

# Schroder

# AsiaPacific Fund plc

Half-Yearly Report to 31 March 2010

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**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 excluding Japan Index in sterling (Benchmark Index) over the longer term.

## Directors

**The Hon. Rupert Carington (Chairman)**

**Robert Binyon**

**Robert Boyle**

**The Rt. Hon. the Earl of Cromer**

**Anthony Fenn**

**Nicholas Smith**

## Advisers

### **Investment Manager**

Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA

### **Company Secretary and Registered Office**

Schroder Investment Management Limited  
31 Gresham Street  
London EC2V 7QA  
Telephone: 020 7658 3206

### **Bankers**

ING Bank N.V.  
60 London Wall  
London EC2M 5TQ

### **Custodian**

JP Morgan Chase Bank  
1 Chaseside  
Bournemouth  
Dorset BH7 7DA

### **Registrar**

Equiniti Limited  
Aspect House  
Spencer Road  
Lancing  
West Sussex BN99 6DA

Shareholder Helpline\*: 0871 384 2454

Website: [shareview.co.uk](http://shareview.co.uk)

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

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Hay's Galleria  
1 Hay's Lane  
London SE1 2RD

### **Stockbrokers**

Numis Securities Ltd  
The London Stock Exchange Building  
10 Paternoster Square  
London EC4M 7LT

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## Financial Highlights

	31 March 2010	30 September 2009	Change %
Total assets (£'000)*	<b>363,790</b>	313,688	+16.0
Borrowings (£'000)	<b>6,592</b>	6,253	+5.4
Shareholders' funds (£'000)	<b>357,198</b>	307,435	+16.2
Shares in issue ('000)	<b>167,237</b>	167,190	
Undiluted net asset value per ordinary share	<b>213.59p</b>	183.88p	+16.2
Diluted net asset value per ordinary share	<b>209.83p</b>	–	–
Share price	<b>194.50p</b>	166.75p	+16.6
Share price discount	<b>8.94%</b>	9.32%	
Market capitalisation (£'000)	<b>325,276</b>	278,789	+16.7

	For the six months ended 31 March 2010	For the year ended 30 September 2009
NAV total return**	<b>17.24%</b>	38.67%
MSCI All Countries Far East ex Japan Index – Total Return in Sterling terms***	<b>13.24%</b>	39.78%

\* Calculated in accordance with the AIC guidance and comprises shareholders' funds plus borrowings.

\*\* Source: Morningstar ([www.morningstar.co.uk](http://www.morningstar.co.uk)) based on preliminary NAVs released via the Regulatory News Service.

\*\*\* Source: Thomson Financial Datastream.

## Ten Largest Investments

As at 31 March 2010

Company and Activity	Market Value of Holding £'000	% of Shareholders' Funds
<b>Samsung Electronics</b> Korean Group with interests in semiconductors, mobile handsets and consumer electronics.	18,608	5.21
<b>Jardine Strategic Holdings</b> Holding company with interests in property, vehicle distribution and food retailing.	17,928	5.02
<b>Jardine Matheson</b> Diversified Hong Kong holding company with interests in property, retailing and trading.	13,084	3.66
<b>Taiwan Semiconductor Manufacturing</b> Manufacturer of semiconductor products.	10,962	3.07
<b>Niko Resources</b> Oil and gas producer.	10,716	3.00
<b>Fortune Real Estate Investment Trust</b> Operates retail malls in Hong Kong.	10,333	2.89
<b>Siliconware Precision</b> Taiwanese semiconductor testing group.	9,689	2.71
<b>Hang Lung Group</b> Diversified Hong Kong company with interests in property in Hong Kong and China.	9,424	2.64
<b>Swire Pacific 'A'</b> Hong Kong holding company involved in property, airlines and marine services.	9,396	2.63
<b>GS Engineering &amp; Construction</b> Korean construction company.	9,317	2.61
<b>Total</b>	<b>119,457</b>	<b>33.44</b>

At 30 September 2009, the ten largest investments represented 36.36% of shareholders' funds.

## Chairman's Statement

### Performance

During the six-month period ended 31 March 2010, the Company's net asset value per share produced a total return of 17.2%, out-performing the MSCI All Countries Far East excluding Japan Index, which produced a total return of 13.2%. The share price increased by 16.6% and the discount narrowed slightly from 9.3% to 8.9%.

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

### Gearing Policy

The Company's credit facility was maintained at US\$50 million, and the amount drawn under the facility remained at US\$10 million, throughout the period under review. All of the borrowings continue to be obtained via a revolving credit facility to provide flexibility. Since the end of the period, the facility has been replaced with a similar revolving facility on a secured basis with a floating charge on the Company's assets, in order to reduce costs.

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 0.2%, and this had increased to 1.0% at 31 March 2010.

### Subscription Shares

A total of 299,850 subscription shares have been converted into ordinary shares after the first two subscription dates and there are now 167,489,612 ordinary shares and 33,137,805 subscription shares in issue.

As a reminder, the rights conferred by the Subscription Shares will be exercisable on each of 31 December, 31 March, 30 June and 30 September up to 31 December 2012 (or if such date is not a Business Day, on the next following Business Day).

The Subscription Price, equal to the NAV per ordinary share as at 5.00 p.m. on 13 October 2009 of 188.46 pence per share plus a percentage premium to such amount, rounded up to the nearest whole penny, is as follows:

#### **If exercised on the next Subscription Dates of 30 June or 30 September 2010, 191 pence, representing a premium of 1 per cent.**

If exercised on any Subscription Date between and including 31 December 2010 to 30 September 2011, 208 pence, representing a premium of 10 per cent.

If exercised on any Subscription Date between and including 31 December 2011 to 31 December 2012, 245 pence, representing a premium of 30 per cent.

A Circular reminding shareholders of the next subscriptions dates on 30 June and 30 September 2010, outlining procedures for subscription and setting out the base costs for the subscription shares for capital gains tax purposes, will be sent to all subscription share holders with the Half-Yearly Report.

### Board Refreshment and Director Changes

At the Annual General Meeting held in January 2010, the Board announced its refreshment policy in order to clarify its future intentions in this regard and indicated that, during the current calendar year and to coincide with the continuation vote early in 2011, the Board will amend its composition so that long-serving Directors do not constitute the majority of the Board. As part of that planned refreshment policy, the Board is pleased to announce the appointment of a new Director of the Company, Mr Nicholas Smith, who has been appointed with effect from 28 May 2010.

Mr Smith, aged 58, is a Chartered Accountant. He joined the Jardine Fleming Group in 1986 in Hong Kong serving, from 2003, as Chief Financial Officer and as a member of the Executive Committee. After returning to UK, Mr Smith became a director of Robert Fleming International Ltd in 1998 and the Director of Origination - Investment Banking serving until 2000.

Mr Smith currently serves as Chairman of privately-held Ophir Energy plc and as a non executive director of Asian Citrus Holdings Ltd, PLUS Markets Group plc, Sorbic International Ltd., and Japan Opportunities Fund II Limited.

Also as part of the refreshment of the Board Mr Jan Kingzett, the Director nominated by Schroders to represent the Investment Manager has resigned as a Director of the Company with effect from 28 May 2010. Following this change, there will not be a representative of the Investment Manager on the Board. We extend our gratitude for the invaluable contribution that Mr Kingzett has made to the success of the Company over the past decade and a half.

## **Outlook**

Soon after the end of the period under review the Company's share price set a new all-time high breaking through £2 per share. It has subsequently fallen back, with the net asset value affected by uncertainty over sovereign debt problems, but the Board takes comfort from the extent to which Asian companies' success has justified higher share prices. Success has brought potential problems of over-heating, and the pace of recovery in Western export markets may slow, but the financial strength of most Asian countries and companies has increased over the last two years. The region still seems to offer considerable long-term potential.

### **Rupert Carington**

Chairman

28 May 2010

## Investment Manager's Review

The net asset value of the Company recorded a total return of 17.2% over the half year period. This compares with a 13.2% rise in the benchmark index, the Morgan Stanley All Countries Far East ex Japan Index, over the same period.

In local currency terms, regional markets made relatively modest progress over the six month period, rising 5.6% in local currency terms and 7.3% in US dollar terms. The weakness of sterling, which fell against all the regional currencies, was a significant driver of returns for the Company. The trend was particularly marked against the currencies of emerging ASEAN countries (Indonesia, Thailand, the Philippines) and Korea.

To an extent, consolidation in regional markets was a reaction to the pace and scale of recovery since their nadir in late October 2008. It also reflected the fact that by late summer last year, regional valuations were above their historic averages and the immediate scope for earnings recovery was already adequately discounted by investors.

A further restraint on sentiment was the withdrawal of stimulus measures, most notably in China. In addition to a steady stream of directives to cool the residential property market, there have been measures to lower bank credit growth, raise interest rates and increase reserve requirements for the banks, accompanied by greater scrutiny of local government infrastructure projects.

In local currency terms the strongest markets in the region have been Thailand (supported by cheap valuations and a relatively quiet period on the political front allowing domestic activity and consumer confidence to develop), Malaysia (recouping previous underperformance) and the Philippines on a generally smooth Presidential election campaign and strong corporate earnings.

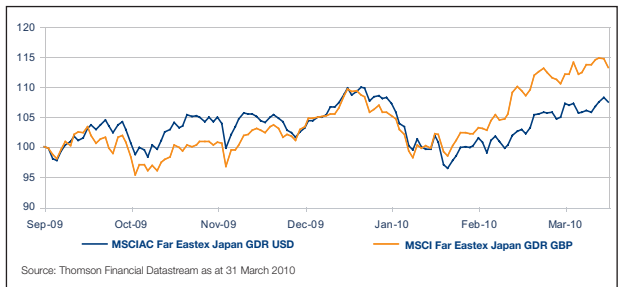
The weakest markets have been Korea, which had had a strong run in the latter part of the previous review period and discounted a fair degree of the earnings recovery to come, and Taiwan where excitement over cross Straits links was on the wane.

### Performance and Portfolio Activity

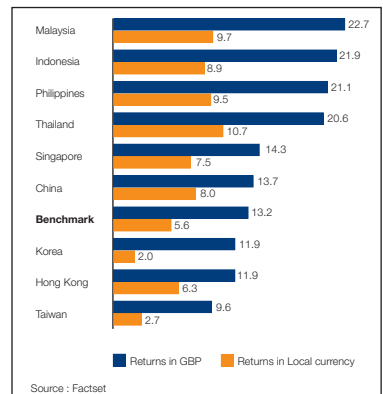
It was a strong period for the relative performance of the Company. Contributions to the latter included strong stock selection in China, Singapore, Hong Kong, and Thailand. The off benchmark holdings in India also contributed positively. The partial offset was from stock selection shortfalls in Taiwan and Korea. Country allocation did not make much impact either way, with positive impact from overweights in Singapore and the Philippines offset by the underweighting in Thailand and nil weight in Malaysia.

Continued volatility in markets and sectors has continued to dictate a high level of portfolio activity. In terms of country allocation, we have taken profits in Korea, using the proceeds to add to Hong Kong/China and to Singapore. In China, our focus was on domestically oriented companies which we believe to be long-term winners, but are being impacted by short-term investor concerns over measures to cool the property market and lending growth.

### Performance of the MSCI AC Far East ex Japan Net Dividends Reinvested Index in GBP and USD – 30 September 2009 to 31 March 2010



### Country returns of the MSCI AC Far East ex Japan Net Dividends Reinvested Index in GBP – 30 September 2009 to 31 March 2010



## Outlook and Policy

We remain reasonably positive on the outlook for regional markets in 2010. As mentioned before, in local currency terms most of the market indices have been in a consolidation pattern since the third quarter of last year. Meanwhile, earnings growth has been strong thanks to cost cutting and some stabilization in end markets. Consequently, valuations look more attractive now than formerly.

Furthermore, hopes for a shorter-term asset bubble in the region have been defused by a recovery in the US dollar and some tightening measures by regional authorities. The actions of the Chinese government have dominated the headlines, but there have also been direct measures to cool the property markets in Singapore and Korea, and monetary tightening, rather belatedly, in India.

These factors have injected a needed dose of sobriety into investor expectations, and leave the markets placed for progress based on further growth in earnings (although comparisons will get more demanding as the year progresses) and what are likely to remain globally accommodative monetary policies. Volatility is likely to continue, partly dependent on the course of policy in China, but also subject to external events most notably the increasingly grim news out of peripheral Europe which resonates with Asian investors for whom the Asian crisis is a relatively recent and painful memory.

Given this balanced outlook, the Company is not using much of its credit facility. Country focus remains upon Hong Kong/China (and we continue to look for opportunities to add to the latter), a significant overweighting in Singapore, and, of the key exporters, a bias relative to the benchmark towards Taiwan over Korea. Our sector preferences are industrials, information technology and financials, balanced by underweightings in telecoms, utilities and materials.

## Country Weights - Schroder AsiaPacific Fund vs MSCI AC Far East ex Japan Index

Market	Net Asset Value Weightings %		Benchmark
	30 September 2009	31 March 2010	Index Weight (%) 31 March 2010
HK/China	33.2	36.2	41.7
Korea	20.3	16.8	21.5
Taiwan	16.9	16.4	18.0
Singapore	13.8	15.8	7.6
Malaysia	0.0	0.0	4.6
Indonesia	2.4	2.8	3.4
Thailand	4.6	0.6	2.5
Australia	1.2	2.9	0.0
India	4.8	5.5	0.0
Philippines	2.3	3.1	0.7
Vietnam	–	0.3	0.0
United Kingdom	0.9	–	–
USA	0.0	0.5	0.0
Other net liabilities	(0.4)	(0.9)	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Schroders

Schroder Investment Management Limited

28 May 2010



## Income Statement

	<b>(Unaudited)</b> <b>For the six months</b> <b>ended 31 March 2010</b>			<b>(Unaudited)</b> <b>For the six months</b> <b>ended 31 March 2009</b>			<b>(Audited)</b> <b>For the year ended</b> <b>30 September 2009</b>			
	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>	<b>Revenue</b>	<b>Capital</b>	<b>Total</b>	
<b>Note</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Gains/(losses) on investments held at fair value	-	54,081	54,081	-	(8,840)	(8,840)	-	85,787	85,787	
Other currency losses	-	(266)	(266)	-	(3,595)	(3,595)	-	(3,129)	(3,129)	
Income	2	2,782	-	2,782	3,166	-	3,166	8,898	-	8,898
Investment management fee	3	(1,608)	-	(1,608)	(997)	-	(997)	(2,321)	-	(2,321)
Administrative expenses		(401)	-	(401)	(307)	-	(307)	(649)	-	(649)
<b>Net return/(loss) before finance costs and taxation</b>		<b>773</b>	<b>53,815</b>	<b>54,588</b>	1,862	(12,435)	(10,573)	5,928	82,658	88,586
Interest payable and similar charges	3	(72)	-	(72)	(344)	-	(344)	(431)	-	(431)
<b>Net return/(loss) on ordinary activities before taxation</b>		<b>701</b>	<b>53,815</b>	<b>54,516</b>	1,518	(12,435)	(10,917)	5,497	82,658	88,155
Taxation on ordinary activities		(178)	-	(178)	(546)	-	(546)	(1,028)	-	(1,028)
<b>Net return/(loss) attributable to equity shareholders</b>		<b>523</b>	<b>53,815</b>	<b>54,338</b>	972	(12,435)	(11,463)	4,469	82,658	87,127
<b>Net return/(loss) per ordinary share</b>	4	<b>0.31p</b>	<b>32.18p</b>	<b>32.49p</b>	0.58p	(7.44)p	(6.86)p	2.67p	49.44p	52.11p

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 11 and 12 form an integral part of these accounts.

## Reconciliation of Movements in Shareholders' Funds

## For the six months ended 31 March 2010 (Unaudited)

	Called up share capital £'000	Capital redemption 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 2009	16,719	81	25,199	110,529	8,704	141,163	5,040	307,435
Net return from operating activities	–	–	–	–	–	53,815	523	54,338
Dividend paid in respect of the year ended 30 September 2009	–	–	–	–	–	–	(4,431)	(4,431)
Bonus issue of subscription shares	334	–	(334)	–	–	–	–	–
Subscription shares issue costs	–	–	(235)	–	–	–	–	(235)
Issue of Ordinary Shares on exercise of Subscription Shares	5	–	86	–	–	–	–	91
<b>At 31 March 2010</b>	<b>17,058</b>	<b>81</b>	<b>24,716</b>	<b>110,529</b>	<b>8,704</b>	<b>194,978</b>	<b>1,132</b>	<b>357,198</b>

## For the six months ended 31 March 2009 (Unaudited)

	Called up share capital £'000	Capital redemption 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)/return from operating 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 year ended 30 September 2009 (Audited)

	Called up share capital £'000	Capital redemption 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 return from operating activities	–	–	–	–	–	82,658	4,469	87,127
Dividend paid in respect of the year ended 30 September 2008	–	–	–	–	–	–	(4,013)	(4,013)
At 30 September 2009	16,719	81	25,199	110,529	8,704	141,163	5,040	307,435

\* The revenue reserve represents the amount of the Company's reserves distributable by way of dividend.

The notes on pages 11 and 12 form an integral part of these accounts.

## Balance Sheet

		(Unaudited) At 31 March 2010 £'000	(Unaudited) At 31 March 2009 £'000	(Audited) At 30 September 2009 £'000
	Note			
<b>Fixed assets</b>				
Investments held at fair value through profit or loss		360,206	209,026	308,698
		<b>360,206</b>	209,026	308,698
<b>Current assets</b>				
Debtors		1,617	6,784	1,790
Cash at bank and short-term deposits		3,477	4,000	8,563
		<b>5,094</b>	10,784	10,353
<b>Current liabilities</b>				
Creditors – amounts falling due within one year	5	(8,102)	(10,965)	(11,616)
<b>Net current liabilities</b>		<b>(3,008)</b>	(181)	(1,263)
<b>Net assets</b>		<b>357,198</b>	208,845	307,435
<b>Capital and reserves</b>				
Called up share capital	6	17,058	16,719	16,719
Capital redemption reserve		81	81	81
Share premium		24,716	25,199	25,199
Share purchase reserve		110,529	110,529	110,529
Warrant exercise reserve		8,704	8,704	8,704
Capital reserve		194,978	46,070	141,163
Revenue reserve		1,132	1,543	5,040
<b>Equity shareholders' funds</b>		<b>357,198</b>	208,845	307,435
<b>Net asset value per ordinary share</b>	7	<b>213.59p</b>	124.91p	183.88p
<b>Net asset value per share (diluted)</b>	7	<b>209.83p</b>	124.91p	183.88p

The notes on pages 11 and 12 form an integral part of these accounts.

## Cash Flow Statement

	<b>(Unaudited)</b> <b>For the six months</b> <b>ended 31 March</b>	(Unaudited) For the six months ended 31 March	(Audited) For the year ended 30 September
	<b>2010</b>	2009	2009
	<b>£'000</b>	£'000	£'000
<b>Operating activities</b>			
Net cash (outflow)/inflow from operating activities	<b>(466)</b>	993	6,384
Net cash outflow from servicing of finance	<b>(74)</b>	(565)	(644)
Total tax paid	<b>(38)</b>	(730)	(1,838)
Net cash (outflow)/inflow from investment activities	<b>(7)</b>	13,893	14,510
Equity dividends paid	<b>(4,431)</b>	(4,013)	(4,013)
Net cash (outflow)/inflow before financing	<b>(5,016)</b>	9,578	14,399
Net cash outflow from financing	<b>(143)</b>	(39,201)	(39,201)
<b>Net cash outflow</b>	<b>(5,159)</b>	(29,623)	(24,802)
<b>Reconciliation of net cash flow to movement in net (debt)/funds</b>			
Net cash outflow	<b>(5,159)</b>	(29,623)	(24,802)
Movement in borrowings	<b>-</b>	39,201	39,201
<b>Movement in net debt resulting from cash flows</b>	<b>(5,159)</b>	9,578	14,399
Net funds/(debt) at 1 October	<b>2,310</b>	(8,960)	(8,960)
Exchange losses on currency, loans and cash balances	<b>(266)</b>	(3,595)	(3,129)
<b>Net (debt)/funds carried forward</b>	<b>(3,115)</b>	(2,977)	2,310

The notes on pages 11 and 12 form an integral part of these accounts.

## Interim Management Report

The Chairman's Statement on pages 3 and 4 and the Investment Manager's Review on pages 5 and 6 give details of the important events which occurred during the first six months of the financial year and their impact on the condensed financial statements for the half year ended 31 March 2010.

The principal risks and uncertainties associated with the Company's business fall into the following categories: financial risk; strategic risk; and accounting, legal and regulatory risk. A detailed explanation of the risks and uncertainties in each of these categories can be found on pages 12 and 13 of the Company's published Annual Report and Accounts for the year ended 30 September 2009.

## Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections; that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

## Directors' 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 (UKGAAP) and with the Statement of Recommended Practice: Financial Statements of Investment Companies and Venture Capital Trusts (SORP) issued in January 2009 and the Interim Management Report as set out above includes a fair review of the information required by 4.2.7R and 4.2.8R of the FSA's Disclosure and Transparency Rules.

## Notes to the Accounts

### 1. Accounting Policies

The financial information for each of the six month periods ended 31 March 2010 and 31 March 2009 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 2009 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, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The Company's accounting policies have not varied from those described in the Report and Accounts for the year ended 30 September 2009.

The Half-Yearly Report has been prepared on the going concern basis as it is the Directors' opinion that the Company will continue in operational existence for the foreseeable future.

### 2. Income

	(Unaudited) For the six months ended 31 March 2010 £'000	(Unaudited) For the six months ended 31 March 2009 £'000	(Audited) For the year ended 30 September 2009 £'000
Income from investments:			
Overseas dividends	2,565	2,873	8,420
UK franked dividend income	71	101	95
Interest from overseas bonds	–	–	(126)
Stock dividends	112	–	270
Bank deposit interest	7	138	149
Stock lending fee income	27	54	89
Other income	–	–	1
	<b>2,782</b>	3,166	8,898

### 3. Management fees and interest payable

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

### 4. Return/(loss) per Ordinary share

	(Unaudited) For the six months ended 31 March 2010 £'000	(Unaudited) For the six months ended 31 March 2009 £'000	(Audited) For the year ended 30 September 2009 £'000
Revenue	523	972	4,469
Capital	53,815	(12,435)	82,658
Total	54,338	(11,463)	87,127
Weighted average number of ordinary shares in issue	167,209,810	167,189,762	167,189,762
Revenue	0.31p	0.58p	2.67p
Capital	32.18p	(7.44)p	49.44p
Total	32.49p	(6.86)p	52.11p

As at 31 March 2010, the Company had in issue 33,390,269 subscription shares which are convertible into ordinary shares on 30 June and at the end of each quarter thereafter until 31 December 2012. The subscription shares were issued on 14 October 2009. Further details of the conversion prices are given in note 6 on page 12. There was dilution of 3.76p per ordinary share in respect of the conversion rights attaching to the subscription shares.

## 5. Creditors: Amounts falling due within one year

Included within creditors is the following loan:

	(Unaudited) At 31 March 2010	(Unaudited) At 31 March 2009	(Audited) At 30 September 2009
US dollars	10,000,000	10,000,000	10,000,000
Equivalent to	£6,592,000	£6,977,000	£6,253,000

The Company has a credit facility in place of US\$50 million (30 September 2009 US\$50 million) with ING Bank N.V., of which the amount drawn at the period end is set out above. This facility is secured by way of a floating charge on all assets of the Company and is repayable within one year.

## 6. Called up share capital

	(Unaudited) At 31 March 2010 £'000	(Unaudited) At 31 March 2009 £'000	(Audited) At 30 September 2009 £'000
<b>Authorised:</b>			
246,656,204 (31 March 2009 and 30 September 2009: 250,000,000) ordinary shares of 10p each	24,666	25,000	25,000
33,437,960 (31 March 2009 and 30 September 2009: nil) subscription shares of 1p each	334	–	–
<b>Allotted, Called up and Fully paid:</b>			
Ordinary shares of 10p each			
Opening balance 167,189,762	16,719	16,719	16,719
Issue of 47,386 Ordinary shares on exercise of subscription shares	5	–	–
Closing Balance 167,237,148 (31 March 2009 and 30 September 2009: 167,189,762)	16,724	16,719	16,719
<b>Subscription shares of 1p each:</b>			
Bonus issue of 33,437,655 subscription shares	334	–	–
Exercise of 47,386 subscription shares into ordinary	–	–	–
Closing Balance 33,390,269 (31 March 2009 and 30 September 2009: nil)	334	–	–
<b>Total share capital</b>	<b>17,058</b>	16,719	16,719

The subscription shares were issued as a bonus issue to the ordinary shareholders on 14 October 2009 on the basis of one subscription share for every five ordinary shares. Each subscription share confers the right (but not the obligation) to subscribe for one ordinary share on each of 31 December, 31 March, 30 June and 30 September until 31 December 2012 (or if such date is not a Business Day (as defined in the prospectus issued in connection with the issue of subscription shares, on the next following Business Day) when the rights under the subscription shares will lapse.

The conversion prices have been determined as follows:

- If exercised between and including 31 December 2009 and 30 September 2010, 191 pence.
- If exercised between and including 31 December 2010 and 30 September 2011, 208 pence.
- If exercised between and including 31 December 2011 and 30 September 2012, 245 pence.

## 7. Net asset value per ordinary share

	(Unaudited) At 31 March 2010	(Unaudited) At 31 March 2010	(Audited) At 30 September 2010
Net assets attributable to ordinary shareholders (£'000)	357,198	208,845	307,435
Ordinary shares in issue at end of period	167,237,148	167,189,762	167,189,762
Net asset value per ordinary share	213.59p	124.91p	183.88p
<b>Diluted:</b>			
Net assets attributable to ordinary shareholders	420,973	208,845	307,435
Ordinary shares in issue at end of period if subscription shares converted	200,627,417	167,189,762	167,189,762
<b>Net asset value per ordinary share</b>	<b>209.83p</b>	124.91p	183.88p

The diluted net asset value per ordinary share has been calculated on the assumption that 33,390,269 subscription shares in issue were converted at 191 pence per share, resulting in a total number of shares in issue of 200,627,417.

## 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 (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 a dedicated website, which may be found at [www.schroderasiapacificfund.com](http://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.

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](http://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 Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. 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](http://www.shareview.co.uk) for more details.

### Dealing Codes

The dealing codes for the shares in the Company are as follows:

#### Ordinary Shares

ISIN: GB0007918872  
 SEDOL: 0791887  
 Ticker: SDP

#### Subscription Shares

ISIN: GB00B3Z0B572  
 SEDOL: B3Z0B57  
 Ticker: SDPS

[www.schroderasiapacificfund.com](http://www.schroderasiapacificfund.com)