

Witan Pacific
Investment Trust plc
Interim Report 2006

Contents

3	Chairman's Statement
5	Highlights
6	Portfolio Summary
7	Portfolio Information
8	Unaudited Income Statement
9	Reconciliation of Movements in Shareholders' Funds
10	Unaudited Balance Sheet
11	Unaudited Cash Flow Statement
12	Notes to the Accounts
14	Executive Manager
14	Investment Managers
15	Witan Wealthbuilder – How to Invest
16	Directors and Advisers
17	Shareholder Information

Objective

Witan Pacific Investment Trust plc is managed by Aberdeen Asset Managers Limited and Nomura Asset Management U.K. Limited. Witan Investment Services Limited provides the executive management.

The Trust's objective is to maximise shareholders' total return predominantly through growth in capital by investing in the Asia Pacific region.

Witan wisdom

*“The only thing that
you owe the public is a
good performance.”*

Humphrey Bogart

Chairman's Statement



Gillian Nott

It is a pleasure to present my first Interim Statement to shareholders after my appointment as Chairman in June 2006. Since the beginning of the financial year markets in general, but in the Asia Pacific region in particular, have been on a rollercoaster ride and it has been difficult to judge their direction. However, our Managers were appointed for their long-term approach to investment in the region and they have continued to pursue the individual management styles and strategies for which they were appointed.

Over the six months under review markets in the region have generally fallen. The NAV of the Company has performed in line with the benchmark index over the six months. Both the Fund Managers outperformed the index in the period, Aberdeen returning -5.1% and Nomura somewhat less at -6.2%. The running costs of the Company, including tax, accounted for the difference between the Managers' underlying performance and the final NAV of -7.1% indicated above. Since the new management arrangements were put into place the Aberdeen portfolio has risen 23.6% and Nomura 26.1% against an index return of 24.7%. These varying outcomes show the benefit of having two investment managers with different approaches.

The severe setback in markets in May and June 2006 saw investment trust discounts widen, particularly in those trusts invested in Emerging Markets and the Pacific Basin. As a result of this setback the Company's share price

declined 10.3% over the reporting period. This occurred as the discount widened to 9.5% from 6.3% as at the end of January 2006. Over the twelve months to end July 2006 and despite the recent market falls, the share price has risen 15.7%.

The Board has continued with its policy to buy back the Company's shares expecting that the discount will be comparable to that of its peers.

During the six months to 31 July 2006 Aberdeen's strategy in this more volatile period was to take selective profits in shares which they thought had run up too far. They then invested the proceeds in slightly more defensive type companies whose underlying operations will continue to generate strong cash flow and continued earnings growth in the medium term. Nomura reduced their overweight exposure to the Japanese market to an index weighting, believing that they can deploy cash resources more effectively in other regional markets. Aberdeen remains very underweight in Japan.

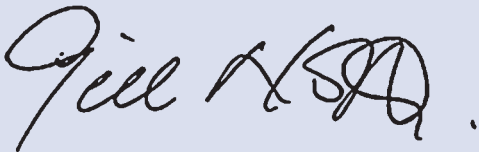
As those of you who invest in the Company through the F&C savings schemes will be aware, F&C will no longer be offering this facility to Witan Pacific shareholders. Your Board has arranged for Witan Investment Services to offer similar savings product plans to those offered by F&C. I hope that those of you to whom this applies and, who are now in receipt of an information pack on this matter, will have made your decision and returned your election form.

Chairman's Statement

continued

If you have not, please do so immediately as in the event that you fail to return your completed form by 9 November 2006 F&C will sell your shares on your behalf. I do hope you will choose to remain a Witan Pacific shareholder.

After the period of heightened volatility which has brought markets back to lower levels there are some reasons for caution in the current environment. However, the region's economies are still likely to grow faster than the more developed western economies and markets across the region would appear to be reasonably priced. Our Managers remain confident of their respective investment strategies.

A handwritten signature in black ink, appearing to read "Gillian Nott". The signature is fluid and cursive, with a period at the end.

Gillian Nott

Chairman

29 September 2006

Highlights

Summary of Unaudited Results attributable to equity shareholders

	31 July 2006	31 January 2006	% change
Net asset value per share	166.56p	179.20p	-7.1%
Share price	150.75p	168.00p	-10.3%
Discount	9.5%	6.3%	
MSCI AC Asia Pacific Free Index (£) – capital only†			-7.2%

Cumulative Performance (Total Returns) to 31 July 2006

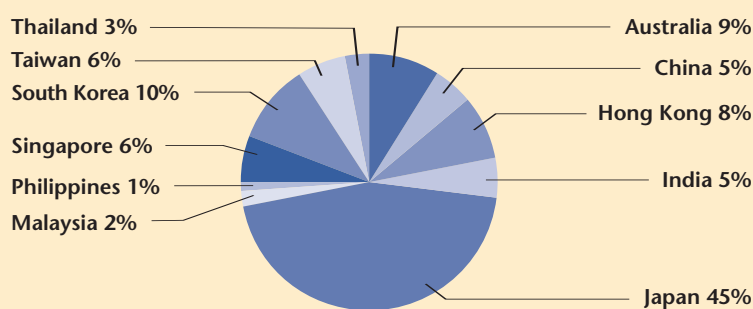
	1 year %	3 years %	5 years %
Share price*	16.7	63.3	52.8
Net asset value per share*	16.6	56.5	35.7
MSCI AC Asia Pacific Free Index (£)†	19.8	65.9	37.3

* Source: AITC Services Limited.

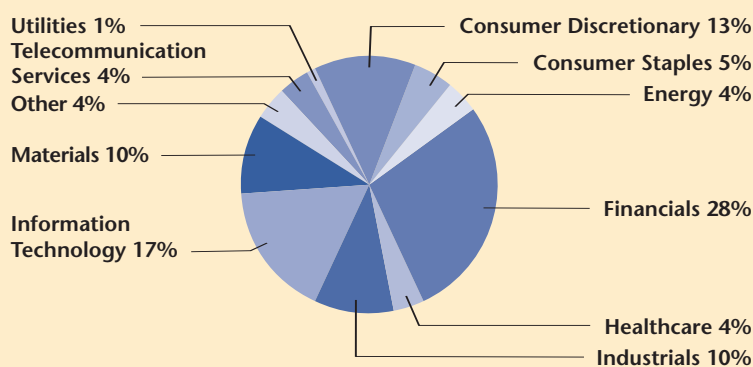
† Source: Datastream.

Portfolio Summary

Equity Portfolio by Geographical Classification as at 31 July 2006



Sector Breakdown of the Equity Portfolio as at 31 July 2006

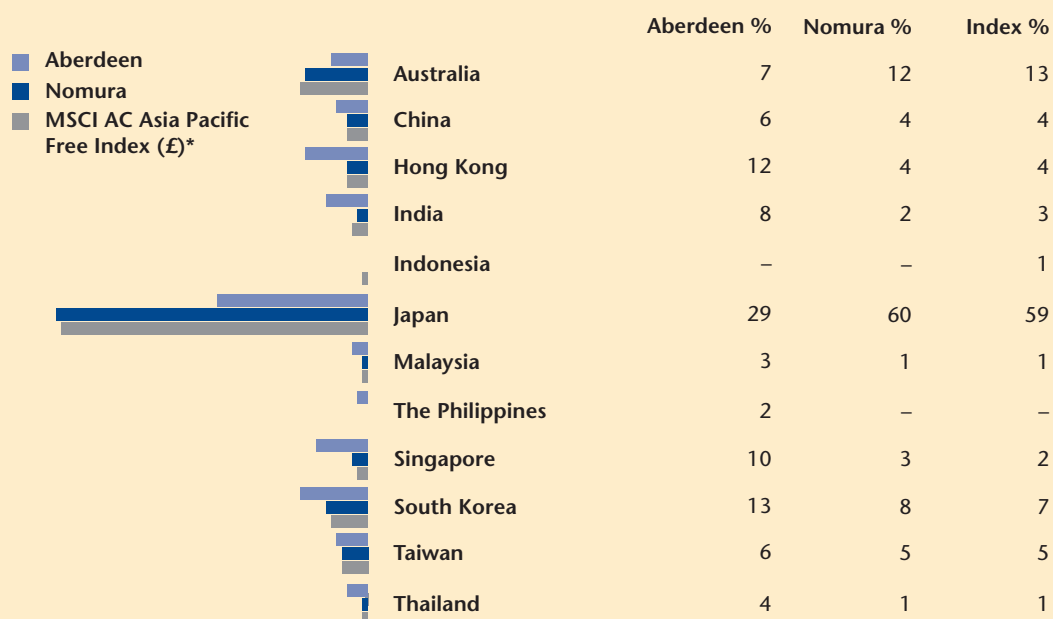


Portfolio Summary

continued

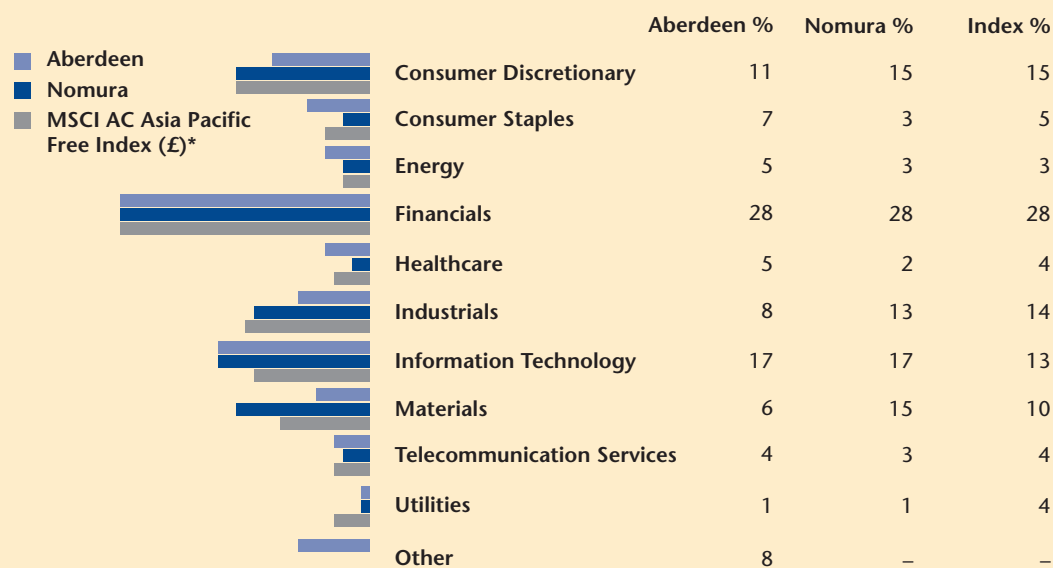
Geographical Analysis

as at 31 July 2006



Sector Analysis

as at 31 July 2006



* Source: Datastream.

Portfolio Information

at 31 July 2006

Twenty Largest Equity Investments

This period	Last period*	Company	Country	% of total investments	Value £'000
1	(1)	Samsung Electronics	South Korea	4.0	5,566
2	(2)	Aberdeen International India Opportunities Fund	Not listed	3.9	5,498
3	(3)	Rohm	Japan	2.2	3,062
4	(5)	Honda Motor	Japan	2.1	2,890
5	(9)	China Mobile	China	1.9	2,653
6	(7)	Mitsubishi UFJ Financial	Japan	1.8	2,577
7	(4)	Rio Tinto	Australia/UK	1.8	2,442
8	(19)	Astellas Pharma	Japan	1.6	2,271
9	(6)	Seven & i Holdings	Japan	1.6	2,262
10	(8)	Sumitomo Mitsui Financial	Japan	1.6	2,216
11	(15)	Canon	Japan	1.5	2,135
12	(-)	Yamaha Motor	Japan	1.5	2,120
13	(20)	Petrochina	China	1.4	2,020
14	(-)	Takeda Pharmaceutical	Japan	1.4	2,005
15	(12)	United Overseas Bank	Singapore	1.4	1,970
16	(16)	Seino Holdings	Japan	1.4	1,952
17	(-)	Swire Pacific	Hong Kong	1.4	1,897
18	(10)	Taiwan Semiconductor	Taiwan	1.3	1,825
19	(13)	PTT Exploration and Production	Thailand	1.3	1,822
20	(11)	Bank of Kyoto	Japan	1.3	1,773

* The figures in brackets denote their position at the previous year end.

The value of the twenty largest holdings represents 36.4% (31 January 2006: 37.1%) of the Company's total investments.

Unaudited Income Statement

for the six months to 31 July 2006

Notes	(Unaudited) Six months to 31 July 2006			(Unaudited) Six months to 31 July 2005			(Audited) Year to 31 January 2006					
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000			
	Total (losses)/gains from investments held at fair value through profit or loss			-	(10,650)	(10,650)	-	9,770	9,770	-	40,221	40,221
	Exchange (losses)/gains			-	(89)	(89)	-	119	119	-	82	82
2	Income from investments held at fair value through profit or loss			2,058	-	2,058	2,620	-	2,620	3,825	-	3,825
3	Management fee			(172)	-	(172)	(417)	-	(417)	(598)	-	(598)
3	Performance-related management fee			-	(62)	(62)	-	(348)	(348)	-	(92)	(92)
	Other expenses			(393)	(12)	(405)	(424)	(19)	(443)	(788)	(58)	(846)
	Net return/(loss) before finance charges and taxation			1,493	(10,813)	(9,320)	1,779	9,522	11,301	2,439	40,153	42,592
	Finance charges			(76)	-	(76)	(139)	-	(139)	(208)	-	(208)
	Return/(loss) on ordinary activities before taxation			1,417	(10,813)	(9,396)	1,640	9,522	11,162	2,231	40,153	42,384
	Taxation on ordinary activities			(529)	19	(510)	(587)	75	(512)	(786)	(63)	(849)
	Net return/(loss) on ordinary activities after taxation			888	(10,794)	(9,906)	1,053	9,597	10,650	1,445	40,090	41,535
5	Return/(loss) per ordinary share – pence			1.04	(12.66)	(11.62)	0.81	7.34	8.15	1.33	36.84	38.17

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

The total columns of this statement represent the profit and loss account of the Company.

The Company had no recognised gains or losses other than those disclosed in the Income Statement and Reconciliation of Movements in Shareholders' Funds.

Reconciliation of Movements in Shareholders' Funds

for the six months to 31 July 2006

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 January 2006	21,701	5	35,870	89,691	8,286	155,553
Net (loss)/return from ordinary activities	–	–	–	(10,794)	888	(9,906)
Dividend paid in respect of year ended 31 January 2006	–	–	–	–	(1,130)	(1,130)
Repurchase of 2,453,119 ordinary shares for cancellation	(613)	–	613	(4,023)	–	(4,023)
At 31 July 2006	<u>21,088</u>	<u>5</u>	<u>36,483</u>	<u>74,874</u>	<u>8,044</u>	<u>140,494</u>

Purchase transaction costs for the six months to 31 July 2006 were £25,000 (six months to 31 July 2005: £88,000; year to 31 January 2006: £105,000). Sale transaction costs for the six months to 31 July 2006 were £39,000 (six months to 31 July 2005: £165,000; year to 31 January 2006: £243,000).

Unaudited Balance Sheet

as at 31 July 2006

Note	(Unaudited) 31 July 2006 £'000	(Unaudited) 31 July 2005 £'000	(Audited) 31 January 2006 £'000
Fixed assets			
Investments held at fair value through profit or loss	<u>139,859</u>	<u>122,825</u>	<u>153,733</u>
Current assets			
Debtors	1,204	609	2,384
Cash at bank and short term deposits	<u>4,434</u>	<u>6,190</u>	<u>5,233</u>
	<u>5,638</u>	<u>6,799</u>	<u>7,617</u>
Creditors: amounts falling due within one year:			
Loans	(3,000)	–	(3,000)
Other	<u>(1,944)</u>	<u>(1,298)</u>	<u>(2,759)</u>
	<u>(4,944)</u>	<u>(1,298)</u>	<u>(5,759)</u>
Net current assets	<u>694</u>	<u>5,501</u>	<u>1,858</u>
Total assets less current liabilities	140,553	128,326	155,591
Provision for liabilities	<u>(59)</u>	<u>(341)</u>	<u>(38)</u>
Net assets	<u>140,494</u>	<u>127,985</u>	<u>155,553</u>
Capital and reserves			
Called up share capital	21,088	22,232	21,701
Share premium account	5	5	5
Capital redemption reserve	36,483	35,339	35,870
Capital reserves	74,874	62,515	89,691
Revenue reserve	<u>8,044</u>	<u>7,894</u>	<u>8,286</u>
Equity shareholders' funds	<u>140,494</u>	<u>127,985</u>	<u>155,553</u>
6 Net asset value per ordinary share – pence	<u>166.56</u>	<u>143.92</u>	<u>179.20</u>

Unaudited Cash Flow Statement

for the six months to 31 July 2006

Note	(Unaudited) Six months to 31 July 2006 £'000	(Unaudited) Six months to 31 July 2005 £'000	(Audited) Year to 31 January 2006 £'000
7			
Net cash inflow from operating activities	1,148	1,703	2,609
Interest paid	(2)	(161)	(181)
Net tax paid	(455)	(604)	(1,028)
Net cash inflow from financial investment	3,752	97,330	96,178
Equity dividends paid	(1,130)	(1,614)	(1,614)
Net cash inflow before use of liquid resources and financing	3,313	96,654	95,964
Decrease in short term deposits	–	2,621	2,621
Net cash outflow from financing	(4,023)	(96,431)	(96,661)
(Decrease)/increase in cash during the period	(710)	2,844	1,924
Reconciliation of net cash flow to movement in net funds			
(Decrease)/increase in cash	(710)	2,844	1,924
Decrease in short term deposits	–	(2,621)	(2,621)
Decrease in loans	–	15,205	12,205
Change in net funds resulting from cash flows	(710)	15,428	11,508
Foreign exchange movements	(89)	119	82
Movement in net funds	(799)	15,547	11,590
Net funds/(debt) at the beginning of the period	2,233	(9,357)	(9,357)
Net funds at the end of the period	1,434	6,190	2,233
Represented by			
Cash at bank	4,434	6,190	5,233
Loans – short term	(3,000)	–	(3,000)
Net funds at the end of the period	1,434	6,190	2,233

Notes to the Accounts

as at 31 July 2006

1 Accounting policies

The accounts have been prepared under the historical cost convention, modified to include the revaluation of investments and in accordance with applicable Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies' ("SORP") revised December 2005. All of the Company's operations are of a continuing nature.

The same accounting policies used for the year ended 31 January 2006 have been applied.

2 Income

	(Unaudited) Six months to 31 July 2006 £'000	(Unaudited) Six months to 31 July 2005 £'000	(Audited) Year to 31 January 2006 £'000
Overseas dividends	1,975	2,382	3,448
Scrip dividends	13	42	116
Interest on loans and deposits	61	160	225
Stock lending fees	9	36	36
	<u>2,058</u>	<u>2,620</u>	<u>3,825</u>

3 Management fee and performance related-management fee

On 27 May 2005, your Board appointed Witan as Executive Manager and Aberdeen and Nomura as the new Investment Managers. Each of the Investment Managers is entitled to a base management fee, calculated according to the value of the assets under their management, and a performance fee. The performance fee is calculated according to investment performance over a 3 year rolling period and is subject to a cap. Each Management Agreement can be terminated at one month's notice. The base management fees range from 0.2% to 0.25% per annum and the performance fees range from 10% to 15% per annum of the relevant performance.

The provisions included in the Income Statement at 31 July 2006, are calculated based on the performance of each investment manager relative to the benchmark index for the two months to 31 July 2006 and 12 months to 31 May 2006. Each provision assumes that both the benchmark and each Investment Managers' assets under management remain unchanged to 31 May 2007, being the date the second performance period ends.

4 Dividends on ordinary share

No interim dividend payment will be made (6 months ended 31 July 2005: nil and year ended 31 January 2006: final of 1.33p per share).

5 Return per ordinary share

The return per ordinary share is based on the net loss attributable to the ordinary shares of £9,906,000 (six months to 31 July 2005: return £10,650,000; year to 31 January 2006: return £41,535,000) and on 85,284,030 ordinary shares (six months to 31 July 2005: 130,705,513; year to 31 January 2006: 108,816,460) being the weighted average number of ordinary shares in issue during the period.

	(Unaudited) Six months to 31 July 2006	(Unaudited) Six months to 31 July 2005	(Audited) Year to 31 January 2006
Net revenue return (£'000)	888	1,053	1,445
Net capital return (£'000)	(10,794)	9,597	40,090
Net total return (£'000)	<u>(9,906)</u>	<u>10,650</u>	<u>41,535</u>
Weighted average number of ordinary shares in issue during the period	85,284,030	130,705,513	108,816,460
Revenue return per ordinary share – pence	1.04	0.81	1.33
Capital return per ordinary share – pence	<u>(12.66)</u>	<u>7.34</u>	<u>36.84</u>
Total return per ordinary share – pence	<u>(11.62)</u>	<u>8.15</u>	<u>38.17</u>

Notes to the Accounts

continued

6 Net asset value per ordinary share

Net asset value per ordinary share is based on 84,352,144 ordinary shares of 25p each in issue at 31 July 2006 (31 July 2005: 88,926,220 and 31 January 2006: 86,805,263).

7 Reconciliation of revenue return before finance costs and taxation to net cash inflow from operating activities

	(Unaudited) Six months to 31 July 2006 £'000	(Unaudited) Six months to 31 July 2005 £'000	(Audited) Year to 31 January 2006 £'000
Total (loss)/return before finance charges and taxation	(9,320)	11,301	42,592
Less capital return before finance charges and taxation	<u>10,813</u>	<u>(9,522)</u>	<u>(40,153)</u>
Revenue return before finance costs and taxation	1,493	1,779	2,439
Increase in accrued income	(54)	(169)	(11)
(Increase)/decrease in debtors of a revenue nature	(23)	–	27
(Decrease)/increase in creditors of a revenue nature	(193)	135	323
Management fee rebate	(62)	–	(53)
Scrip dividends	<u>(13)</u>	<u>(42)</u>	<u>(116)</u>
Net cash inflow from operating activities	<u>1,148</u>	<u>1,703</u>	<u>2,609</u>

8 Results

The results for the six months to 31 July 2006 and 31 July 2005, which are unaudited, constitute non-statutory accounts within the meaning of Section 240 of the Companies Act 1985. The latest published accounts which have been delivered to the Registrar of Companies are for the year ended 31 January 2006, the report of the auditors thereon was unqualified and did not contain a statement under Section 237 of the Companies Act 1985. The comparative figures for the year ended 31 January 2006 have been extracted from those accounts.

Executive Manager



Witan has assumed responsibility for the executive management of Witan Pacific Investment Trust plc.

Witan's role encompasses the following:

- Advising on, monitoring and liaising with the Company's Investment Managers;
- Advising on, monitoring and liaising with the Company's service providers (custodian, fund accountant, company secretary etc); and
- Providing public and investor relations for the Company.

www.witan.com

Investment Managers

Aberdeen and Nomura each manage approximately 50% of the Company's assets. The Board believes that this investment strategy uses the expertise of Investment Managers with specialist market knowledge and successful track records in order to seek improved returns to shareholders. The blend of differing investment styles is intended to result in outperformance over market cycles.



Now with some £15bn funds invested in the region, Aberdeen Asset Managers Limited was established in Asia in 1992. They possess a team of some 37 fund managers who follow a fundamental investment style emphasising the identification of good quality companies on low valuations relative to growth potential. These companies are likely to deliver above average growth in earnings and dividends over the long term. The investment team is directed by Hugh Young. Peter Hames (Investment Director) and Graeme Sinclair (Head of Japanese Equities) are involved with the day to day investment of the Company's portfolio.

www.aberdeenasset.com.sg

NOMURA

Nomura Asset Management U.K. Limited has been managing Pacific Basin assets since 1981 and has some £19bn invested in the region. They believe that markets are not fully efficient and that active management based on fundamental research can add value.

Nomura has considerable resource in the area with 43 analysts making some 5,500 company visits for the year 2005 and 3,170 for the year to date in 2006. Their process is research driven with an emphasis on applying rigid risk controls. The nominated portfolio managers of the company are Yosuke Uchida (Senior Portfolio Manager – Tokyo) and Graham Muirhead (Senior Portfolio Manager – Singapore).

www.nomura.com/nam-europe/

Witan Wealthbuilder – How to Invest

At the beginning of October 2006 Witan Pacific becomes available for investment through the Witan Wealthbuilder savings platform managed by Witan Investment Services. Naturally at any time, you may purchase Witan Pacific shares via any stockbroker. However, bearing in mind the benefits of income reinvestment, regular savings and tax efficient wrappers, one of the investment plans listed below may be the answer.

- The share plan is a straightforward savings scheme with minimum lump sum investment from £500 and/or regular saving from £50 per month.
- The ISA enables investors to save tax efficiently up to a limit of £7,000 per annum. Minimum lump sum investment is £2,000 with regular savings from £50 per month.
- The Transfer PEP allows investors to transfer all or any number of their existing PEP holdings.

Witan Pacific becomes available within these investment plans from the beginning of October 2006. They are offered by Witan Investment Services and will be available on line via www.witanwealthbuilder.com or by visiting www.witanpacific.com. Both sites will contain up to date information and performance statistics for the Trust.

It will be possible both to invest online or view your accounts. Also, you will be able to invest by post or telephone.

If you wish to order information on Witan Pacific's investment plans please ring 0800 082 8180 or visit www.witanwealthbuilder.com and you will receive the Witan Wealthbuilder brochure.

Please remember that past performance is not a guide to future performance. Investors are reminded that the value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. Tax benefits may change if the law changes and their value will depend upon individual circumstances.

For further information on the savings schemes please email us at help@witan.com

If you wish to write, the address is:

Witan Wealthbuilder
14 Queen Anne's Gate
London
SW1H 9AA

Issued and approved by Witan Investment Services. Witan Investment Services (of 4 Broadgate, London EC2M 2DA) is authorised and regulated by the Financial Services Authority to provide investment products and services. We may record telephone calls for our mutual protection and to improve customer service.

Directors and Advisers

Directors

Gillian Nott OBE* *Chairman*

Leslie Atkinson *Senior Independent Director**

Sarah Bates†

William Courtauld OBE†

Kevin Jones†*

† Members of the Audit and Management Engagement Committee

* Members of the Nomination Committee

Executive Manager

Witan Investment Services Limited

4 Broadgate

London

EC2M 2DA

Investment Managers

Aberdeen Asset Managers Limited

10 Queen's Terrace

Aberdeen

AB10 1YG

Nomura Asset Management U.K. Limited

Nomura House

1 St. Martin's-le-Grand

London

EC1A 4NT

Administrator, Company Secretary and Registered Office

BNP Paribas Fund Services UK Limited

(Company secretarial services delegated to

BNP Paribas Secretarial Services Limited)

55 Moorgate

London

EC2R 6PA

Telephone: 020 7410 3132

Facsimile: 020 7477 5849

Email: secretarialservice@uk.bnpparibas.com

Auditors

PricewaterhouseCoopers LLP

Southwark Towers

32 London Bridge Street

London

SE1 9SY

Bankers and Custodian

JP Morgan Chase

London Branch

125 London Wall

London

EC2Y 5AJ

The Royal Bank of Scotland

7th Floor

135 Bishopsgate

London

EC2M 3UR

Registrars

Computershare Investor Services PLC

PO Box 82

The Pavilions

Bridgwater Road

Bristol

BS99 7NH

Telephone: 0870 702 0130

Facsimile: 0870 703 6143

Website: www.computershare.com

Email: webqueries@computershare.co.uk

Authorised and regulated in the UK
by the Financial Services Authority

Stockbrokers

JPMorgan Cazenove Limited

20 Moorgate

London

EC2R 6DA

An investment company as defined under Section 266 of the Companies Act 1985.

Shareholder Information

Share capital

Ordinary 25p shares

Share prices and net asset value information

The Company's ordinary 25p shares are traded on the London Stock Exchange.

SEDOL number: 0365602

ISIN number: GB0003656021

EPIC code: WPC

The Company's share price is listed in the Financial Times, Daily Telegraph and The Times under the 'Investment Companies' sector.

The Company releases its net asset value per share to the London Stock Exchange on a daily basis.

Financial calendar

Year end 31 January

Results announced:

Annual April

Interim October

Annual General Meeting June

Annual and interim reports

Copies of the annual and interim reports can be obtained from the Company Secretary at the registered office.

Telephone: 020 7410 3132

or

Facsimile: 020 7477 5849

or

Email: secretarialservice@uk.bnpparibas.com

Company registration

Company registration number: 91798

The Company is a member of the Association of Investment Trust Companies.

Website

www.witanpacific.com

Note to those who access this document by electronic means

The interim report for the six months to 31 July 2006 has been approved by the Board of Witan Pacific Investment Trust plc and circulated to the Company's shareholders in hard copy format. It is also made available in electronic format for the convenience of readers. However, the Board cannot accept responsibility for guaranteeing the integrity of the document in electronic format. Printed copies are available from the Company's Registered Office in London.

Readers should note that legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

