

19 November 2010

**WITAN INVESTMENT TRUST PLC**

**Second Interim Management Statement for the year beginning 1 January 2010**

**Objective**

The objective of Witan Investment Trust plc is to be the first choice for wealth creation through equity investment. The Company offers its shareholders a diverse investment in terms of investment managers, geographical regions, industrial sectors and individual holdings.

**Review of the second six month period, beginning 1 July 2010**

Between 30 June 2010 and 30 September 2010 the net asset value per share total return (calculated by including the debt at fair value) was 11.7%. The Company's benchmark returned 10.6% over this three month period.

Between 30 June 2010 and 30 September 2010 the Company bought back for cancellation a total of 534,000 of its ordinary shares. The number of ordinary shares in issue at 30 September 2010 was 196,851,220. The share price at 30 September 2010 was 465.0p, giving the Company a market capitalisation of £915.4 million. As at 17 November 2010 the number of ordinary shares in issue was 196,347,220 and the share price was 475.0p, giving the Company a current market capitalisation of £932.6 million.

On 17 September 2010, the Company paid an interim dividend of 4.4p per ordinary share, in respect of the year ending 31 December 2010.

In July, the Company appointed Marathon Asset Management to manage a pan-European equity portfolio, broadening the remit of its previous UK mandate with Witan and replacing the European equity portfolio managed by Wellington Management Company. In September, Lindsell Train Limited and NewSmith Asset Management LLP were appointed to manage active UK equity portfolios, replacing the UK Enhanced Index portfolio managed by Henderson Global Investors.

Since the period end, Veritas Asset Management (UK) Limited has been appointed to manage an unconstrained Global equity portfolio, replacing the Japanese equity portfolio managed by Brandes Investment Partners LLP and the North American Enhanced Index portfolio managed by Henderson Global Investors.

Finally, Geoffrey Rice, the representative of Henderson Secretarial Services Limited, the Company Secretary of Witan, will be retiring in 2011. The Company has appointed Frostrow Capital LLP for the provision of Company Secretarial Services from 1 January 2011.

There are no other material events or transactions to report.

**Company Information**

Epic Code: WTAN

Sector: Global Growth

Launch date: 1909

Financial year end: 31 December

Next dividend payment (ordinary shares): April 2011

### **Company Statistics as at 30 September 2010**

Gross Total Assets: £1,159 million\*

Net asset value per ordinary share: 533.0p\*

Share price: 465.0p\*

Gearing: 6%\*

Dividend yield: 2.28%\*

Total Expense Ratio (TER) for 2009: 0.98% (excluding performance fees: 0.71%)\*

### **Geographic Breakdown as at 30 September 2010\***

UK	38.0%
North America	21.0%
Europe	20.0%
Far East	10.0%
Japan	7.0%
Other	4.0%

### **Sector Allocation as at 30 September 2010\***

Financials	27.4%
Consumer Services	16.3%
Industrials	12.6%
Consumer Goods	12.0%
Technology	6.8%
Oil & Gas	6.3%
Health Care	6.1%
Basic Materials	5.8%
Telecommunications	2.6%
Utilities	1.2%
Open-Ended Funds	4.0%
Cash	-1.1%

### **Ten Largest Holdings as at 30 September 2010\***

Henderson North American Enhanced Equity Fund	2.2%
Orbis SM Australia Equity Fund	1.7%
NKSJ Holdings	1.3%
Fairfax Financial	1.3%
Diageo	1.3%
Electra Private Equity	1.2%
Unilever	1.2%
Rio Tinto	1.2%
Cheung Kong	1.1%
Reed Elsevier	1.1%

\*Source: BNP Paribas Securities Services

## Manager Breakdown and percentages of portfolio under management

Manager	Mandate	31/12/09	30/06/10	30/09/10
Henderson Global Investors	UK	15.5	15.9	-
Artemis	UK	8.0	8.0	8.4
Lindsell Train	UK	-	-	9.4
Marathon	UK (pan-Europe from July)	7.3	7.3	11.0
NewSmith Asset Management	UK	-	-	9.4
Henderson Global Investors	UK Smaller Cos	3.1	2.5	2.3
Southeastern Asset Management	Global	15.0	14.2	13.6
MFS International	Global	12.0	11.5	11.2
Thomas White International	Global	9.5	10.0	9.9
Wellington Management Co	Europe ex UK	8.6	7.0	-
Varenne	Pan-Europe	2.5	2.8	2.9
Henderson Global Investors	North America	5.1	3.5	3.1†
Brandes Investment Partners	Japan	5.7	5.7	4.7†
Comgest	Pacific ex Japan	6.0	6.5	6.7
Orbis Investment Management	Australia	1.7	1.6	1.7
Growth Opportunities Portfolio	Specialist	-	3.5	5.7

†In November 2010 the Henderson North American mandate and the Brandes Japanese mandate were transitioned to a fourth Global Equity portfolio managed by Veritas Asset Management.

These figures exclude the cash balances held centrally by Witan and the unquoted investments.

## Investment Performance<sup>a</sup>

Performance over	3 months	6 months	1 year	3 years	5 years	10 years
Share Price (Total Return)	12.0%	-0.9%	13.9%	4.3%	34.0%	21.8%
Net Asset Value (Total Return)	11.7%	-1.5%	12.8%	6.1%	35.6%	18.7%
Benchmark (Total Return)	10.6%	-1.6%	10.4%	1.3%	27.7%	25.0%

<sup>a</sup>Source: Lipper & Datastream – percentage growth to 30 September 2010. Since 01.10.2007 the benchmark has been a composite of 40% FTSE All-Share, 20% each in FTSE All-World North America, FTSE All-World Europe (ex UK) Index and FTSE All-World Asia Pacific Index. From 01.09.2004 to 30.09.2007 the benchmark consisted of 50% FTSE All-Share, 50% FTSE World (ex UK) and prior to this 60% FTSE All-Share, 40% FTSE World (ex UK). The Net Asset Value figures value debt at fair value except for the 10 year figures where debt is valued at par value.

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