JPMorgan Indian Investment Trust plc

Half Year Report & Accounts for the six months ended 31st March 2017

J.P.Morgan
Asset Management

Features

Objective

Capital growth from investments in India.

Investment Policies

- 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.

Capital Structure

At 31st March 2017, the Company's issued share capital comprised 125,617,586 ordinary shares of 25p each, including 20,329,971 shares held in Treasury.

Continuation Vote

The Company's Articles of Association require that, at the Annual General Meeting to be held in 2019 and every fifth year thereafter, the Directors must propose a resolution that the Company continues as an investment trust.

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').

FCA regulation of 'non-mainstream pooled investments'

The Company currently conducts its affairs so that the shares issued by JPMorgan Indian 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.

AIC

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

Website

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

Contents

Half Year Performance to 31st March 2017

TOTAL RETURNS

+10.5%

Return to shareholders[1]

+7.6%

Return on net assets[2]

+12.0%

Benchmark return[3]

Financial Data

	31st March 2017	30th September 2016	% change
Shareholders' funds (£'000)	828,737	770,738	+7.5
Number of shares in issue excluding shares held in Treasury	105,287,615	105,316,615	0.0
Net asset value per share	787.1p	731.8p	+7.6
Share price	697.5p	631.5p	+10.5
Share price discount to net asset value per share	11.4%	13.7%	
Gearing[4]	5.3%	7.0%	
Ongoing charges	1.20%	1.22%	

[1] Source: Morningstar.

[2] Source: Morningstar/J.P. Morgan

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

[4] Gearing calculated at pro forma group level, which is consistent with prior year calculations. Please refer to the glossary ot terms on page 16.

A glossary of terms and definitions is provided on page 16.

CHAIRMAN'S STATEMENT

Performance

The first six months of the Company's financial year have been positive for investors in India, with the Company's benchmark index, the MSCI India Index (in sterling terms), returning +12.0% over the period. The Company produced a total return on net assets of +7.6% over the same period. Whilst it is disappointing to have underperformed the benchmark index in the first half of the financial year, the Board judges performance over the longer term and I am pleased to report that long term performance remains strong, the Company having outperformed the benchmark over the three, five and ten years to 31st March 2017.

The return to shareholders was +10.5%, reflecting a narrowing of the discount over the six months from 13.7% to 11.4% at the period end. The background against which the Company performed is discussed in more detail in the Investment Managers' Report on the following page.

Accounting Changes

Following an amendment to International Financial Reporting Standard 10 ('IFRS 10'), the Company is no longer permitted to consolidate a subsidiary company that operates as an 'investment entity'. The Company's Mauritian subsidiary qualifies as an investment entity and as a result, with effect from the current financial year onwards, the Company will no longer present consolidated group financial statements. Therefore, the subsidiary company's assets are shown in the financial statements as an investment at fair value. This change has no effect on net assets. Further details are set out in Note 3 to the financial statements. To assist shareholders, a reconciliation of some of the key figures is included in the Glossary on pages 17 and 18.

Gearing

The subsidiary company has a three year floating rate £100 million loan facility with Scotiabank to provide the Investment Managers with the flexibility to gear the portfolio when they think it is appropriate to do so. As at 31st March 2017, the Company's portfolio was 5.3% geared. Please note that gearing continues to be calculated on a pro forma group basis in order to give shareholders clarity on the overall levels of borrowing.

Discount Management

The Board has guidelines in place with regard to the management of the discount of the share price to net asset value at which the Company's shares trade. During the six months under review, the Company bought back a total of 29,000 shares into Treasury. The Company currently holds 20,329,971 shares in Treasury and, under current guidelines, they may only be reissued at a premium to the prevailing net asset value at the time of reissue.

Taxation

As I have reported previously, the India-Mauritius tax treaty has been amended and the advantages of investing in India via Mauritius, whereby gains made on investments held for less than 12 months are not currently subject to capital gains tax, will be removed as a result (the capital gains tax rate on investments held for more than 12 months will continue to be zero). Transitional arrangements, with tax applied on short term gains at half of the prevailing rate (i.e. at 8.1%), are now in place until March 2019. The new treaty rules become fully effective thereafter but the amendments are not expected to have a material effect on the Company, given that our Investment Managers tend to hold investments for longer than

CHAIRMAN'S STATEMENT *CONTINUED*

12 months. Nevertheless, your Board is considering whether to continue to invest via the Company's Mauritius subsidiary or whether to invest directly from the UK. The matter is not straightforward however and the Board is continuing to take professional advice to ensure the best outcome for shareholders. We will keep shareholders advised as to developments.

Outlook

Following positive returns from the Indian equity market in the first six months of the Company's financial year, valuations of small and mid cap stocks in particular look quite stretched. There are, as always, a number of political and economic uncertainties to navigate in the short term and corporate earnings remain challenged. However, the last two quarters have shown some stability and earnings appear to be improving, with the messaging more positive. The effects of the banking sector's non-performing loans and of the so-called 'demonetisation' appear to be reducing and our Investment Managers are cautiously optimistic on the prospects for Indian equities in the medium term.

Richard Burns
Chairman

26th May 2017

INVESTMENT MANAGERS' REPORT

Rukhshad Shroff

Rajendra Nair

Market Review

The first half of the Company's financial year turned out to be particularly eventful and volatile for financial markets, from the unexpected election of Donald Trump as the President of United States, to the abrupt cancellation of 86% of the Indian currency in circulation by the Modi government. The Indian equity market corrected sharply after that, but recovered in January to March 2017 to touch an all time high. The MSCI India index rose 12% in the period, with the rise in the Indian Rupee boosting sterling returns. Domestic retail investors continued to increase their exposure to equities, as the appeal of alternatives such as gold and real estate waned. Over the last three years inflows into domestic mutual funds have averaged over US$1bn per month.

The most striking event of the six month period was the Modi government's abrupt decision, in November, to cancel all 500 and 1,000 rupee notes ('Demonetisation'). This was a dramatic move since these denominations accounted for around 85% of the currency in circulation. The objective was to clamp down on the informal economy and unaccounted wealth, held in cash. Remarkably, most of the demonetised cash seems to have been deposited into the banking system, raising the prospect of the unaccounted money being laundered back into the system. The scarcity of valid currency stoked fears about economic momentum. However the reality was mixed: while the sale of cars in December was impacted only modestly, two wheeler sales fell sharply. On the other hand, Titan, which is a leading retailer of gold jewellery, reported strong sales post Demonetisation, mainly due to market share gains at the expense of the unorganised sector. In fact, headline GDP growth for the December quarter decelerated only modestly to 7%. Normality has now been restored and most of the restrictions on cash withdrawals from banks were removed in March.

A positive consequence of Demonetisation has been a surge in bank deposits, leading to a fall in domestic interest rates, even though the newly constituted Monetary Policy Committee of the Reserve Bank of India ('MPC'), left interest rates unchanged after cutting them by 25 basis points in October. The MPC, also surprisingly, changed the accommodative policy stance to neutral in February, citing an upside risk to inflation from higher commodity prices and the improving economic outlook. The federal budget (for FY2017-18) announced in February was fiscally prudent, with plans to boost spending on various social schemes and public capital expenditure, to offset the deflationary impact of Demonetisation and revive investment activity.

Politics boosted market sentiment as the B.J.P party performed very strongly in the provincial elections in several states, particularly in the large state of Uttar Pradesh. Those elections were seen as a key test of Mr. Modi's popularity in the aftermath of Demonetisation. The B.J.P's resounding victory is expected to improve the prospect of Mr. Modi winning a second term in national elections in 2019.

Overall, corporate performance during the six month period was broadly in line with expectations and not as bad as feared. Revenues, margins and profits were up. Some of this was led by a strong rebound in commodity linked earnings which will enable some of the overleveraged companies to service their debt more easily.

The corporate sector was shocked by the sudden removal of Mr. Cyrus Mistry as the Chairman of Tata Sons Ltd. However, the market's concerns were eased with the appointment of the CEO of TCS, Mr. Natarajan Chandrasekaran, as the new Chairman of Tata Sons and Mr. Mistry's resignation from the boards of the Tata group operating companies.

INVESTMENT MANAGERS' REPORT *CONTINUED*

Performance Review

The Company's net asset value total return of +7.6% lagged the benchmark (+12.0%) in the first six months of its financial year, as the emphasis in the portfolio on domestic cyclicality hurt performance in the immediate aftermath of Demonetisation. While this reversed as the market rebounded sharply in the first quarter, the underweight position in global cyclicals offset this, causing the portfolio to underperform in the period, even though gearing was a positive contributor. The largest detractor was the underweight position in Reliance Industries, which rose sharply following the strong response to the recent launch of its telecom business. The long standing holding in Divi's Laboratories was another detractor as the stock fell sharply following disappointing third quarter results, followed by the subsequent import alert issued by the US FDA. Oddly, the long standing overweight position in HDFC Bank also detracted from performance even though its domestic shares outperformed the market. This was because the premium on the shares available to overseas investors shrank over the six months under review. On the other hand, the main overweight positions in other financials such as Indusind Bank and Kotak Mahindra Bank, were positive contributors. Several of our holdings in mid and small caps also contributed positively as this sector of the market outperformed large cap stocks.

Outlook

In the near term, valuations could pose a challenge, especially in small and mid-caps, where absolute and relative multiples are near decadal highs. The launch of the nationwide Goods and Services Tax in the next few months could be another factor to hamper returns in the short term. While the longer term implications are positive, there is a risk that economic activity is adversely impacted in the short term as supply chains realign and the informal economy gets potentially disrupted.

Nonetheless, the key to equity performance has to be a revival in the earnings cycle and improvement in balance sheet fundamentals. In this context, commodity companies are certainly faring better; the shock value of the size of banks' non-performing loans and the worst of the Demonetisation shock is also behind us. So, in the absence of further negative surprises, the basis for reasonable returns is in place.

Rukhshad Shroff
Raj Nair
Investment Managers

26th May 2017

LIST OF INVESTMENTS AT 31ST MARCH 2017

Company	Valuation £'000
INVESTMENTS HELD BY THE COMPANY	
Information Technology	
Infosys, ADR	10,169
Total Information Technology	**10,169**
Real Estate	
Ascendas India Trust	4,396
Total Real Estate	**4,396**
Total Investments held by the Company	**14,565**
LIST OF INVESTMENTS HELD BY THE SUBSIDIARY	
At 31 March 2017	
Financials	
HDFC Bank	68,115
Housing Development Finance	65,274
IndusInd Bank	51,239
Kotak Mahindra Bank	42,606
Axis Bank	27,699
Shriram Transport Finance	23,035
Motilal Oswal Financial Services	18,720
Mahindra & Mahindra Financial Services	13,597
GRUH Finance	9,579
Multi Commodity Exchange of India	8,498
Bank of Baroda	8,034
Total Financials	**336,396**
Consumer Discretionary	
Maruti Suzuki India	46,071
Tata Motors	32,679
Bajaj Auto	30,637
Hero MotoCorp	17,448
Jubilant Foodworks	12,380
EIH	6,857
Bosch	6,260
Balkrishna Industries	5,085
DC Design[2]	–
Total Consumer Discretionary	**157,417**
Materials	
UltraTech Cement	42,111
ACC	31,203
Ambuja Cements	30,206
Shree Cement	20,494
Godrej Industries	19,072
Hindalco Industries	6,882
Heidelberg Cement India	4,546
Total Materials	**154,514**

Company	Valuation £'000
Industrials	
Ashok Leyland	31,365
Eicher Motors	13,243
Gujarat Pipavav Port	12,444
Cummins India	11,168
ABB India	7,059
Bharat Heavy Electricals	3,900
Total Industrials	**79,179**
Information Technology	
Infosys Limited[1]	36,850
Tata Consultancy Services	34,585
Total Information Technology	**71,435**
Health Care	
Sun Pharmaceutical Industries	33,489
Lupin	14,389
Dr Lal PathLabs	2,836
Total Health Care	**50,714**
Telecommunication Services	
Bharti Infratel	5,898
Total Telecommunication Services	**5,898**
Energy	
Great Eastern Shipping	2,703
Total Energy	**2,703**
Total Investments held by the subsidiary	**858,256**
Investments held at fair value within the subsidiary	858,256
Other net liabilities held at fair value within the subsidiary	(47,891)
Total Investment in subsidiary held at fair value through profit and loss	810,365

[1] Includes ADR.
[2] Unquoted investment.

SECTOR ANALYSIS

	31st March 2017		30th September 2016 (Restated)	
	Portfolio %[1]	Benchmark %	Portfolio %[1]	Benchmark %
Financials	40.8	21.8	41.2	21.7
Consumer Discretionary	19.1	13.2	18.7	14.3
Materials	18.7	9.1	18.9	7.3
Information Technology	9.9	16.1	10.8	16.9
Industrials	9.6	6.2	8.9	6.1
Health Care	6.1	8.6	8.3	10.4
Telecommunication Services	0.7	2.5	–	2.7
Real Estate	0.5	–	0.6	–
Energy	0.3	11.2	0.2	9.1
Consumer Staples	0.0	9.2	–	9.6
Utilities	0.0	2.1	–	1.9
Other net liabilities held in subsidiary	(5.7)	–	(7.6)	–
Total	**100.0**	**100.0**	100.0	100.0

[1] Based on total investments of £824.9m (30th September 2016: £766.6m).

The above portfolio analysis has been prepared on a 'look-through' basis to include investments held by the subsidiary.

STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31ST MARCH 2017

	(Unaudited) Six months ended 31st March 2017			(Unaudited) Six months ended 31st March 2016			(Audited) Year ended 30th September 2016		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment income	217	–	217	171	–	171	382	–	382
Other income	18	–	18	11	–	11	24	–	24
Gains on investments held at fair value through profit or loss	–	58,286	58,286	–	13,173	13,173	–	167,475	167,475
Foreign exchange gains	–	170	170	–	325	325	–	746	746
Total income	**235**	**58,456**	**58,691**	**182**	**13,498**	**13,680**	**406**	**168,221**	**168,627**
Management fee	(89)	–	(89)	(91)	–	(91)	(182)	–	(182)
Other administrative expenses	(384)	(22)	(406)	(429)	–	(429)	(775)	–	(775)
(Loss)/profit before finance costs and taxation	**(238)**	**58,434**	**58,196**	**(338)**	**13,498**	**13,160**	**(551)**	**168,221**	**167,670**
Finance costs	–	–	–	–	–	–	–	–	–
(Loss)/profit before taxation	**(238)**	**58,434**	**58,196**	**(338)**	**13,498**	**13,160**	**(551)**	**168,221**	**167,670**
Taxation	–	–	–	–	–	–	–	–	–
Net (loss)/profit	**(238)**	**58,434**	**58,196**	**(338)**	**13,498**	**13,160**	**(551)**	**168,221**	**167,670**
(Loss)/earnings per share (note 4)	**(0.23)p**	**55.50p**	**55.27p**	**(0.32)p**	**12.77p**	**12.45p**	**(0.52)p**	**159.45p**	**158.93p**

The Company does not have any income or expense that is not included in the net (loss)/profit for the period. Accordingly the 'Net (loss)/profit' for the period, is also the 'Total comprehensive income' for the period, as defined in IAS1 (revised).

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

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

All of the (loss)/profit and total comprehensive income is attributable to the equity shareholders of JPMorgan Indian Investment Trust plc, the Company. There are no minority interests.

This is the Company's Statement of Comprehensive Income. Previously, the Group's Statement of Comprehensive Income was presented. Due to an amendment to IFRS 10 (see note 3), this is no longer permitted.

Comparative figures have been restated in accordance with the change in accounting policy set out in Note 3 to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31ST MARCH 2017

	Called up share capital £'000	Share premium £'000	Other reserve £'000	Exercised warrant reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Six months ended 31st March 2017 (Unaudited)								
At 30th September 2016	31,404	97,316	41,929	5,886	6,362	610,605	(22,764)	770,738
Repurchase of shares into Treasury	–	–	–	–	–	(197)	–	(197)
Profit/(loss) for the period	–	–	–	–	–	58,434	(238)	58,196
At 31st March 2017	31,404	97,316	41,929	5,886	6,362	668,842	(23,002)	828,737
Six months ended 31st March 2016 (Unaudited)								
At 30th September 2015	31,404	97,316	41,929	5,886	6,362	444,268	(22,213)	604,952
Repurchase of shares into Treasury	–	–	–	–	–	(1,641)	–	(1,641)
Profit/(loss) for the period	–	–	–	–	–	13,498	(338)	13,160
At 31st March 2016	31,404	97,316	41,929	5,886	6,362	456,125	(22,551)	616,471
Year ended 30th September 2016 (Audited)								
At 30th September 2015	31,404	97,316	41,929	5,886	6,362	444,268	(22,213)	604,952
Repurchase of shares into Treasury	–	–	–	–	–	(1,884)	–	(1,884)
Profit/(loss) for the year	–	–	–	–	–	168,221	(551)	167,670
At 30th September 2016	31,404	97,316	41,929	5,886	6,362	610,605	(22,764)	770,738

This is the Company's Statement of Changes in Equity. Previously, the Group's Statement of Changes in Equity was presented. Due to an amendment to IFRS 10 (see note 3), this is no longer permitted.

Comparative figures have been restated in accordance with the change in accounting policy set out in Note 3 to the financial statements.

STATEMENT OF FINANCIAL POSITION AT 31ST MARCH 2017

	(Unaudited) 31st March 2017 £'000	(Unaudited) 31st March 2016 £'000	(Audited) 30th September 2016 £'000
Non current assets			
Investments held at fair value through profit or loss	14,565	13,784	14,029
Investments in subsidiaries held at fair value through profit and loss	810,365	598,557	752,615
Total non current assets	824,930	612,341	766,644
Current assets			
Other receivables	45	24	46
Cash and cash equivalents	3,851	4,178	4,147
	3,896	4,202	4,193
Current liabilities			
Other payables	(89)	(72)	(99)
Net current assets	3,807	4,130	4,094
Total assets less current liabilities	828,737	616,471	770,738
Net assets	828,737	616,471	770,738
Amounts attributable to equity holders			
Called up share capital	31,404	31,404	31,404
Share premium	97,316	97,316	97,316
Other reserve	41,929	41,929	41,929
Exercised warrant reserve	5,886	5,886	5,886
Capital redemption reserve	6,362	6,362	6,362
Capital reserves	668,842	456,125	610,605
Revenue reserve	(23,002)	(22,551)	(22,764)
Total equity shareholders' funds	828,737	616,471	770,738
Net asset value per share (note 5)	787.1p	585.1p	731.8p

This is the Company's Statement of Financial Position. Previously, the Group's Statement of Financial Position was presented. Due to an amendment to IFRS 10 (see note 3), this is no longer permitted.

Comparative figures have been restated in accordance with the change in accounting policy set out in Note 3 to the financial statements.

STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31ST MARCH 2017

	(Unaudited) Six months ended 31st March 2017 £'000	(Unaudited) Six months ended 31st March 2016 £'000	(Audited) Year ended 30th September 2016 £'000
Operating activities			
Profit before taxation	58,196	13,160	167,670
Deduct dividends received	(217)	(170)	(382)
Deduct bank interest received	(18)	(11)	(24)
Deduct gains on investments held at fair value through profit or loss	(58,286)	(13,173)	(167,475)
Decrease in prepayments, VAT and other receivables	2	23	1
Decrease in other payables	(10)	(35)	(8)
Net cash outflow from operating activities before interest and taxation	**(333)**	**(206)**	**(218)**
Dividends received	217	170	382
Interest received	18	11	24
Net cash (outflow)/inflow from operating activities	**(98)**	**(25)**	**188**
Investing activities			
Purchases of investments held at fair value through profit or loss	(1)	(830)	(831)
Net cash outflow from investing activities	**(1)**	**(830)**	**(831)**
Financing activities			
Repurchase of shares into Treasury	(197)	(1,641)	(1,884)
Net cash outflow from financing activities	**(197)**	**(1,641)**	**(1,884)**
Decrease in cash and cash equivalents	**(296)**	**(2,496)**	**(2,527)**
Cash and cash equivalents at the start of the period	4,147	6,674	6,674
Cash and cash equivalents at the end of the period	**3,851**	**4,178**	**4,147**

This is the Company's Statement of Cash Flows. Previously, the Group's Statement of Cash Flows was presented. Due to an amendment to IFRS 10 (see note 3), this is no longer permitted.

Comparative figures have been restated in accordance with the change in accounting policy set out in Note 3 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31ST MARCH 2017

1. Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010.

2. Financial statements

The financial information for the six months ended 31st March 2017 and 2016 has not been audited or reviewed by the Company's auditors.

The financial information contained in these half year financial statements does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The information for the Company for the year ended 30th September 2016 has been extracted from the latest published audited financial statements. 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. Due to an amendment to IFRS 10 (see note 3), the information for the Group for the year ended 30th September 2016 has not been included in this Half Year Report and Accounts.

3. Accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), which comprise standards and interpretations approved by the International Accounting Standards Board to the extent that they have been adopted by the European Union.

Where presentational guidance set out in the Statement of Recommended Practice (the 'SORP') for investment trusts issued by the Association of Investment Companies in November 2014 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 this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 30th September 2016 with the exception of the application of the latest IFRS 10 'Consolidated Financial Statement' amendment.

The amendment no longer allows the Company to consolidate subsidiaries that operate as an 'Investment entity' which is defined as an entity that "obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services, commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and measures and evaluates the performance of substantially all of its investments on a fair value basis". JPMorgan Indian Investment Trust plc has a 100% holding in JPMorgan Indian Investment Company (Mauritius) Limited, which qualifies as an investment entity. Further information will be provided in the next Annual Report & Accounts ending 30th September 2017.

4. (Loss)/earnings per share

	(Unaudited) Six months ended 31st March 2017 £'000	(Unaudited) Six months ended 31st March 2016 £'000	(Audited) Year ended 30th September 2016 £'000
(Loss)/earnings per share is based on the following:			
Revenue loss	(238)	(338)	(551)
Capital return	58,434	13,498	168,221
Total return	**58,196**	**13,160**	**167,670**
Weighted average number of shares in issue	105,289,681	105,656,280	105,496,718
Revenue loss per share	(0.23)p	(0.32)p	(0.52)p
Capital return per share	55.50p	12.77p	159.45p
Total return per share	**55.27p**	**12.45p**	**158.93p**

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*
FOR THE SIX MONTHS ENDED 31ST MARCH 2017

5. Net asset value per share

	(Unaudited) Six months ended 31st March 2017	(Unaudited) Six months ended 31st March 2016	(Audited) Year ended 30th September 2016
Net assets (£'000)	828,737	616,471	770,738
Number of shares in issue excluding shares held in Treasury	105,287,615	105,357,115	105,316,615
Net asset value per share	787.1p	585.1p	731.8p

The Company will only re-issue shares held in Treasury at a premium and therefore these shares have no dilutive potential.

6. Disclosures regarding financial instruments measured at fair value

The disclosures required by the IFRS 13: 'Fair Value Measurement' are given below. The Company's financial instruments within the scope of IFRS 13 that are held at fair value comprise its investment portfolio.

The investments are categorised into a hierarchy consisting of the following three levels:

Level 1 – valued using unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – valued by reference to valuation techniques using other observable inputs not included within Level 1.

Level 3 – valued by reference to valuation techniques using unobservable inputs.

The recognition and measurement policies for financial instruments measured at fair value are consistent with those disclosed in the last annual financial statements.

The following tables set out the fair value measurements using the IFRS 13 hierarchy at the relevant period/year end:

	(Unaudited) Six months ended 31st March 2017		(Unaudited) Six months ended 31st March 2016		(Audited) Year ended 30th September 2016	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	14,565	–	13,784	–	14,029	–
Level 2	810,365	–	598,557	–	752,615	–
Total	**824,930**	**–**	**612,341**	**–**	**766,644**	**–**

Within the year, there was a transfer between Level 1 and Level 2 for the current and comparative results. The transfer is a result of the amendment to IFRS 10 'Consolidated Financial Statements'. Subsidiary holdings under the amendment should be classed as Level 2 under the Fair Value Measurement definitions of IFRS 13 (see Note 3).

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 the following broad categories: investment and strategy; market; legal and regulatory; taxation; corporate governance and shareholder relations; operational; financial; and political and economic. Information on each of these areas is given in the Business Review within the Annual Report and Accounts for the year ended 30th September 2016.

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 objective, 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 operation 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 the Accounting Standards Board's Statement 'Half Yearly Financial Reports' 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 2017, 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
Richard Burns
Chairman 26th May 2017

Shareholder Information

GLOSSARY OF TERMS AND DEFINITIONS

Benchmark 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.

Gearing/(Net Cash)
Gearing represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is shown as a 'net cash' position. Gearing figures have been calculated on a pro forma group basis throughout this half year report and accounts.

Return on net assets
Return on the net asset value per share on a bid value to bid value basis.

Return to shareholders
Return to shareholders, on a mid-market price to mid-market price basis.

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.

Ongoing Charges
The Ongoing Charges represent the management fee and all other operating expenses (excluding finance costs) of the Company and its subsidiary, expressed as a percentage of the average daily net assets during the year and is calculated in accordance with guidance issued by the AIC. The figure as at 31st March 2017 is an estimated annualised figure.

RECONCILIATIONS OF COMPANY FIGURES TO PRO FORMA GROUP FIGURES (UNAUDITED)

Following an amendment to International Financial Reporting Standards 10 ('IFRS 10'), the Company is no longer permitted to consolidate a subsidiary company that operates as an 'investment entity'. The Company's subsidiary, JPMorgan Indian Investment Company (Mauritius) Limited, qualifies as an investment entity and as a result, with effect from the current financial year onwards, and with retrospective adjustment to comparative data, the subsidiary company is shown as an investment at fair value.

To allow shareholders to compare the Company's performance as reported in this Half Year Report and Accounts with historically published figures which were prepared on a consolidated basis, the Company has produced the below reconciliations, comparing the current Company-only information with the figures that would have been published prior to the change to IFRS 10.

The reconciliation notes below have been included to provide additional clarity and meaningful comparison. However, they are not within the scope of a statutory audit and, as such, the Independent Auditor does not opine upon them.

Statement of Comprehensive Income

Investment Income:	Page	Six months ended 31st March 2017 Revenue £'000	Six months ended 31st March 2016 Revenue £'000	Year ended 30th September 2016 Revenue £'000
Investment Income (Company-only) per Statement of Comprehensive Income	9	217	171	382
Add: Investment Income from JPMorgan Indian Investment Company (Mauritius) Limited[1]		2,081	2,015	6,343
Investment Income – Group (Pro Forma)		**2,298**	**2,186**	**6,725**

Management fee:	Page	Six months ended 31st March 2017 Revenue £'000	Six months ended 31st March 2016 Revenue £'000	Year ended 30th September 2016 Revenue £'000
Management fee (Company-only) per Statement of Comprehensive Income	9	(89)	(91)	(182)
Add: Management fee from JPMorgan Indian Investment Company (Mauritius) Limited[1]		(3,677)	(2,873)	(6,197)
Management fee – Group (Pro Forma)		**(3,766)**	**(2,964)**	**(6,379)**

Other administrative expenses:	Page	Six months ended 31st March 2017 Revenue £'000	Six months ended 31st March 2016 Revenue £'000	Year ended 30th September 2016 Revenue £'000
Other Administrative Expenses (Company-only) per Statement of Comprehensive Income	9	(406)	(429)	(775)
Add: Other Administrative Expenses from JPMorgan Indian Investment Company (Mauritius) Limited[1]		(426)	(320)	(688)
Other Administrative Expenses – Group (Pro Forma)		**(832)**	**(749)**	**(1,463)**

RECONCILIATIONS OF COMPANY FIGURES TO PRO FORMA GROUP FIGURES (UNAUDITED) *CONTINUED*

Finance costs:	Page	Six months ended 31st March 2017 Revenue £'000	Six months ended 31st March 2016 Revenue £'000	Year ended 30th September 2016 Revenue £'000
Finance Costs (Company-only) per Statement of Comprehensive Income	9	–	–	–
Add: Finance Costs from JPMorgan Indian Investment Company (Mauritius) Limited[1]		(565)	(298)	(691)
Finance Costs – Group (Pro Forma)		**(565)**	**(298)**	**(691)**

[1] The opposing adjustment is against 'Gains on investments held at fair value through profit or loss' in Capital.

Gearing

Gearing has been presented on a pro forma group basis in order to give shareholders' clarity on overall levels of borrowing and meaningful comparison to prior years. Gearing is calculated as the excess amount of total investments above shareholders' funds, expressed as a percentage of the shareholders' funds.

The consolidated group gearing as at 31st March 2017 is calculated as follows:

	Page	Group £'000
Investments held at fair value through profit or loss (Company-only) per Statement of Financial Position	11	14,565
Add: Investments held at fair value through profit or loss from JPMorgan Indian Investment Company (Mauritius) Limited		858,256
Group investments held at fair value		872,821
Net assets per Statement of Financial Position	11	828,737
Gearing – Group (Pro Forma)	**2**	**5.3%**

WHERE TO BUY J.P. MORGAN INVESTMENT TRUSTS

You can invest in a J.P. Morgan investment trust through the following;

1. Directly from J.P. Morgan

Investment Account

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

Stocks & Shares Individual Savings Accounts (ISA)

The Company's shares are eligible investments within a J.P. Morgan ISA. For the 2016/17 tax year, from 6th April 2016 and ending 5th April 2017, the total ISA allowance is £15,240. The shares are also available in a J.P. Morgan Junior ISA. Details are available from J.P. Morgan Asset Management free on 0800 20 40 20 or via its website at am.jpmorgan.co.uk/investor

2. Via a third party provider

Third party providers include;

AJ Bell	Interactive Investor
Alliance Trust Savings	James Brearley
Barclays Stockbrokers	James Hay
Bestinvest	Selftrade
Charles Stanley Direct	TD Direct
FundsNetwork	The Share Centre
Hargreaves Lansdown	

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

3. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at unbiased.co.uk

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

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

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at **www.fca.org.uk/consumers/report-scam-unauthorised-firm.** You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

Remember: if it sounds too good to be true, it probably is!

FINANCIAL CONDUCT AUTHORITY

Notes

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
Dividends	N/A
Annual General Meeting	January/February

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
Richard Burns (Chairman)
Jasper Judd
Rosemary Morgan
Nimi Patel
Hugh Sandeman

Company Numbers
Company registration number: 2915926

Ordinary Shares
London Stock Exchange Sedol Number: 0345035
ISIN: GB00345 03S9
Bloomberg: JII LS

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

Website
www.jpmindian.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, J.P. Morgan ISA and J.P. Morgan Junior ISA. These products are all available on the online service at jpmorgan.co.uk/online

Manager and Company Secretary
JPMorgan Funds Limited.

Company's Registered Office
60 Victoria Embankment
London EC4Y 0JP
Telephone number: 020 7742 4000

For company secretarial and administrative matters, please contact Jonathan Latter.

Depositary
BNY Mellon Trust & 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 1087
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone: 0371 384 2327

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 1083.

Registered shareholders can obtain further details on their 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
Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

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.

aic
The Association of Investment Companies
A member of the AIC

www.jpmindian.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.

GB I117 05/17

J.P.Morgan
Asset Management