

Witan Investment Trust Annual General Meeting 27th April 2010

Chairman's Statement – 2010

Good afternoon, Ladies and Gentlemen, and welcome to this the 102nd Annual General Meeting of the Company.

It is now 2.30 pm. A quorum is present so we can proceed with the business of the meeting. Please note that those of you attending as duly appointed proxies are entitled to both vote and speak. In particular, therefore, those of you who hold shares through Witan Wealthbuilder, or through Jump, can vote and speak as if you held your shares on the main register.

Copies of the Report & Financial Statements for the year ended 31 December 2009 have been circulated and the notice of meeting is given on pages 68 to 75 of that document. With your permission I ask that the notice of meeting be taken as read.

Thank you.

Slide 3

Here is the Agenda for this afternoon. So that we can make best use of the time available to us, I propose first to comment on the progress that Witan has made. I shall then hand over to our new Chief Executive, Andrew Bell. He will give a full report on Witan's recent performance and how he sees Witan. For those of you who like to keep abreast of what is happening in the world of investment I would recommend to you his blog which can be accessed through the new Witan web site. In his blog of 19th April for instance there was a very balanced comment on the three surprises of the last ten days namely the Goldman enquiry, volcanic ash and the change in the fortunes of the Liberal party. After Andrew has given his presentation we shall then take your questions, on the Annual Report, on the formal business of the meeting, or on any other aspect of Witan's business that you wish to raise. I shall then put the twelve resolutions to the meeting, after which there will be an opportunity for us to meet you individually over refreshments.

Slide 4

2009 was Witan's 100th year what a year it was: The top line is that we have seen a good recovery in financial markets. Secondly your Board decided to re-emphasise investment within the trust by putting together the roles of the Chief Executive Officer and the Chief Investment Officer – this decision led to the appointment of Andrew Bell. It was also the year when we passed the fifth anniversary of the move to multi manager – more of that later. It also marks the 35th year of dividend increases and also a year in which we have

performed well against our peer group. Andrew will say more about most of these topics in his talk.

Slide 6

As I said in the Report & Accounts nearly all equity markets rose in 2009 by more than 20% and by 65% from their lows in March of last year - around the time we last met. What a difference a year makes – I am not sure we are out of the woods yet but we do believe the next phase will be a good one for a portfolio of quality equities which are well diversified.

Slide 6

The decision to gear the Trust in February last year, near the low point in markets, proved to be a good one. I am pleased to be able to report that in 2009 Witan outperformed its benchmark achieving a NAV total return of 26%, ahead of the benchmark which returned 24.5%. The gearing decision was not the sole reason for the outperformance but certainly an important one.

Slide 7

Interestingly the 5 year numbers are also encouraging with a total NAV return of nearly 44%, ahead of the benchmark at 42%, the all share index at 37% and the world index at 43%. The share price return is even better, returning 51% over the five years. These figures cover almost the entire period since we took the decision to move to multi manager. It is perhaps a good time to reflect on that decision – We have learnt a lot and yes multi manager does add complications but the Board is convinced more than ever that the benefits from the layering of managers offer investors somewhat of a free lunch in terms of risk and reward through the diversification of manager risk.

Slide 8

2009 Fits the pattern but for some of us the financial crisis of 2008 took things a little too close to the wire. I think you would agree that currently it does not feel as if we suffered in the way one might expect coming out of the worst financial crisis on record. The outlook is certainly cloudy but it is difficult to see that companies with good free cash flows, paying good dividends are not going to be in demand. It is mainly for this reason that we think Witan shareholders should be positive about the immediate future.

Slide 9

My next three slides I think demonstrate that your decision to invest in the Witan was a wise one. From this table you can see that Investment trusts have added very real value over unit trusts in almost every sector - with Global Growth showing the second biggest margin.

Slide 10

Secondly having chosen investment trusts you have chose the right sector - global growth in itself has performed well benefiting from the high return indices of the emerging markets and

Slide 11 & 12

Thirdly your Witan selection puts you in the 1st or 2nd quartile over the last three years. In summary Investments Trusts have been right, Global Growth has been right and Witan has been right.

As I have already said we are optimistic about the future – the global economy is now growing again – there are many companies round the world that have shown that their profits and dividends are resilient in difficult times. We are a low interest rate environment which we think will continue for some time – normally a good backdrop for equities.

Of course there are risks but it was ever thus

Now over to Andrew

Harry Henderson April 2010

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