

PRESS RELEASE

FOR IMMEDIATE RELEASE

Schroders outsources retail administration to IFDS (a State Street and DST joint venture)

London, 28th June, 2002,

Schroders has signed an agreement with International Financial Data Services (IFDS) to outsource its UK-based authorised unit trust administration. The move is part of an ongoing program by Schroders to deliver increased shareholder value through efficient and cost-effective operations, as well as maintaining the focus on its core business of investment management.

IFDS will offer a full outsourced administration service for Schroders UK institutional and retail unit trust fund ranges. IFDS is a leading provider of such services to major asset management houses in the UK and around the world.

Hugh Mullan, Chief Operating Officer of SIL, said:

"This agreement with IFDS allows Schroders to increase shareholder value by using a high quality, cost effective outsourced service. In addition, it allows us to increase our focus on our core investment management business with our customers enjoying administration and client service delivered by world class specialists."

"This move is a further demonstration of the overall commitment we have to excellence that has seen us build one of today's leading UK unit trust businesses."

The contract term is six years and will become effective in the first half of 2003. This will include the redeployment of a number of staff from Schroders to IFDS.

Charles H Eppinger, Chief Executive Office of IFDS, commented;

"We are extremely pleased to partner with Schroders to provide administration for their UK-based range of funds. Schroders is one of the most prestigious names in the UK market and we believe our advanced systems and high quality administration will provide them an edge in a very competitive environment. We truly look forward to a long and fruitful joint relationship with Schroders."

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Notes for Editors:

Schroders is a world leader in asset management with £110 (€179.9/\$160.1) billion under management. Our clients include charities, corporations, high net worth individuals, insurance companies, local and public authorities, pension funds, and retail investors.

The Schroder Group has a history of almost 200 years. We currently employ over 2,500 people across an international network. The Schroder family still holds a controlling interest in Schroders plc, which is quoted on the London stock exchange.

Our aim is to apply our specialist asset management skills in serving the needs of our clients worldwide and in delivering value to our shareholders. With one of the largest networks of offices of any dedicated asset management company and over 250 portfolio managers and analysts covering the world's investment markets, we offer our clients a comprehensive range of products and services.

International Financial Data Services (International Financial) is a joint venture between Boston-based **State Street Corporation** (NYSE: STT), a world leader in financial services providing investment servicing, investment management, trading services and investment research, and **DST Systems Inc** (NYSE: DST), a Kansas City-based leader in the design, development and operation of proprietary shareholder accounting software systems.

International Financial is today recognised as the worlds leading provider of ASP (Application Service Provision) and BPO (Business Process Outsourcing) solutions to the global collective investment industry. Supporting over 11.5 million accounts for over 50 organisations, and with over 1,200 experienced staff based in three locations (Canada, Luxembourg & United Kingdom).

For more information visit the International Financial web site www.ifdsgroup.com

Or DST's web site www.dstsystems.com

Or State Street's web site www.statestreet.com