



Half Year Report 08

JPMorgan Indian Investment Trust plc

Half Year Report & Accounts for the six months ended 31st March 2008

Features

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Objective

Capital growth from investments in India.

Investment Policy

- To invest in a diversified portfolio of equity and equity-related securities of Indian companies.
- To invest also in companies which earn a material part of their revenues from India.
- The Company will not invest in the other countries of the Indian sub-continent nor in Sri Lanka.
- To invest no more than 15% of gross assets in other listed investment companies (including investment trusts).
- To use gearing when appropriate to increase potential returns to shareholders; the Company's gearing policy is to use short-term gearing for tactical purposes, up to a maximum level of 15% of shareholders' funds.

Benchmark

MSCI India Index expressed in sterling terms.

Risk

Investors should note that there can be significant economic and political risks inherent in investing in a single emerging economy such as India. As such, the Indian market can exhibit more volatility than developed markets and this should be taken into consideration when evaluating the suitability of the Company as a potential investment.

Structure

The Company has an authorised ordinary share capital of 200,000,000 shares of 25p each, of which 104,749,662 were in issue as at 31st March 2008 including 1,979,788 shares held in treasury.

Continuation Vote

The Company's Articles of Association require that, at the Annual General Meeting to be held in 2009 and at every fifth year thereafter, the Directors will propose a resolution that the Company continues as an investment trust.

Management Company

The Company employs JPMorgan Asset Management (UK) Limited ('JPMAM') to manage its assets.

Half Year Performance

Total Returns (capital plus income)

-4.6%

Return to shareholders¹

-12.4%

Return on net assets²

-7.7%

Benchmark return³

Financial Data

	31st March 2008	30th Sept 2007	CHANGE %
Shareholders' Funds (£'000)	378,935	436,186	-13.1
Number of shares in issue excluding shares held in treasury	102,769,874	103,591,874	
Net asset value per share	368.7p	421.1p	-12.4
Share price	372.7p	390.5p	-4.6
Premium/(discount) of share price to net asset value	+1.1%	-7.2%	

A glossary of terms and definitions is provided on page 13.

¹Source: Standard & Poor's – www.funds.morningstar.com

²Source: Fundamental Data Ltd – www.funddata.com

³Source: MSCI. The Company's benchmark is the MSCI India Index in sterling terms.

Chairman's Statement



Performance

In this, my first report as Chairman, I have to report on a six months that has been an extremely volatile one for the Indian markets. Having rallied strongly during the last quarter of 2007, the MSCI India Index fell heavily in January 2008, eventually finishing the period down by 7.7% in sterling terms. Your Company underperformed the Index, producing a decline in net assets of 12.4%. The decline in the Company's share price total return was somewhat less severe at 4.6%, reflecting the move from a discount of 7.2% to a premium of 1.1%. The background against which the Company performed is discussed in more detail in the Investment Manager's Report on pages 3 and 4.

Discount Management

The Board has guidelines in place with regard to the management of any discount/premium that may develop between the Company's share price and its net asset value per share. During the six months under review 765,000 ordinary shares were bought into treasury and, under current guidelines, may only be reissued at a premium to the prevailing net asset value at the time of reissue.

Outlook

Notwithstanding the Indian market's spectacular performance over the last five years and the more challenging environment witnessed over recent months, our Investment Managers remain positive as to the prospects for the medium to long term. However, the global credit crisis, combined with domestic concerns over inflation and interest rates and political uncertainty have all weighed on investor sentiment and could impact on economic growth. Over the short term therefore returns are expected to be volatile.

Hugh Bolland

Chairman

28th May 2008

Investment Managers' Report



Edward Pulling

Market Review

The half year to 31st March 2008 was a turbulent period for the Indian stock markets with the indices rallying strongly in fourth quarter and peaking in early January before a combination of global and domestic macro concerns led to a sharp fall in the first quarter of 2008 and MSCI India Index declined by almost 8% for the review period.

IT and Telecoms were the key underperformers, while the defensive sectors of Healthcare and Consumer Staples outperformed the benchmark.

The Financials sector severely underperformed in February and March due to escalating concerns over the marked to market losses on foreign exchange derivative positions of corporate India and the consequent potential losses to the banking sector.

In October the government announced regulations to phase out the issuance of offshore derivative instruments. These regulations were meant to achieve the twin objectives of moderating inflows in the short term and increasing transparency in the long term (with investors expected to access the market directly by getting their individual Foreign Institutional Investor ('FII') registration). Initial feedback suggests that the regulator is following through on its commitment to expedite the FII registration process.

In February, with elections looming, the Finance Minister tried to appease the electorate with a populist budget. Apart from tax sops for individuals and increased spending on education, the Finance Minister also announced a waiver of loans to farmers amounting to \$15bn.

Inflation rose unexpectedly in March with the Wholesale Price Index registering a rise of above 6% for the first time in almost a year due to a sharp jump in food and commodity prices. Inflation, currently over 7%, is well above the Reserve Bank of India's comfort level of 5-5.5%. This resulted in the central bank raising the cash reserve ratio in April. The government also banned the export of food grains and cement and imposed export taxes on steel to contain inflationary pressures.

The Index of Industrial Production ('IIP') is signaling a slowdown in the rate of growth in the economy. In the period from April 2007 to March 2008, IIP grew by 8.3% as against 14.7% in the financial year to March 2007.

Company Reviews

The Company had a poor first half of the year underperforming the benchmark as our key overweight in Financials detracted value. This was mitigated by our overweight in Industrials – Bharat Heavy Electricals Limited and Larsen & Toubro – and our underweight in Information Technology.



Rukhshad Shroff



Rajendra Nair

Investment Managers' Report continued

Outlook

The corporate results for the March quarter declared so far seem to have allayed some concerns, with the numbers being broadly in line with expectations. Besides, contrary to some expectations, the banking sector did not disclose large losses on account of losses on foreign exchange derivatives sold by banks to corporates. Nonetheless, the risk to estimates for the financial year in 2009 remains on the downside, although earnings growth in the region of 15% should be achievable.

Politics will also contribute to the uncertainty with elections to the centre due before May 2009 as well as some important state elections to be held through 2008. Overall the outlook in the short term remains hazy but the long term story remains intact. The concerns on inflation, interest rates and politics could have a moderating impact on growth but are unlikely to derail the momentum of the economy.

Edward Pulling
Rukhshad Shroff
Rajendra Nair
Investment Managers

28th May 2008

Ten Largest Group Investments

at 31st March 2008

Company	Sector	Valuation £'000	Portfolio % ¹	Benchmark %	Active Position %
Reliance Industries	Energy	57,915	15.3	16.0	(0.7)
ICICI Bank	Financials	29,842	7.9	6.4	1.5
Housing Development Finance	Financials	24,326	6.4	5.3	1.1
Bharat Heavy Electrical	Industrials	22,059	5.8	2.6	3.2
Bharti Airtel	Telecommunication Services	20,496	5.4	–	5.4
Infosys Technologies	Information Technology	19,576	5.2	7.1	(1.9)
HDFC Bank	Financials	18,620	4.9	3.6	1.3
Larsen & Toubro	Industrials	16,930	4.5	3.3	1.2
ITC	Consumer Staples	10,507	2.8	2.4	0.4
Kotak Mahindra Bank	Financials	10,461	2.7	0.8	1.9
Total²		230,732	60.9	47.5	13.4

¹Based on Total assets less current liabilities of £378.9m.

²As at the 30th September 2007, the value of the ten largest investments amounted to £250,270,000 representing 57.4% of total assets less current liabilities.

Group Portfolio Analysis

Sector Analysis

Sector	31st March 2008			30th September 2007		
	Portfolio %	Benchmark %	Active Position %	Portfolio %	Benchmark %	Active Position %
Financials	34.4	26.3	8.1	27.5	27.5	–
Energy	18.5	21.3	(2.8)	11.9	18.8	(6.9)
Industrials	16.9	11.1	5.8	20.5	11.1	9.4
Information Technology	7.3	11.9	(4.6)	11.1	14.6	(3.5)
Telecommunication Services	6.9	3.9	3.0	8.1	4.5	3.6
Utilities	4.6	5.1	(0.5)	3.0	3.0	–
Materials	4.4	8.5	(4.1)	7.2	7.1	0.1
Consumer Staples	3.2	5.1	(1.9)	2.7	4.9	(2.2)
Healthcare	2.3	3.5	(1.2)	3.4	3.4	–
Consumer Discretionary	0.6	3.3	(2.7)	5.3	5.1	0.2
Net current assets/(liabilities)	0.9	–	0.9	(0.7)	–	(0.7)
	100.0	100.0		100.0	100.0	

Based on total assets less current liabilities of £378.9m (2007: £436.2m)

Group Income Statement

for the six months ended 31st March 2008

	(Unaudited) Six months ended 31st March 2008			(Unaudited) Six months ended 31st March 2007			(Audited) Year ended 30th September 2007		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment income	754	–	754	1,149	–	1,149	3,519	–	3,519
Other income	160	–	160	142	–	142	240	–	240
(Losses)/ gains from investments held at fair value through profit or loss	914	–	914	1,291	–	1,291	3,759	–	3,759
Foreign exchange (losses)/gains	–	(50,376)	(50,376)	–	19,875	19,875	–	148,193	148,193
	–	(270)	(270)	–	(39)	(39)	–	61	61
Total income/(loss)	914	(50,646)	(49,732)	1,291	19,836	21,127	3,759	148,254	152,013
Expenses									
Management fee	(2,921)	–	(2,921)	(1,984)	–	(1,984)	(4,321)	–	(4,321)
Other administrative expenses	(695)	–	(695)	(631)	–	(631)	(1,254)	–	(1,254)
(Loss)/profit before finance costs and taxation	(2,702)	(50,646)	(53,348)	(1,324)	19,836	18,512	(1,816)	148,254	146,438
Finance costs	(395)	–	(395)	(272)	–	(272)	(668)	–	(668)
(Loss)/profit before taxation	(3,097)	(50,646)	(53,743)	(1,596)	19,836	18,240	(2,484)	148,254	145,770
Taxation	–	–	–	–	–	–	(124)	–	(124)
Net (loss)/profit	(3,097)	(50,646)	(53,743)	(1,596)	19,836	18,240	(2,608)	148,254	145,646
(Loss)/earnings per share (note 3)	(2.96)p	(48.44)p	(51.40)p	(1.52)p	18.93p	17.41p	(2.49)p	141.79p	139.30p

The 'Total' column of this statement represents the Group's Income Statement, prepared in accordance with IFRS. The supplementary 'Revenue' and 'Capital' columns are prepared under guidance published by the Association of Investment Companies.

All items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

All income is attributable to the equity shareholders of JPMorgan Indian Investment Trust plc, the Company. There are no minority interests.

Group Statement of Changes in Equity

for the six months ended 31st March 2008

	(Unaudited)							Total £'000
	Six months ended 31st March 2008							
	Called up	Share	Other	Exercised	Capital	Capital	Revenue	
	share	premium	reserve	warrant	reserves	redemption	reserve	
capital	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 30 September 2007	26,202	50,914	41,929	5,886	312,958	6,348	(8,051)	436,186
Purchase of shares into treasury	–	–	–	–	(3,234)	–	–	(3,234)
Repurchase and cancellation of shares	(14)	–	–	–	(274)	14	–	(274)
Loss for the period	–	–	–	–	(50,646)	–	(3,097)	(53,743)
Balance as at 31st March 2008	26,188	50,914	41,929	5,886	258,804	6,362	(11,148)	378,935

	(Unaudited)							Total £'000
	Six months ended 31st March 2007							
	Called up	Share	Other	Exercised	Capital	Capital	Revenue	
	share	premium	reserve	warrant	reserves	redemption	reserve	
capital	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 30 September 2006	26,177	50,636	41,929	5,886	168,670	6,348	(5,443)	294,203
Shares issued	25	278	–	–	–	–	–	303
Profit/(loss) for the period	–	–	–	–	19,836	–	(1,596)	18,240
Balance as at 31st March 2007	26,202	50,914	41,929	5,886	188,506	6,348	(7,039)	312,746

	(Audited)							Total £'000
	Year ended 30th September 2007							
	Called up	Share	Other	Exercised	Capital	Capital	Revenue	
	share	premium	reserve	warrant	reserves	redemption	reserve	
capital	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 30 September 2006	26,177	50,636	41,929	5,886	168,670	6,348	(5,443)	294,203
Shares issued	25	278	–	–	–	–	–	303
Purchase of shares into treasury	–	–	–	–	(3,966)	–	–	(3,966)
Profit/(loss) for the year	–	–	–	–	148,254	–	(2,608)	145,646
Balance as at 30 September 2007	26,202	50,914	41,929	5,886	312,958	6,348	(8,051)	436,186

Group Balance Sheet

as at 31st March 2008

	(Unaudited) 31st March 2008 £'000	(Unaudited) 31st March 2007 £'000	(Audited) 30th September 2007 £'000
Non current assets			
Investments held at fair value through profit or loss	375,695	312,903	439,249
Current assets			
Other receivables	2,083	657	1,192
Derivative financial instruments	2	–	–
Cash and cash equivalents	6,040	10,371	8,159
	8,125	11,028	9,351
Current liabilities			
Other payables	(4,885)	(11,185)	(12,414)
Net current assets/(liabilities)	3,240	(157)	(3,063)
Net assets	378,935	312,746	436,186
Equity attributable to equity holders			
Called up share capital	26,188	26,202	26,202
Share premium	50,914	50,914	50,914
Other reserve	41,929	41,929	41,929
Exercised warrant reserve	5,886	5,886	5,886
Capital reserves	258,804	188,506	312,958
Capital redemption reserve	6,362	6,348	6,348
Revenue reserve	(11,148)	(7,039)	(8,051)
Total equity	378,935	312,746	436,186
Net asset value per share (note 4)	368.7p	298.4p	421.1p

Group Cash Flow Statements

for the six months ended 31st March 2008

	(Unaudited) Six months ended 31st March 2008 £'000	(Unaudited) Six months ended 31st March 2007 £'000	(Audited) Year ended 30th September 2007 £'000
Operating activities			
(Loss)/profit before taxation	(53,743)	18,240	145,770
Add back interest paid	395	272	668
Losses/(gains) on investments held at fair value through profit or loss	50,376	(19,875)	(148,193)
Foreign exchange (gain)/loss	146	(29)	–
Net sales of investments held at fair value through profit or loss	13,177	731	2,442
Decrease/(increase) in other receivables	158	825	(207)
(Increase)/decrease in amounts due from brokers	(1,049)	2,222	213
Increase/(decrease) on other payables	180	(2,707)	58
Decrease in amounts due to brokers	–	(858)	(858)
Net cash inflow/(outflow) from operating activities before interest payable and taxation	9,640	(1,179)	(107)
Interest paid	(408)	(232)	(657)
Tax paid	–	–	(58)
Net cash inflow/(outflow) from operating activities	9,232	(1,411)	(822)
Financial activities			
Net proceeds from the issue of shares	–	303	303
Repurchase of shares	(3,507)	–	(3,966)
Net (repayment)/drawdown of short term loans	(7,844)	7,226	8,391
Net cash (outflow)/inflow from financing activities	(11,351)	7,529	4,728
(Decrease)/increase in cash and cash equivalents	(2,119)	6,118	3,906
Cash and cash equivalents at start of period	8,159	4,253	4,253
Cash and cash equivalents at end of period	6,040	10,371	8,159

Notes to the Group Accounts

for the six months ended 31st March 2008

1. Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 842 of the Income & Corporation Taxes Act 1988. The principal activity of its subsidiary company, JPMorgan Indian Investment Company (Mauritius) Limited, is that of an investment company.

2. Accounting policies

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) and interpretations issued by the International Reporting Interpretations Committee of the IASB.

Where presentational guidance set out in the Statement of Recommended Practice ('the SORP') for investment trusts issued by the Association of Investment Companies in December 2005 is consistent with the requirements of IFRS, the financial statements have been prepared on a basis compliant with the recommendations of the SORP.

The accounting policies applied to these interim accounts are consistent with those applied in the accounts for the year ended 30th September 2007.

3. (Loss)/earnings per share

	(Unaudited) Six months ended 31st March 2008 £'000	(Unaudited) Six months ended 31st March 2007 £'000	(Audited) Year ended 30th September 2007 £'000
Revenue loss	(3,097)	(1,596)	(2,608)
Capital (loss)/profit	(50,646)	19,836	148,254
Net (loss)/profit	(53,743)	18,240	145,646
Weighted average number of shares in issue during each period	103,000,182	104,764,354	104,562,209
Revenue loss per share	(2.96)p	(1.52)p	(2.49)p
Capital (loss)/profit per share	(48.44)p	18.93p	141.79p
Net (loss)/earnings per share	(51.40)p	17.41p	139.30p

4. Net asset value per share

	(Unaudited) Six months ended 31st March 2008	(Unaudited) Six months ended 31st March 2007	(Audited) Year ended 30th September 2007
Shareholders funds £'000	378,935	312,746	436,186
Number of shares in issue at each period end excluding shares held in treasury	102,769,874	104,806,662	103,591,874
Net asset value per share	368.7p	298.4p	421.1p

5. Publication of non-statutory accounts

The financial information contained in this interim statement does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. The financial information for the six months ended 31st March 2008 and 2007 has not been audited.

6. Comparative information

The information for the year ended 30th September 2007 has been extracted from the latest published audited financial statements. Those accounts have been delivered to the Registrar of Companies and included the report of the Auditors which was unqualified and did not contain a statement under either section 237(2) or 237(3) of the Companies Act 1985.

Interim Management Report

The Company is required to make the following disclosures in its half year report:

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company fall into five broad categories: investment and strategy; accounting, legal and regulatory; corporate governance and shareholder relations; operational; and financial. Information on each of these areas is given in the Business Review within the Annual Report and Accounts for the year ended 30th September 2007.

Related Parties Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company during the period.

Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- i) the condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with the Accounting Standards Board's Statement 'Half-Yearly Financial Reports'; and
- ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

For and on behalf of the Board

Hugh Bolland
Chairman

28th May 2008

Information about the Company

Financial Calendar

Financial year end	30th September
Final results announced	December
Half year end	31st March
Half year results announced	May
Interim Management Statements announced	January/July
Dividends	N/A
Annual General Meeting	January

History

The Company was launched in May 1994 by a public offer of shares which raised £84 million before expenses. In November 2005 the Company adopted its present name, JPMorgan Indian Investment Trust plc.

Directors

Hugh Bolland (Chairman)
Richard Burns
Pierre Dinan
Vijay Joshi
Peter Sullivan

Company Numbers

Company Registration Number: 2915926
London Stock Exchange Sedol Number: 0345035
ISIN: GB00345 0359
Bloomberg: JII LN

Market Information

The Company's net asset value ('NAV') is published daily via the London Stock Exchange. The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times, The Times, The Daily Telegraph, The Scotsman, The Independent and on the JPMorgan website at www.jpmindian.co.uk where the share price is updated every fifteen minutes during trading hours.

Website

www.jpmindian.co.uk

Share Transactions

The shares may be dealt in directly through a stockbroker or through a professional adviser acting on an investor's behalf. They may also be purchased and held through the JPMorgan Investment Trust Share Plan, Individual Savings Account (ISA) and Pension Account.

Manager and Company Secretary

JPMorgan Asset Management (UK) Limited

Company's Registered Office

Finsbury Dials
20 Finsbury Street
London EC2Y 9AQ
Telephone: 020 7742 6000
For Company Secretarial and administration matters please contact Andrew Norman.

Registrars

Equiniti
Reference 1087
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
Telephone: 0871 384 2327

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1087. Registered shareholders can obtain further details on their holdings on the internet by visiting www.shareview.co.uk

Auditors

Deloitte & Touche LLP
Stonecutter Court
1 Stonecutter Street
London
EC4A 4TR

Brokers

JPMorgan Cazenove
20 Moorgate
London EC2R 6DA

Savings Product Administrators

For queries on the JPMorgan ISA, Share Plan or Pension Account, see contact details on the back cover of this report.

Glossary of Terms

Return to shareholders

Total return to the investor, on a mid-market price to mid-market price basis, assuming that all dividends received (net of tax) were reinvested in the shares of the Company at the time the shares were quoted ex-dividend. Transaction costs of reinvestment are not taken into account.

Return on net assets

Total return on net asset value (NAV) per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company (net of tax) were reinvested in the shares of the Company at time the shares were quoted ex-dividend.

Benchmark return

Total return on the benchmark, on a mid-market value to mid-market value basis, assuming that all dividends received (net of tax) were reinvested in the shares of the underlying companies at time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or "track" this index and consequently, there may be some divergence between the Company's performance and that of the stated index.

Premium/Discount

If the share price of an investment company is lower than the net asset value (NAV) per share, the trust is said to be trading at a discount. The discount is shown as a percentage of the NAV. The opposite of a discount is a premium.

Active Position

The active position shows the difference between the Company's holding of an individual stock, sector or country versus that stock, sector or country's benchmark. A positive number indicates an active decision by the Investment Manager to own more (i.e. be overweight) of that stock, sector or country versus the benchmark and a negative number a decision to hold less (i.e. be underweight) of a particular stock, sector or country versus the benchmark.

JPMorgan Helpline

Freephone 0800 20 40 20 or 0207 742 9999

9.00 am to 5.30 pm Monday to Friday

JPMorgan Pension Helpline

Freephone 0800 41 31 76 or 0172 241 4888

9.00 am to 5.00 pm Monday to Friday

Please use this service if you have any queries relating to the Pension Account.

Your telephone call may be recorded for your security

www.jpmindian.co.uk