefore fully invested, with overweights in Hong Kong, Singapore and the Philippines. The main underweights are in Taiwan and Malaysia. In sectoral terms we remain overweight sectors such as financials and consumer cyclicals which are exposed to domestic growth, as well as telecoms which offer attractive and sustainable dividend yields. The portfolio is underweight in utilities and raw materials.

Country Weights – Schroder AsiaPacific Fund plc vs MSCI AC Far East ex Japan Index

	Net Asset Value Weightings (%)		Benchmark Index Weight (%)
Market	**30-Sep-08**	**31-Mar-09**	**31-Mar-09**
Hong Kong & China	38.7	44.4	43.5
Korea	13.1	17.9	21.1
Taiwan	13.3	11.7	18.5
Singapore	16.1	13.5	7.0
Malaysia	1.1	0.0	4.7
Indonesia	6.4	1.8	2.3
Thailand	2.9	2.4	2.1
India	6.7	4.9	0.0
Philippines	5.8	4.5	0.8
Vietnam	0.0	0.3	0.0
Other net assets	-4.1	-1.4	0.0
Total	**100.0**	**100.0**	**100.0**

Source: Schroders

Schroder Investment Management Limited
29 May 2009

Income Statement

		(Unaudited) For the six months ended 31 March 2009			(Unaudited) For the six months ended 31 March 2008			(Audited) For the year ended 30 September 2008		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Losses on investments held at fair value		–	(8,840)	(8,840)	–	(40,938)	(40,938)	–	(108,975)	(108,975)
Other currency losses		–	(3,595)	(3,595)	–	(314)	(314)	–	(4,123)	(4,123)
Income	2	3,166	–	3,166	3,686	–	3,686	11,148	–	11,148
Investment management fee		(997)	–	(997)	(1,660)	–	(1,660)	(2,910)	–	(2,910)
Administrative expenses		(307)	–	(307)	(328)	–	(328)	(626)	–	(626)
Net loss before finance costs and taxation		1,862	(12,435)	(10,573)	1,698	(41,252)	(39,554)	7,612	(113,098)	(105,486)
Interest payable and similar charges		(344)	–	(344)	(866)	–	(866)	(1,504)	–	(1,504)
Net loss on ordinary activities before taxation		1,518	(12,435)	(10,917)	832	(41,252)	(40,420)	6,108	(113,098)	(106,990)
Taxation on ordinary activities		(546)	–	(546)	(261)	–	(261)	(1,948)	4	(1,944)
Net loss attributable to equity shareholders		972	(12,435)	(11,463)	571	(41,252)	(40,681)	4,160	(113,094)	(108,934)
Net loss per ordinary share	4	0.58p	(7.44)p	(6.86)p	0.34p	(24.67)p	(24.33)p	2.49p	(67.64)p	(65.15)p

The Total column of this statement is the profit and loss account of the Company. The Revenue and Capital columns are both provided in accordance with guidance issued by The Association of Investment Companies. The Company has no recognised gains or losses other than those disclosed in the Income Statement and the Reconciliation of Movements in Shareholders' Funds. Accordingly no Statement of Total Recognised Gains and Losses is presented.

All revenue and capital items in the above statement derive from continuing operations.

The Notes on pages 10 to 11 form an integral part of these accounts.

Reconciliation of Movements in Shareholders' Funds

For the six months ended 31 March 2009 (Unaudited)

	Called up Share capital £'000	**Capital re-demption reserve £'000**	**Share premium £'000**	**Share purchase reserve £'000**	**Warrant exercise reserve £'000**	**Capital reserve £'000**	**Revenue reserve £'000**	**Total £'000**
Balance at 30 September 2008	16,719	81	25,199	110,529	8,704	58,505	4,584	224,321
Net loss on ordinary activities	–	–	–	–	–	(12,435)	972	(11,463)
Dividend paid in respect of the year ended 30 September 2008	–	–	–	–	–	–	(4,013)	(4,013)
At 31 March 2009	**16,719**	**81**	**25,199**	**110,529**	**8,704**	**46,070**	**1,543**	**208,845**

For the six months ended 31 March 2008 (Unaudited)

	Called up Share capital £'000	Capital re-demption reserve £'000	Share premium £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2007	16,719	81	25,199	110,529	8,704	171,599	2,932	335,763
Net loss on ordinary activities	–	–	–	–	–	(41,252)	571	(40,681)
Dividend paid in respect of the year ended 30 September 2007	–	–	–	–	–	–	(2,508)	(2,508)
At 31 March 2008	16,719	81	25,199	110,529	8,704	130,347	995	292,574

For the year ended 30 September 2008 (Audited)

	Called up Share capital £'000	Capital re-demption reserve £'000	Share premium £'000	Share purchase reserve £'000	Warrant exercise reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2007	16,719	81	25,199	110,529	8,704	171,599	2,932	335,763
Net loss on ordinary activities	–	–	–	–	–	(113,094)	4,160	(108,934)
Dividend paid in respect of the year ended 30 September 2007	–	–	–	–	–	–	(2,508)	(2,508)
At 30 September 2008	16,719	81	25,199	110,529	8,704	58,505	4,584	224,321

The Notes on pages 10 to 11 form an integral part of these accounts.

Balance Sheet

	Notes	(Unaudited) At 31 March 2009 £'000	(Unaudited) At 31 March 2008 £'000	(Audited) At 30 September 2008 £'000
Fixed assets				
Investments held at fair value through profit or loss		**209,026**	321,909	235,721
		209,026	321,909	235,721
Current assets				
Debtors		**6,784**	5,843	976
Cash at bank and short-term deposits		**4,000**	7,182	30,312
		10,784	13,025	31,288
Current liabilities				
Creditors – amounts falling due within one year	**5**	**(10,965)**	(42,150)	(42,688)
Net current liabilities		**(181)**	(29,125)	(11,400)
Total assets less current liabilities		**208,845**	292,784	224,321
Creditors – amounts falling due after more than one year		**–**	(210)	–
Net assets		**208,845**	292,574	224,321
Capital and reserves				
Called up share capital		**16,719**	16,719	16,719
Capital redemption reserve		**81**	81	81
Share premium		**25,199**	25,199	25,199
Share purchase reserve		**110,529**	110,529	110,529
Warrant exercise reserve		**8,704**	8,704	8,704
Capital reserves		**46,070**	130,347	58,505
Revenue reserve		**1,543**	995	4,584
Equity shareholders' funds		**208,845**	292,574	224,321
Net asset value per ordinary share	**6**	**124.91p**	175.00p	134.17p

The Notes on pages 10 to 11 form an integral part of these accounts.

Cash Flow Statement

	(Unaudited) For the six months ended 31 March 2009 £'000	(Unaudited) For the six months ended 31 March 2008 £'000	(Audited) For the year ended 30 September 2008 £'000
Net cash inflow from operating activities	**993**	1,187	7,056
Net cash outflow from servicing of finance	**(565)**	(918)	(1,503)
Total tax paid	**(730)**	(780)	(1,938)
Net cash inflow from investment activities	**13,893**	81	18,842
Equity dividends paid	**(4,013)**	(2,508)	(2,508)
Net cash inflow/(outflow) before financing	**9,578**	(2,938)	19,949
Net cash outflow from financing	**(39,201)**	–	–
Net cash (outflow)/inflow	**(29,623)**	(2,938)	19,949
Reconciliation of net cash flow to movement in net debt			
Net cash (outflow)/inflow	**(29,623)**	(2,938)	19,949
Movement in borrowings	**39,201**	–	–
Movement in net debt resulting from cash flows	**9,578**	(2,938)	19,949
Net debt at 1 October	**(8,960)**	(24,786)	(24,786)
Exchange losses on currency, loans and cash balances	**(3,595)**	(314)	(4,123)
Net debt carried forward	**(2,977)**	(28,038)	(8,960)

The Notes on pages 10 to 11 form an integral part of these accounts.

Notes to the Accounts

1. Accounting Policies and Responsibility Statement

The Directors confirm that, to the best of their knowledge, this set of condensed financial statements has been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and with the Statement of Recommended Practice: Financial Statements of Investment Companies (SORP) issued in January 2009 and the Interim Management Report in the form of the Chairman's Statement and Investment Manager's Review include a fair review of the information required by DTR 4.2.7 and 4.2.8 of the FSA's Disclosure and Transparency Rules.

The financial information for each of the six month periods ended 31 March 2009 and 31 March 2008 comprises non-statutory accounts within the meaning of Sections 434 – 436 of the Companies Act 2006. The financial information for the year ended 30 September 2008 has been extracted from published accounts that have been delivered to the Registrar of Companies and on which the report of the auditors was unqualified. The interim accounts have been prepared on the same basis as the annual accounts.

The Company's accounting policies have not varied from those described in the Report and Accounts for the year to 30 September 2008.

2. Income

	(Unaudited) For the six months ended 31 March 2009	(Unaudited) For the six months ended 31 March 2008	(Audited) For the year ended 30 September 2008
	£'000	£'000	£'000
Income from investments:			
Overseas dividends	**2,873**	3,250	9,957
UK franked dividend income	**101**	–	–
Interest from overseas bonds	**–**	53	204
Stock dividends	**–**	–	146
Interest on deposits	**138**	286	684
Stock lending fee income	**54**	97	157
	3,166	3,686	11,148

3. Management fees and interest payable

The investment management fee and finance costs on borrowings for investment purposes are apportioned 100% to the revenue return.

4. Loss per Ordinary share

	(Unaudited) For the six months ended 31 March 2009	(Unaudited) For the six months ended 31 March 2008	(Audited) For the year ended 30 September 2008
Revenue (£'000)	**972**	571	4,160
Capital (£'000)	**(12,435)**	(41,252)	(113,094)
Total (£'000)	**(11,463)**	(40,681)	(108,934)
Weighted average number of ordinary shares in issue	**167,189,762**	167,189,762	167,189,762
Revenue	**0.58p**	0.34p	2.49p
Capital	**(7.44)p**	(24.67)p	(67.64)p
Total	**(6.86)p**	(24.33)p	(65.15)p

5. Creditors: Amounts falling due within one year

Included within creditors is the following loan:

	(Unaudited) At 31 March 2009	(Unaudited) At 31 March 2008	(Audited) At 30 September 2008
US dollars	**10,000,000**	70,000,000	70,000,000
Equivalent to	**£6,977,000**	£35,220,000	£39,272,000

The Company has a loan facility of US$50 million with ING Bank N.V. (30 September 2008 US$100 million), of which the amount drawn at the period end is set out above. This facility is unsecured and repayable within one year.

6. Net asset value per ordinary share

	(Unaudited) At 31 March 2009	(Unaudited) At 31 March 2008	(Audited) At 30 September 2008
Net assets attributable to ordinary shareholders (£'000)	**208,845**	292,574	224,321
Ordinary shares in issue at end of period	**167,189,762**	167,189,762	167,189,762
Net asset value per ordinary share	**124.91p**	175.00p	134.17p

Company Summary

The Company

Schroder AsiaPacific Fund plc is an independent investment trust, whose shares are listed on the London Stock Exchange. The Company's assets are managed and it is administered by Schroders. The Company has, since its launch in 1995, measured its performance against the MSCI All Countries Far East Free (ex Japan) Index in sterling terms. The Company measures its performance on a total return basis.

It is not intended that the Company should have a limited life, but the Directors consider it desirable that the Shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Articles of Association of the Company contain provisions requiring the Directors to put a proposal for the continuation of the Company to Shareholders at the Company's Annual General Meeting in 2011 and thereafter at five yearly intervals.

Website and Price Information

The Company has launched a dedicated website, which may be found at www.schroderasiapacificfund.com. The website has been designed to be utilised as the Company's primary method of electronic communication with shareholders. It contains details of the Company's share price (subject to a delay of 15 minutes) and copies of Report and Accounts and other documents published by the Company as well as information on the Directors, Terms of Reference of Committees and other governance arrangements. In addition, the site contains links to announcements made by the Company to the market, Equiniti's shareview service and Schroders' website. There is also a section entitled "How to Invest" which provides details of the Schroder ISA and Schroder Investment Trust Dealing Service.

The Company releases its Net Asset Value to the market on a daily basis.

Share price information may also be found in the Financial Times and on Schroders' website at www.schroders.co.uk/its.

Registrar Services

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Equiniti Limited at 1st Floor, 34 South Gyle Crescent, South Gyle Business Park, Edinburgh EH12 9EB. The helpline telephone number of Equiniti Registrars is 0871 384 2454. Calls to this number are charged at 8p per minute from a BT landline. Other telephone providers' costs may vary.

Equiniti maintain a web-based enquiry service for shareholders. Currently the "Shareview" site (address below) contains information available on public registers.

Shareholders will be invited to enter their name, shareholder reference (account number) and post code and will be able to view information on their own holding. Visit www.shareview.co.uk for more details.

www.schroderasiapacificfund.com

Schroders