JPMorgan Chinese Investment Trust plc

Half Year Report & Accounts for the six months ended 31st March 2016

J.P.Morgan
Asset Management

Features

Objective

To provide long term capital growth by investment in 'Greater China' companies.

Investment Policies

- To invest in companies which are quoted on the stock exchanges of China, Hong Kong and Taiwan or which derive a substantial part of their revenues or profits from these territories.
- To use gearing up to a maximum level of 20% of shareholders' funds to increase potential returns to shareholders.
- To invest no more than 15% of gross assets in other UK listed investment companies (including investment trusts).

Benchmark

MSCI China Index, with net dividends reinvested, in sterling terms. Prior to 26th January 2016, the benchmark was the MSCI Golden Dragon Index.

Risk

Investors should note that there can be significant economic and political risks inherent in investing in emerging economies. As such, the Greater China markets 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.

Capital Structure

At 31st March 2016, the Company's issued share capital comprised 77,914,965 ordinary shares of 25p each, including 2,909,495 shares held in Treasury.

Continuation Vote

In accordance with the Company's Articles of Association, the Directors are required to propose a resolution that the Company continue as an investment trust at the Annual General Meeting in 2018 and every fifth year thereafter.

Management Company

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM').

Website

The Company's website, which can be found at www.jpmchinese.co.uk, includes useful information on the Company, such as daily prices, factsheets and current and historic half year and annual reports.

FCA regulation of non-mainstream pooled investments

The Company currently conducts its affairs so that the shares issued by JPMorgan Chinese Investment Trust plc can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Contents

Half Year Performance

TOTAL RETURNS TO 31ST MARCH 2016 (INCLUDES DIVIDENDS REINVESTED)

+10.5%

Return to Ordinary shareholders[1]

+6.8%

Return on net assets[2]

+6.2%

Benchmark total return[3]

Financial Data

	31st March 2016	30th September 2015	% change
Total net assets (£'000)	143,770	135,932	+5.8
Number of shares in issue	75,005,470	75,005,470	0.0
Net asset value per share	191.7p	181.2p	+5.8
Share price	164.8p	150.8p	+9.3
Share price discount to net asset value	14.0%	16.8%	
Ongoing charges (excluding performance fee)	1.51%	1.42%	
Ongoing charges (including performance fee)[4]	1.51%	1.46%	
Gearing	11.7%	14.3%	

[1] Source: Morningstar.

[2] Source: J.P. Morgan.

[3] Source: MSCI. The Company's benchmark is the MSCI China Index, with net dividends reinvested, in sterling terms. Prior to 26th January 2016, the benchmark was the MSCI Golden Dragon Index.

[4] The performance fee was removed from the Company's fee structure with effect from 30th September 2015.

A glossary of terms and definitions is provided on page 18.

CHAIRMAN'S STATEMENT

Performance

I am pleased to report that for the six months to 31st March 2016 the Company's total return on net assets (with net dividends reinvested) was +6.8%. This compares favourably to the return of the Company's benchmark, combining that of the MSCI Golden Dragon Index before 26th January 2016 and that of the MSCI China Index from 26th January 2016 onwards, which was +6.2% (in sterling terms). The MSCI Golden Dragon Index return over the same period was +8.4% (in sterling terms). Shareholders are reminded that following approval of the Company's new investment objective and investment policy at the Annual General Meeting in January 2016, the Company's benchmark was changed from the MSCI Golden Dragon Index to the MSCI China Index and over the same period the total return to shareholders was +10.5%.

A detailed review of the Company's performance, portfolio and market developments is provided in the Investment Managers' Report.

Loan Facility and Gearing

On 21st January 2016 the Company renewed its £30 million credit facility with Scotiabank for a further 364 days at a reduced margin and commitment fee, and £18.8 million was drawn down on this facility as at 31st March 2016. The Board has given the Investment Managers the flexibility to manage the gearing tactically within a range set by the Board of 10% net cash to 20% geared. During the period the Company's month end gearing ranged from 8.3% to 13.9% geared, ending the half year at 11.7% geared.

Share Repurchases and Issues in the Period

At the time of writing, the Company's issued share capital consists of 75,005,470 Ordinary shares, excluding shares held in Treasury. During the six month reporting period the Company did not repurchase or issue any Ordinary shares.

Board of Directors

Sir Andrew Burns retired from the Board at the conclusion of the 2016 Annual General Meeting thereby reducing the size of the Board to four persons where it shall remain for the time being. I, being the longest serving member of the Board, shall retire next with the timing to be announced in our Annual Report.

Outlook

China:

The economy is showing signs of recovery with support for renminbi stabilisation noticeable in property prices and auto sales along with prices for domestically-driven commodities such as cement and steel. Fiscally the government has widened the budget deficit to 3% of GDP from 2.3% in 2015 with fiscal bond issuance targets planned to double to RMB 1.6 trillion. For the first time since August 2015 the Purchasing Manager's Index (PMI) in March entered into expansionary territory at 50.2%. The key risk is the potential for overheating and the resultant inflationary pressure given the sharp acceleration of growth in the property sector. In terms of structural reform, the government's focus is on reform of the supply side with capital being allocated to sectors providing higher returns. Longer term, the government's measures are intended to facilitate a sharp increase in the urbanisation ratio from the current level of 47%, encourage greater consumer orientation and oversee a consequent improvement in living styles. The direction of the portfolio is to take these trends into account.

CHAIRMAN'S STATEMENT *CONTINUED*

Hong Kong:

Economic stabilisation in China and lower US rate rise expectations are the backdrops for an improvement in the pricing of Hong Kong equities. A structural slowdown in retail sales as well as the weakness in property sales nevertheless prevails. The announcement of the establishment of the Shenzhen Hong Kong Connect in the short-term should boost market sentiment. The rally in Macau gaming shares follows the stabilisation of gaming revenue and further upward movement will be dependent on this as well as the success of the upcoming new property opening by Wynn.

Taiwan:

The Taiwan market seems likely to face headwinds in the forthcoming quarters both in economic growth and corporate earnings. The first quarter of the calendar year typically is seasonally weak and this has been compounded in the technology sector by slow iPhone shipments and a lack of new technology product cycles. Since the newly elected President does not assume power until the second quarter of 2016, there could be a vacuum in the interim in terms of government policy. However, concerns over the change in the ruling party seem to have already been priced into the market. Growth may improve towards the end of 2016 with easy base comparisons boosted by restocking demand on the launch of the iPhone 7. In addition, the low interest rate environment should provide ample liquidity for the Taiwan equity market and companies with long-term secular-growth opportunities should return to favour against the backdrop of stabilised corporate earnings.

Overview and Portfolio Direction

Overall, the Chinese government is having to find ways to adjust to the pace of slower growth while running down the excessive capacity in the manufacturing industries.
The policy shifts over the past year have demonstrated the willingness of the government to address the problems. We continue to expect a pro-growth stance from the authorities although there remains a risk of government tightening sometime in the future. With inflecting growth data and the resulting potential for upgrades in earnings for economically-sensitive sectors, we believe the China markets should continue to recover gradually from the plunge they suffered earlier this year. As at the end of March, our Managers increased their overweighting in China stocks, by consolidating some positions in Hong Kong and Taiwan and shifting the capital towards higher conviction stock ideas in China. In essence, the portfolio continues to emphasise secular growth and to this end our Managers have taken advantage of the market correction earlier in the year as buying opportunities to add to the existing names in the portfolio which they like and to initiate positions in new investments, rather than to align the portfolio's country exposures more closely to that of the MSCI China benchmark.

William Knight
Chairman

23rd May 2016

INVESTMENT MANAGERS' REPORT

Howard Wang

Emerson Yip

William Tong

Shumin Huang

Over the six months ended 31st March 2016, the Company delivered +6.8% (in GBP terms) against a benchmark return of +6.2%. During this period, positive stock selection, particularly in Chinese companies, contributed to returns. Our asset allocation also helped performance. While our overweight position in China detracted, the overweight position in Taiwan, relative to the combined average index weight over this period (benchmark change to MSCI China effective 26th January 2016), positively impacted returns. An average gearing level of 11% also added value over this time period.

Stock selection in technology contributed to performance. Select positions in upstream semiconductor companies, such as Silicon Motion Technology and Taiwan Semiconductors Manufacturing, outperformed. We believe they should benefit from their product cycles and inventory restocking, driven by demand growth from a low base. Our overweight position in AAC Technologies also helped returns as it is well-positioned among the Apple supply chain space, with an increasingly diverse component product portfolio, such as acoustics, haptics and connectivity, and, as a result, a growing addressable market. Other top contributors were more mixed for the period. The pair trade in the telecommunications sector, overweight China Telecom and underweight China Mobile, paid off, as the former reported better fourth quarter results than peers and guided positively, while the latter missed earnings. Our top pick in the internet space, Tencent, continued to consistently outperform, thanks to solid profit growth, and should have further runway to monetize its diversified book of business. Our secular growth names with exposure to consumption upgrades, Regina Miracle (the textile maker) and IMAX China (cinematic technology provider) that were initiated in the fourth quarter of 2015, also worked well. As the oil price rebounded to nearly USD40 per barrel by the end of March from its January low, our overweight position in CNOOC added value. The exploration and production company is backed by a sound balance sheet and should benefit as crude price normalizes.

Our overweight positions in life insurers, including China Taiping Insurance and Ping An Insurance, were among the top detractors, as they fell with the market due to their leverage to cyclicality and equity market volatility. Despite some near term weakness, however, their fundamental theses remain intact. Within healthcare, our overweight positions in Phoenix Healthcare (hospital operator) and Sino Biopharm (integrated pharmaceutical) detracted, driven by both stock specific reasons rather than broader industry headwinds. For the former, a delay in its Baoding acquisition and heightened political risk in a heavily regulated industry increased near term earnings risk. However, we still believe in the long term investment case given the need for reform for Chinese hospitals. The latter, while one of the top performers in 2015, struggled with a few headwinds so far this year. Our environmental protection stocks also struggled during the quarter, namely China Longyuan Power and China Everbright International. China Longyuan Power sold off on tariff cuts putting downward earnings pressure on wind power. Additionally, the volatility earlier this year in the domestic onshore market was a drag on the performance for some of our A-share holdings. Positions in companies such as Spring Airlines (low cost carrier), China South Publishing (provincial education materials producer) and Beijing Originwater Technology (leader in waste water treatment) all detracted from performance.

China Review

Chinese equities made modest gains in the fourth quarter, with offshore-listed equities (MSCI China Index) gaining 4% and domestic A-shares (CSI 300 Index) showing stronger recovery by gaining 16% in RMB (or 14% in US dollar terms). Further loosening in monetary policy, including another 25 basis points (bps) reduction in interest rates and a 50 bps reduction in the reserve requirement ratio, supported domestic liquidity. However the government has also taken some measures to offset some upward momentum in domestic equity market, including tightening the margin financing ratio, resuming IPOs and announcing the long-awaited registration system for IPOs.

INVESTMENT MANAGERS' REPORT *CONTINUED*

Chinese equities ended down in the first quarter, with offshore listed equities down 5% and domestic A-shares (CSI 300) down 14%, due to higher risk premium from another sudden renminbi devaluation and unsuccessful rollout of the circuit break mechanism. Markets rebounded, after touching low at end of February, on strong credit numbers, PBOC's cutting reserve requirement, and green shoots on demand recovery. On the macro front, the tug-of-war between RMB stabilization and much needed monetary stimulus remained, as the unexpected devaluation at beginning of 2016 renewed concerns over the government's ability to use further monetary easing to aid recovery. Signs of a macro pick up, on better credit and fixed asset investment (FAI) numbers, subsequently stabilized RMB. Earnings revision remained broadly negative as expected, with positive revisions mainly coming from structural growth sectors such as healthcare and TMT.

China Outlook

We expect macro to continue to recover from a very low base, supportive for further renminbi stabilisation. Two main drivers remain positive. Top 30 cities March property sales were up 84% year-on-year, and first-quarter 2016 was up 47% year-on-year, boding well for further property new construction starts. On the fiscal side, government has widened the budget deficit to 3% of GDP from 2.3% of 2015. Special fiscal bond issuance targets are to double this year, to RMB 1.6 trillion. Just reported March Purchasing Managers' Index (PMI) at 50.2% entered into expansionary territory, for the first time since August 2015. The key risk to watch is the potential for overheating and resulting inflationary pressure given the sharp acceleration of property sector growth.

On the structural reform front, government focus is on supply side reform, the right direction in our opinion to better allocate capital to higher return sectors. Longer term, we believe government's measures to facilitate a sharp increase of urbanisation ratio from current 47% (family units) would be critical for medium term sustainable growth. We believe at least 100-200 million migrant workers can permanently settle in urban areas, supportive for the growth transformation from FAI-led to service-led economy.

Market valuation at 9.8x forward one year p/e is still close to average levels. Barring overheating risk, we believe market should be re-rated on earnings recovery, as well as lower risk premium from renminbi stabilisation. Longer term, the carryout of structural reform would be critical for sustainable growth.

Hong Kong Review

Hong Kong equities staged a rally in October as the US rate hike was delayed, while China undertook further monetary easing. However, they retraced some of the gain approaching the rate hike, which materialised in December, while the Chinese regulators continued to conduct broker investigations affecting sentiments on the domestic market. Despite the US rate increase, the Hong Kong banks did not raise their best lending or deposit rates due to ample system liquidity, partially owing to conversion out of renminbi deposits due to depreciation concerns. Retail and property sectors remained under pressure, while Macau gaming shares rallied on better than expected quarter results.

After suffering a sharp drop at the beginning of the new year, Hong Kong equities clawed back most of the losses, led by Macau gaming, as well as utilities and telecom shares. Concerns over renminbi devaluation and capital outflows led to the fall in January, but those concerns subsided along with economic stabilisation in China and dovish comments from the US Federal Reserve. Residential property prices continued to decline. Fewer tourists from mainland China, and an increase in outbound travel by Hong Kong local residents, both due to the strong HK dollar, have driven further slowdown in retail sales. Macau gaming shares continued to rally on the back of stabilising gaming revenues.

Hong Kong Outlook

Economic stabilisation in China and lowered US rate rise expectations should provide a more constructive backdrop for equities in the short term. However, the headwinds facing the domestic Hong Kong economy remain, given the structural slowdown in retail sales as well as the weakness in property sales. On the horizon, the announcement of the Shenzhen Hong Kong Connect could be a short-term sentiment boost.

The response in the physical property market to lowered rate expectations and stabilising market sentiments has only been modest thus far. It remains to be seen when substantial pent-up demand would return to the market to drive up transaction volumes, and whether land prices could fall further to underpin a healthier margin recovery. In the meantime, a pick-up in office rentals has yet to materialise due to financial market volatility.

The rally in Macau gaming shares has priced in stabilising gaming revenues and a more supportive policy stance, although we do not expect major relaxation measures. Further upward movement will be dependent on continued gaming revenue growth, as well as the success of the upcoming new property opening by Wynn.

Taiwan Review

The TAIEX traded well initially in the fourth quarter but the market fell heavily in November after the presidential summit between Taiwan and China failed to produce any substantial economic incentives and on increasing concerns over weaker than expected iPhone sales. This continued into December, when the index fell below the 8000 mark, before closing up 1.9% for the fourth quarter.

The TAIEX index fell sharply at the beginning of the quarter, unnerved by turmoil in the global markets, along with further devaluation of renminbi and a plunge in the China equity market after the introduction and subsequent suspension of the circuit-breaker system in the first week of the year. However, the market managed to rebound towards the end to finish the first quarter +4.9% quarter-on-quarter. Foreign investors were active buyers of the market. The Taiwan central bank has cut key policy rate to 1.5% to maintain accommodative monetary conditions, and to foster economic growth. With inflation pressure likely to remain muted in 2016 on weak growth, there could be room for further easing in the coming quarters. The Taiwan central bank governor Fai-Nan stated the economy is likely to improve in the second half of 2016, partly helped by low bases.

Taiwan Outlook

The Taiwan market seems likely to face headwinds in forthcoming quarters. Although the first quarter of the calendar year is typically seasonally weak, this is likely to be compounded in the technology sector by slow iPhones shipments and a lack of new technology product cycles to offset this.

A policy vacuum in the Taiwan government could arise from the change in president because the new president from Democratic Progressive Party does not assume power until the second quarter of 2016. However, concerns over the change in the ruling party seem to have already been priced into the market.

The first half of 2016 is likely to see anaemic growth in the technology sector. However, growth may improve towards the end of 2016 with easy base comparisons, together with restocking demand on the launch of the iPhone 7. The low interest rate environment should provide ample liquidity to the Taiwan equity market. Against the backdrop of stabilising corporate earning downgrades, companies with long-term secular-growth opportunities should return to benefit.

INVESTMENT MANAGERS' REPORT *CONTINUED*

Summary

China's economy is showing signs of stabilization. Combined with the government's easing bias, the shorter-term backdrop for equities is encouraging. From a sector allocation perspective, however, we have doubts about China's commitment to the reform necessary to shore up its industrial base in a sustainable fashion; we expect limited further upside for most of the value stocks that led the recent rally. We have reduced holdings in financials and added to positions in growth stocks leveraged to Chinese consumption. For Hong Kong, economic stabilization in China and lowered U.S. rate rise expectations should provide a more constructive backdrop for equities in the short term. However, the headwinds facing the domestic economy remain given the structural slowdown in retail sales as well as the weakness in property sales. On the horizon, the announcement of the Shenzhen Hong Kong Connect could be a short-term sentiment boost. With regards to Taiwan, the first half of 2016 is likely to experience anaemic growth in the technology sector. However, growth may improve towards the end of the year with easy base comparisons. Low interest rate environment should provide ample liquidity to the Taiwan equity market. Against the backdrop of stabilizing corporate earnings downgrades, companies with long-term secular growth opportunities should return to favour.

Howard Wang
Emerson Yip
Shumin Huang
William Tong
Investment Managers

23rd May 2016

LIST OF INVESTMENTS AT 31ST MARCH 2016

Company	Country of Listing/ Classification	Valuation £'000	%
Tencent	China HK listed	13,977	8.7
China Construction Bank	China HK listed	12,846	8.0
Ping An Insurance	China HK listed	9,034	5.6
CNOOC	China HK listed	7,540	4.7
China Telecom	China HK listed	6,748	4.2
China Merchants Bank	China HK listed	6,342	3.9
Taiwan Semiconductor Manufacturing	Taiwan	5,772	3.6
Alibaba	China US listed	5,297	3.3
China Citic Bank	China HK listed	4,974	3.1
China Vanke	China HK listed	4,408	2.7
AAC Technologies	China HK listed	4,207	2.6
China Mobile	China HK listed	3,912	2.4
China Resources Land	China HK listed	3,231	2.0
China Taiping Insurance	China HK listed	2,977	1.9
JD.com	China US listed	2,880	1.8
Sino Biopharmaceutical	China HK listed	2,828	1.8
China Resources Gas	China HK listed	2,692	1.7
PICC Property & Casualty	China HK listed	2,644	1.6
Regina Miracle International	Hong Kong	2,359	1.5
Silicon Motion Technology	Taiwan	2,165	1.3
CSPC Pharmaceutical	China HK listed	2,137	1.3
AIA	Hong Kong	2,114	1.3
Catcher Technology	Taiwan	1,994	1.2
Advanced Semiconductor Engineering	Taiwan	1,960	1.2
President Chain Store	Taiwan	1,907	1.2
IMAX China	China HK listed	1,865	1.2
Chongqing Changan Automobile	China B Shares	1,842	1.1
Wangsu Science & Technology[1]	China A Shares	1,839	1.1
Baidu	China US listed	1,812	1.1
China Conch Venture	China HK listed	1,794	1.1
China Everbright International	China HK listed	1,786	1.1
Largan Precision	Taiwan	1,780	1.1
Jiangsu Hengrui Medicine[1]	China A Shares	1,745	1.1
China Harmony New Energy Auto	China HK listed	1,637	1.0
Nexteer Automotive	China HK listed	1,627	1.0
Beijing Enterprises Water	China HK listed	1,579	1.0
Hangzhou Hikvision Digital Technology[1]	China A Shares	1,558	1.0
China Shenhua Energy	China HK listed	1,527	1.0
Industrial Bank[1]	China A Shares	1,472	0.9
Hangzhou Robam Appliances[1]	China A Shares	1,416	0.9
CGN Power	China HK listed	1,388	0.9
Hong Kong Exchanges & Clearing	Hong Kong	1,358	0.8
China Petroleum & Chemical	China HK listed	1,325	0.8

LIST OF INVESTMENTS *CONTINUED*

Company	Country of Listing/ Classification	Valuation £'000	%
BBMG	China HK listed	1,311	0.8
Spring Airlines[1]	China A Shares	1,294	0.8
Vipshop	China US listed	1,267	0.8
Car	China HK listed	1,144	0.7
China South Publishing & Media[1]	China A Shares	1,108	0.7
Phoenix Healthcare	China HK listed	1,087	0.7
Wynn Macau	Hong Kong	1,080	0.7
Orient Overseas International	Hong Kong	1,066	0.7
Morgan Stanley Asia Prducts[1]	China A Shares	1,055	0.7
Beijing OriginWater Technology[1]	China A Shares	1,053	0.7
China Machinery Engineering	China HK listed	862	0.5
KWG Property	China HK listed	825	0.5
Shenzhen Inovance Technology[1]	China A Shares	740	0.5
Tuniu	China US listed	641	0.4
Total investments		**160,828**	**100.0**

[1] Includes investments in warrants and participatory notes.

A glossary of terms and definitions is provided on page 18.

PORTFOLIO ANALYSES

Geographical

	31st March 2016		30th September 2015	
	Portfolio %[1]	Benchmark[2] %	Portfolio %[1]	Benchmark[2] %
China HK listed	68.5	88.4	52.5	49.8
China A-shares (Indirect)	8.3	–	6.2	–
China US listed	7.4	11.2	1.3	0.3
China B-shares	1.1	0.4	0.8	0.1
China Total	**85.3**	**100.0**	**60.8**	**50.2**
Taiwan	9.7	–	21.5	26.8
Hong Kong	5.0	–	17.7	23.0
Total	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total investments of £160.8m (2015: £154.8m).

[2] The Company's benchmark is the MSCI China Index, with net dividends reinvested, in sterling terms. Prior to 26th January 2016, the benchmark was the MSCI Golden Dragon Index.

Sector

	31st March 2016		30th September 2015	
	Portfolio %[1]	Benchmark[2] %	Portfolio %[1]	Benchmark[2] %
Financials (including property)	32.5	35.7	39.1	41.9
Information Technology	26.3	23.7	27.1	22.2
Consumer Discretionary	11.0	5.9	7.1	5.5
Industrials	6.7	7.3	7.6	5.7
Telecommunication Services	6.6	9.9	4.4	7.5
Energy	6.5	7.3	3.5	4.1
Health Care	4.9	2.2	5.6	1.2
Utilities	3.5	3.8	3.4	5.5
Consumer Staples	1.2	2.8	1.0	2.9
Materials	0.8	1.4	1.2	3.5
Total	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total investments of £160.8m (2015: £154.8m).

[2] The Company's benchmark is the MSCI China Index, with net dividends reinvested, in sterling terms. Prior to 26th January 2016, the benchmark was the MSCI Golden Dragon Index.

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31ST MARCH 2016

	(Unaudited) Six months ended 31st March 2016			(Unaudited) Six months ended 31st March 2015			(Audited) Year ended 30th September 2015		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) from investments held at fair value through profit or loss	–	10,826	10,826	–	33,906	33,906	–	(297)	(297)
Net foreign currency losses	–	(447)	(447)	–	(1,295)	(1,295)	–	(981)	(981)
Income from investments	42	–	42	364	–	364	4,434	–	4,434
Other interest receivable and similar income	11	–	11	1	–	1	2	–	2
Gross return/(loss)	53	10,379	10,432	365	32,611	32,976	4,436	(1,278)	3,158
Management fee	(817)	–	(817)	(828)	–	(828)	(1,764)	–	(1,764)
Performance fee	–	–	–	–	(378)	(378)	–	(59)	(59)
Other administrative expenses	(251)	–	(251)	(226)	–	(226)	(467)	–	(467)
Net (loss)/return on ordinary activities before finance costs and taxation	(1,015)	10,379	9,364	(689)	32,233	31,544	2,205	(1,337)	868
Finance costs	(141)	–	(141)	(92)	–	(92)	(211)	–	(211)
Net (loss)/return on ordinary activities before taxation	(1,156)	10,379	9,223	(781)	32,233	31,452	1,994	(1,337)	657
Taxation	(14)	(21)	(35)	(8)	–	(8)	(293)	–	(293)
Net (loss)/return on ordinary activities after taxation	(1,170)	10,358	9,188	(789)	32,233	31,444	1,701	(1,337)	364
(Loss)/return per share (note 4)	(1.56)p	13.81p	12.25p	(1.04)p	42.67p	41.63p	2.25p	(1.77)p	0.48p

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

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by The Association of Investment Companies.

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £'000	Share premium £'000	Exercised warrant reserve £'000	Capital redemption reserve £'000	Other reserve £'000	Capital reserves £'000	Revenue reserve[1] £'000	Total £'000
Six months ended 31st March 2016 (Unaudited)								
At 30th September 2015	19,481	13,321	3	581	37,392	62,763	2,391	135,932
Net return/(loss) on ordinary activities	–	–	–	–	–	10,358	(1,170)	9,188
Dividends paid in the period	–	–	–	–	–	–	(1,350)	(1,350)
At 31st March 2016	19,481	13,321	3	581	37,392	73,121	(129)	143,770
Six months ended 31st March 2015 (Unaudited)								
At 30th September 2014	19,481	13,321	3	581	37,392	65,125	1,899	137,802
Net return/(loss) on ordinary activities	–	–	–	–	–	32,233	(789)	31,444
Dividends paid in the period	–	–	–	–	–	–	(1,209)	(1,209)
At 31st March 2015	19,481	13,321	3	581	37,392	97,358	(99)	168,037
Year ended 30th September 2015 (Audited)								
At 30th September 2014	19,481	13,321	3	581	37,392	65,125	1,899	137,802
Repurchase of shares into Treasury	–	–	–	–	–	(1,025)	–	(1,025)
Net (loss)/return on ordinary activities	–	–	–	–	–	(1,337)	1,701	364
Dividends paid in the year	–	–	–	–	–	–	(1,209)	(1,209)
At 30th September 2015	19,481	13,321	3	581	37,392	62,763	2,391	135,932

[1] This reserve forms the distributable reserve of the Company and may be used to fund distribution of profits to investors via dividend payments.

STATEMENT OF FINANCIAL POSITION AT 31ST MARCH 2016

	(Unaudited) 31st March 2016 £'000	(Unaudited) 31st March 2015 £'000	(Audited) 30th September 2015 £'000
Fixed assets			
Investments held at fair value through profit or loss	160,828	181,341	154,813
Current assets			
Debtors	41	3,478	890
Cash and cash equivalents	1,997	4,482	4,636
	2,038	**7,960**	**5,526**
Creditors: amounts falling due within one year	(19,096)	(21,264)	(24,407)
Net current liabilities	**(17,058)**	**(13,304)**	**(18,881)**
Total assets less current liabilities	**143,770**	**168,037**	**135,932**
Net assets	**143,770**	**168,037**	**135,932**
Capital and reserves			
Called up share capital	19,481	19,481	19,481
Share premium	13,321	13,321	13,321
Exercised warrant reserve	3	3	3
Capital redemption reserve	581	581	581
Other reserve	37,392	37,392	37,392
Capital reserves	73,121	97,358	62,763
Revenue reserve	(129)	(99)	2,391
Total equity shareholders' funds	**143,770**	**168,037**	**135,932**
Net asset value per share (note 5)	**191.7p**	**222.5p**	**181.2p**

The Company's registration number is 02853893.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31ST MARCH 2016

1. Financial statements

The information contained within the financial statements in this half year report has not been audited or reviewed by the Company's auditors.

The figures and financial information for the year ended 30th September 2015 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements 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 498(2) or 498(3) of the Companies Act 2006.

2. Accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP') including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the revised 'SORP') issued by the Association of Investment Companies in November 2014.

FRS 104 'Interim Financial Reporting', issued by the Financial Reporting Council in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 31st March 2016.

In March 2016, the FRC published amendments to FRS 102 concerning fair value hierarchy disclosures. These amendments are effective for accounting periods beginning on or after 1st January 2017. The Company has elected to early adopt these amendments in these interim financial statements. Full disclosure is given in note 6.

As a result of the first time adoption of FRS 102 and the revised SORP, comparative numbers and presentational formats have been restated where required. The Company has elected to not prepare a Statement of Cashflows for the current period on the basis that substantially all of its investments are liquid and carried at market value.

All of the Company's operations are of a continuing nature.

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 30th September 2015.

3. Dividends paid[1]

	(Unaudited) Six months ended 31st March 2016 £'000	(Unaudited) Six months ended 31st March 2015 £'000	(Audited) Year ended 30th September 2015 £'000
Final dividend paid in respect of the year ended 30th September 2015 of 1.8p (2014: 1.6p)	1,350	1,209	1,209

No interim dividend has been declared in respect of the six months ended 31st March 2016 (2015: nil).

[1] All dividends paid and declared in the period have been funded from the Revenue Reserve.

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

4. Return per share

	(Unaudited) Six months ended 31st March 2016 £'000	(Unaudited) Six months ended 31st March 2015 £'000	(Audited) Year ended 30th September 2015 £'000
(Loss)/return per share is based on the following:			
Revenue (loss)/return	(1,170)	(789)	1,701
Capital return/(loss)	10,358	32,233	(1,337)
Total return	**9,188**	**31,444**	**364**
Weighted average number of shares in issue during the period/year	75,005,470	75,531,426	75,384,066
Revenue (loss)/return per share	(1.56)p	(1.04)p	2.25p
Capital return/(loss) per share	13.81p	42.67p	(1.77p)
Total return per share	**12.25p**	**41.63p**	**0.48p**

5. Net asset value per share

	(Unaudited) Six months ended 31st March 2016	(Unaudited) Six months ended 31st March 2015	(Audited) Year ended 30th September 2015
Net Assets (£'000)	143,770	168,037	135,932
Shares in issue	75,005,470	75,531,426	75,005,470
Net asset value per share	191.7p	222.5p	181.2p

6. Fair valuation of investments

The fair value hierarchy analysis for financial instruments held at fair value at the period end is as follows:

	(Unaudited) Six months ended 31st March 2016		(Unaudited) Six months ended 31st March 2015		(Audited) Year ended 30th September 2015	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices for identical instruments in active markets	151,456	–	180,060	–	145,235	–
Level 2: Prices of recent transactions for identical instruments[1]	9,372	–	1,281	–	9,578	–
Total value of investments	**160,828**	**–**	**181,341**	**–**	**154,813**	**–**

[1] Equity Linked Notes.

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 have not changed and fall into the following broad categories: investment underperformance; loss of investment team; discount; market; political, economic and governance; change of corporate control of the Manager; accounting, legal and regulatory; corporate governance and shareholder relations; operational; going concern 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 2015.

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.

Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and, more specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operational existence for at least twelve months from the date of the approval of this half yearly financial report. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts.

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 FRS 104 'Interim Financial Reporting' and gives a true and fair view of the state of affairs of the Company and of the assets, liabilities, financial position and net return of the Company, as at 31st March 2016, as required by the UK Listing Authority Disclosure and Transparency Rules 4.2.4R; 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.

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

For and on behalf of the Board
William Knight
Chairman

23rd May 2016

GLOSSARY OF TERMS AND DEFINITIONS

Return to Shareholders
Total return to the investor, on a mid-market price to mid-market price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

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 were reinvested into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

In accordance with industry practice, dividends payable which have been declared but which are unpaid at the balance sheet date are deducted from the NAV per share when calculating the total return on net assets.

Benchmark Total Return
Total return on the benchmark, on a mid-market value to mid-market value basis, assuming that all dividends received were reinvested into the shares of the underlying companies at the 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 track this index and consequently, there may be some divergence between the Company's performance and that of the benchmark.

Share Price Discount/Premium to Net Asset Value ('NAV') per Share
If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share. The opposite of a discount is a premium. It is more common for an investment trust's shares to trade at a discount than at a premium.

(Loss)/Return per Share
The (loss)/return per share represents the (loss)/return on ordinary activities after taxation divided by the weighted average number of shares in issue during the period.

Gearing/Net Cash
Gearing represents the excess amount above shareholders' funds of total assets expressed as a percentage of the shareholders' funds. Total assets include total investments and net current assets/liabilities less cash/cash equivalents and excluding bank loans of less than one year. If the amount calculated is negative, this is shown as a 'net cash' position.

Ongoing Charges
The ongoing charges represents the Company's management fee and all other operating expenses excluding interest and performance fee payable, expressed as a percentage of the average daily net assets during the period and is calculated in accordance with guidance issued by the Association of Investment Companies. The figure as at 31st March 2016 is an estimated annualised figure.

Hong Kong H-Shares
Companies incorporated in mainland China and listed in Hong Kong and other foreign stock exchanges.

Hong Kong Red Chips
Companies incorporated outside mainland China and listed in Hong Kong, but with controlling shareholders (at least 30% ownership) from mainland Chinese entities.

Hong Kong P Chips
Companies listed in Hong Kong which are incorporated in the Cayman Islands, Bermuda and the British Virgin Islands, with operations in mainland China. These companies are run by private sector Chinese businessmen.

China A-Shares (Indirect)
Companies incorporated in mainland China and which are traded in the mainland A-Share markets. The prices of A-Shares are quoted in renminbi, and currently only mainlanders and selected foreign institutional investors are allowed to trade A-Shares.

The Company does not invest directly in China A-Shares but instead gains access to the A-Share market by investing into China A-Share access products.

China B-Shares
Companies incorporated in mainland China and traded on the mainland B-Share markets. The prices of B-Shares are quoted in US dollars and are available to both mainlanders and foreign investors.

WHERE TO BUY J.P. MORGAN INVESTMENT TRUSTS

Savings Plan

The Company participates in the J.P. Morgan Investment Trusts Savings Plan, which facilitates both regular monthly investments and occasional lump sum investments in the Company's ordinary shares. Shareholders who would like information on the Savings Plan should call J.P. Morgan Asset Management free on 0800 02 40 20 or visit its website at am.jpmorgan.co.uk

Stocks & Shares Individual Savings Accounts (ISA)

The Company's shares are eligible investments within J.P. Morgan's Stocks & Shares ISA. Details are available from J.P. Morgan Asset Management free on 0800 20 40 20 or via its website at jpmorgan.co.uk

There are a number of ways that you can buy shares in investment trust companies; you can invest through J.P. Morgan Online or on the following: fund supermarkets:

AJ Bell	James Brearley
Alliance Trust Savings	James Hay
Barclays Stockbrokers	Stocktrade
Charles Stanley Direct	TD Direct
Halifax Share Dealing Service	The Share Centre
Hargreaves Lansdown	Tilney Bestinvest
Interactive Investor	Transact

Alternatively you can invest through an Investment Professional (e.g. a Financial Adviser) on the following 3rd party platforms:

Ascentric	Nucleus
Avalon	Praemium
Axa Elevate	Transact
Novia	

Please note that these websites are third party websites and J.P. Morgan Asset Management does not endorse or recommend any of them. This list is not exhaustive and is subject to change. Please observe each site's privacy and cookie policies as well as their platform charges structure.

You can also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority adviser charging and commission rules, visit www.fca.org.uk.

Financial Conduct Authority

Beware of share fraud

Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment. While high profits are promised, if you buy or sell shares in this way you will probably lose your money.

How to avoid share fraud

1. Keep in mind that firms authorised by the FCA are unlikely to contact you out of the blue with an offer to buy or sell shares.
2. Do not get into a conversation, note the name of the person and firm contacting you and then end the call.
3. Check the Financial Services Register from **www.fca.org.uk** to see if the person and firm contacting you is authorised by the FCA.
4. Beware of fraudsters claiming to be from an authorised firm, copying its website or giving you false contact details.
5. Use the firm's contact details listed on the Register if you want to call it back.
6. Call the FCA on **0800 111 6768** if the firm does not have contact details on the Register or you are told they are out of date.
7. Search the list of unauthorised firms to avoid at **www.fca.org.uk/scams**.
8. Consider that if you buy or sell shares from an unauthorised firm you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme.
9. Think about getting independent financial and professional advice before you hand over any money.
10. **Remember:** if it sounds too good to be true, it probably is!

Report a scam

If you are approached by fraudsters please tell the FCA using the share fraud reporting form at **www.fca.org.uk/scams**, where you can find out more about investment scams.

You can also call the FCA Consumer Helpline on **0800 111 6768**.

If you have already paid money to share fraudsters you should contact Action Fraud on **0300 123 2040**.

5,000 people contact the Financial Conduct Authority about share fraud each year, with victims losing an average of £20,000

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
Dividend on Ordinary shares paid (if any)	January/February
Annual General Meeting	January

History

JPMorgan Chinese Investment Trust plc was launched in October 1993, as The Fleming Chinese Investment Trust plc, by a public offer of shares which raised £60 million before expenses. The Company changed its name to JPMorgan Fleming Chinese Investment Trust in December 2001 and adopted its present name on 14th December 2005.

Directors

William Knight (Chairman)
Sir Andrew Burns KCMG
Kathryn Matthews
John Misselbrook
Oscar Wong

Company Numbers

Company registration number: 02853893
London Stock Exchange Sedol number: 0343501
ISIN: GB0003435012
Bloomberg ticker: JMC LN

Market Information

The Company's net asset value ('NAV') per share 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 and on the J.P. Morgan internet site at www.jpmchinese.co.uk where the prices are updated every fifteen minutes during trading hours.

Website

www.jpmchinese.co.uk

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf. They may also be purchased and held through the J.P. Morgan Investment Account and J.P. Morgan ISA. These products are all available on the online service, at www.jpmorgan.co.uk/online

Manager and Company Secretary

JPMorgan Funds Limited

The Association of Investment Companies

A member of the AIC

Company's Registered Office

60 Victoria Embankment
London EC4Y 0JP
Telephone number: 020 7742 4000

For company secretarial and administrative matters, please contact Lucy Dina at the above address.

Depositary

BNY Mellon Trust and Depositary (UK) Limited
BNY Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

The Depositary has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

Registrars

Equiniti Limited
Reference 1078
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone: 0371 384 2317

Lines open 8.30 a.m. to 5.30 p.m. Monday to Friday. Calls to the helpline will cost no more than a national rate call to a 01 or 02 number. Callers from overseas should dial +44 121 415 0225.

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1078.

Registered shareholders can obtain further details on individual holdings on the internet by visiting www.shareview.co.uk.

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London SE1 2RT

Brokers

Winterflood Securities Limited
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London EC4R 2GA
Telephone number: 020 3100 0000

Savings Product Administrators

For queries on the J.P. Morgan Investment Account and J.P. Morgan ISA, see contact details on the back cover of this report.

www.jpmchinese.co.uk

J.P. Morgan Helpline

Freephone 0800 20 40 20 or +44 (0) 1268 444470.
Telephone lines are open Monday to Friday, 9am to 5.30pm.

Telephone calls may be recorded and monitored for security and training purposes.

J.P.Morgan Asset Management