Premier VIT

OpCap Balanced Portfolio

Semi-Annual Report
June 30, 2007

2007 SEMI-ANNUAL REPORT

Premier VIT—OpCap Balanced Portfolio

Letter to Shareholders

Dear Shareholder:

I am pleased to provide you with the semi-annual report for Premier VIT—OpCap Balanced Portfolio (the "Portfolio") for the six months ended June 30, 2007.

Please refer to the following page for specific Portfolio information. If you have any questions regarding the information provided, please contact your financial adviser.

Thank you for investing with us, we remain dedicated to serving your investment needs.

Brian S. Shlissel
President & Chief Executive Officer

Premier VIT—OpCap Balanced Portfolio

(unaudited)

Important information about the Portfolio

Investment products may be subject to various risks as described in the prospectus. Some of those risks may include, but are not limited to, the following: derivative risk, small company risk, foreign security risk and specific sector investment risks. Use of derivative instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund could not close out a position when it would be most advantageous to do so. Portfolios investing in derivatives could lose more than the principal amount invested in those instruments. Investing in foreign securities may entail risk due to foreign economic and political developments; this risk may be enhanced when investing in emerging markets. Smaller companies may be more volatile than larger companies and may entail more risk. Concentrating investments in individual sectors may add additional risk and additional volatility compared to a diversified equity portfolio. Please refer to a prospectus for complete details.

Form N-Q

The Portfolio files its complete schedule of portfolio holdings with the Securities and Exchange Commission (the "Commission") for the first and third quarters of its fiscal year on Form N-Q. Form N-Q is available (i) on the Commission's website at www.sec.gov, and (ii) may be reviewed and copied at the Commission's Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Proxy Voting

The Portfolio's Sub-Adviser has adopted written proxy voting policies and procedures ("Proxy Policy") as required by Rule 206(4)-6 under the Investment Advisers Act of 1940. The Proxy Policy has been adopted by the Portfolio as the policies and procedures that the Sub-Adviser will use when voting proxies on behalf of the Portfolio. Copies of the written Proxy Policy and the factors that the Sub-Adviser may consider in determining how to vote proxies for the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, is available without charge, upon request, by calling (800) 628-1237 and on the Securities and Exchange Commission's ("SEC") Web site at http://www.sec.gov.

Shareholder Expense Example

The following disclosure provides important information regarding the Shareholder's Expense Example, which appears on the following page. Please refer to this information when reviewing the Shareholder Expense Example.

Portfolio Shareholders incur two types of costs: (1) transaction costs, and (2) ongoing costs, including management fees and other Portfolio expenses. The Shareholder Expense Example is intended to help shareholders understand ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. The Shareholder Expense Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, January 1, 2007 to June 30, 2007.

Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. Shareholders may use the information in these columns, together with the amount invested, to estimate the expenses that were paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = $8.60), then multiply the result by the number in the row entitled "Expenses Paid" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical Performance (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses that were paid for the period. Shareholders may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical Performance (5% return before expenses)" is useful in comparing ongoing costs only, and will not help determine the relative total costs of owning different funds. In addition, if these transactional costs were included, costs would have been higher.

Expense ratios may vary from period to period due to fluctuation in Portfolio size and expenses.

Premier VIT—OpCap Balanced Portfolio

(unaudited)

- U.S. stocks rose solidly during the six-month period ended June 30, 2007. Corporate earnings and cash levels remained strong, and investors largely brushed off concerns that weakness in housing and mortgage markets could spill over to damage the economy at large. Mid and large cap stocks outperformed small caps during the period and growth-oriented stocks outpaced value stocks, particularly among small companies.

- Stock selection in the consumer discretionary sector was the most significant detractor from returns. Shares of Centex Corporation were among the worst performers for the period. Centex Corporation's stock slid steadily lower on higher U.S. inventories of new homes due to foreclosures, falling prices, and tighter lending standards from the sub-prime mortgage meltdown. Royal Caribbean also detracted during this period as a result of changing fuel-price trends and uncertainties about the cruise demand outlook.

- Energy stock selection hurt performance mildly on a relative basis. In particular ExxonMobil detracted since its return trailed the index energy stocks overall total return during the period.

- Stock selection in health care was one of the best contributors to performance for the period. MedImmune, which sells flu vaccine and an antibody-based drug to protect infants from a common respiratory infection, gained on news that pharmaceutical giant AstraZeneca would acquire the company for $15.6 billion.

- In telecommunications, stock selection decisions helped boost performance. Nii Holdings advanced as the company boosted its customer base to more than 3.7 million subscribers during the period. Nii provides mobile phone services in Latin America under the Nextel brand.

- In fixed income, we continued with our strategy of holding a higher percentage of corporate bonds and a lower percentage of mortgages than our benchmark, the Lehman Aggregate. In addition, we maintained a shorter duration than the Aggregate. This strategy outperformed the Aggregate by approximately 100 basis points over six month period.

Total Returns for the periods ended 6/30/07

	Six months	1 year	5 year*	Inception*†
OpCap Balanced Portfolio	**5.13%**	**16.20%**	**10.64%**	**6.35%**
60% S&P 500 Index/ 40% Merrill Lynch Corporate Bond Master Index	4.53%	14.97%	8.93%	5.14%

Performance quoted represents past performance. Past performance is no guarantee of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, please visit http://www.allianzinvestors.com/PremierVIT. Total return calculations do not reflect charges imposed by the Variable Accounts, assumes reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of shares. Total return for a period of less than one year is not annualized.

** Average Annual Total Return*

† The Portfolio commenced operations on 10/1/99. Index comparisons began as of 9/30/99.

Shareholder Expense Example for the period ended 6/30/07

	Beginning Value	Ending Value	Expenses Paid
Actual Performance	$1,000.00	$1,051.30	$5.09
Hypothetical Performance (5% return before expenses)	$1,000.00	$1,019.84	$5.01

Expenses are equal to the Portfolio's annualized expense ratio of 1.00%; multiplied by the average account value over the period, multiplied by 181/365 (to reflect the number of days in the period).

Top Ten Industries as of 6/30/07
(excluding short-term investments)
(% of net assets)

Financial Services	13.5%
Oil & Gas	8.4%
Healthcare & Hospitals	8.2%
Retail	5.7%
Aerospace/Defense	5.7%
Telecommunications	5.4%
Drugs & Medical Products	4.8%
Commercial Services	4.5%
Food & Beverage	3.7%
U.S. Government Agency Securities	3.5%

Premier VIT
OpCap Balanced Portfolio
SCHEDULE OF INVESTMENTS

June 30, 2007
(unaudited)

Shares		Value
	COMMON STOCK — 72.2%	
	Aerospace/Defense — 3.9%	
11,900	Boeing Co.	$ 1,144,304
	Building & Construction — 1.9%	
14,200	Centex Corp.	569,420
	Commercial Services — 4.5%	
11,900	ChoicePoint, Inc. (a)	505,155
13,300	Moody's Corp.	827,260
		1,332,415
	Computer Services — 2.3%	
37,900	EMC Corp. (a)	685,990
	Computer Software — 1.5%	
14,700	Microsoft Corp.	433,209
	Consumer Discretionary — 1.7%	
14,700	Family Dollar Stores, Inc.	504,504
	Consumer Services — 0.7%	
4,700	Monster Worldwide, Inc. (a)	193,170
	Diversified Manufacturing — 1.5%	
4,800	Eaton Corp.	446,400
	Drugs & Medical Products — 4.8%	
15,700	Roche Holdings AG ADR	1,394,160
	Financial Services — 9.7%	
13,300	American Express Co.	813,694
29,500	Bank of New York Mellon Corp.	1,222,480
22,234	Countrywide Financial Corp.	808,206
		2,844,380
	Food & Beverage — 3.1%	
9,900	Coca-Cola Co.	517,869
12,300	SYSCO Corp.	405,777
		923,646
	Healthcare & Hospitals — 8.2%	
13,800	Aetna, Inc.	681,720
7,200	Amgen, Inc. (a)	398,088
14,800	Biogen Idec, Inc. (a)	791,800
11,800	Nektar Therapeutics, Inc. (a)	111,982
9,800	Sepracor, Inc. (a)	401,996
		2,385,586
	Leisure — 1.5%	
10,000	Royal Caribbean Cruises Ltd.	$ 429,800
	Oil & Gas — 8.4%	
7,500	Chevron Corp.	631,800
23,300	ConocoPhillips	1,829,050
		2,460,850
	Real Estate (REIT) — 1.3%	
26,700	Annaly Mortgage Management, Inc.	385,014
	Restaurants — 2.6%	
23,600	Yum! Brands, Inc.	772,192
	Retail — 5.7%	
14,700	Petsmart, Inc.	477,015
11,300	Walgreen Co.	492,002
14,700	Wal-Mart Stores, Inc.	707,217
		1,676,234
	Semi-conductors — 2.8%	
4,700	KLA-Tencor Corp.	258,265
49,501	Taiwan Semiconductor Manufacturing Co., Ltd. ADR	550,942
		809,207
	Technology — 2.2%	
9,900	Cisco Systems, Inc. (a)	275,715
14,800	Corning, Inc. (a)	378,140
		653,855
	Telecommunications — 3.9%	
9,400	Juniper Networks, Inc. (a)	236,598
44,400	Sprint Nextel Corp.	919,524
		1,156,122
	Total Common Stock (cost-$19,675,493)	21,200,458

Principal Amount (000s)		Credit Rating (Moody's/S&P)	Value
	CORPORATE BONDS & NOTES — 15.1%		
	Aerospace/Defense — 1.8%		
$ 300	Boeing Capital Corp., 6.50%, 2/15/12	A2/A+	312,741

Principal Amount (000s)		Credit Rating (Moody's/S&P)	Value
	CORPORATE BONDS & NOTES (continued)		
	Aerospace/Defense (continued)		
$ 220	General Dynamics Corp., 4.50%, 8/15/10 .	A2/A	$ 215,106
			527,847
	Banking — 2.8%		
300	Bank of America Corp., 4.375%, 12/1/10	Aa1/AA	290,930
	Citigroup, Inc.,		
100	4.625%, 8/3/10 .	Aa1/AA	97,886
50	6.00%, 2/21/12 .	Aa1/AA	50,933
170	U.S. Bancorp, 4.50%, 7/29/10 .	Aa2/AA	165,583
210	Wachovia Corp., 4.375%, 6/1/10 .	Aa3/AA-	204,235
			809,567
	Chemicals — 0.9%		
290	EI Du Pont de Nemours, 4.125%, 4/30/10	A2/A	280,286
	Consumer Products — 0.9%		
	Procter & Gamble Co.,		
215	3.50%, 12/15/08 .	Aa3/AA-	209,757
50	6.875%, 9/15/09 .	Aa3/AA-	51,607
			261,364
	Energy — 0.5%		
130	Spectra Energy Capital LLC, 7.50%, 10/1/09 .	Baa1/BBB	135,149
	Financial Services — 3.8%		
140	American Express Credit Corp., 5.00%, 12/2/10 .	Aa3/A+	138,387
160	Ameriprise Financial, Inc., 5.35%, 11/15/10	A3/A-	159,196
100	CIT Group, Inc., 4.75%, 12/15/10	A2/A	96,987
	General Electric Capital Corp.,		
100	4.875%, 10/21/10 .	Aaa/AAA	98,445
55	6.00%, 6/15/12 .	Aaa/AAA	55,981
195	Goldman Sachs Group, Inc., 5.70%, 9/1/12 . .	Aa3/AA-	194,882
	HSBC Finance Corp.,		
100	4.125%, 11/16/09 .	Aa3/AA-	97,104
75	7.00%, 5/15/12 .	Aa3/AA-	78,966
200	SLM Corp., 4.50%, 7/26/10 .	A2/BBB+	184,923
			1,104,871
	Food & Beverage — 0.6%		
$ 180	General Mills, Inc., 6.00%, 2/15/12 .	Baa1/BBB+	$ 181,932
	Insurance — 0.7%		
220	Berkshire Hathaway Finance Corp., 3.375%, 10/15/08	Aaa/AAA	214,677
	Machinery — 0.4%		
125	John Deere Capital Corp., 7.00%, 3/15/12 .	A2/A	132,161
	Multi-Media — 1.1%		
35	News America Holdings, Inc., 9.25%, 2/1/13 . .	Baa2/BBB	40,500
80	Time Warner Entertainment Co., 7.25%, 9/1/08 . .	Baa2/BBB+	81,458
210	Walt Disney Co., 5.70%, 7/15/11 .	A2/A-	211,872
			333,830
	Telecommunications — 1.5%		
225	Cisco Systems, Inc., 5.25%, 2/22/11 .	A1/A+	223,650
	Verizon Global Funding Corp.		
100	7.25%, 12/1/10 .	A3/A	105,415
100	7.375%, 9/1/12 .	A3/A	107,704
			436,769
	Waste Disposal — 0.1%		
25	Waste Management, Inc., 6.50%, 11/15/08	Baa3/BBB	25,282
	Total Corporate Bonds & Notes (cost-$4,484,131)		4,443,735
	U.S. GOVERNMENT AGENCY SECURITIES — 3.5%		
	Fannie Mae,		
100	4.625%, 12/15/09 .	Aaa/AAA	98,693
305	4.75%, 3/12/10 .	Aaa/AAA	301,567
125	5.00%, 10/15/11	Aaa/AAA	123,721
25	6.25%, 2/1/11 . .	Aa2/AA-	25,838
	Federal Farm Credit Bank,		
80	4.75%, 5/7/10 . .	Aaa/AAA	79,053
305	4.80%, 4/25/11 .	Aaa/AAA	300,400
100	Freddie Mac, 4.875%, 2/9/10 .	Aaa/AAA	99,213
	Total U.S. Government Agency Securities (cost-$1,032,564)		1,028,485

Premier VIT
OpCap Balanced Portfolio
SCHEDULE OF INVESTMENTS

June 30, 2007
(unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody's/S&P)	Value
	U.S. TREASURY BONDS & NOTES — 1.6%		
	U.S. Treasury Bonds & Notes,		
$ 110	2.625%, 3/15/09		$ 105,901
220	4.50%, 3/31/09		218,401
150	4.875%, 5/31/09		149,953
	Total U.S. Treasury Bonds & Notes (cost-$478,703)		474,255
	SHORT-TERM INVESTMENTS — 7.7%		
	Corporate Notes — 6.1%		
	Aerospace/Defense — 0.6%		
180	Raytheon Co., 6.75%, 8/15/07 .	Baa1/AAA	180,234
	Automotive — 0.5%		
140	DaimlerChrysler NA Holding Corp., 4.75%, 1/15/08 .	Baa1/BBB	139,516
	Financial Services — 2.7%		
80	American Express Credit Corp., 3.00%, 5/16/08 .	Aa3/A+	78,396
150	Bear Stearns Co., Inc., 7.80%, 8/15/07 .	A1/A+	150,379
115	GMAC LLC, 6.125%, 1/22/08	Ba1/BB+	114,984
170	Merrill Lynch & Co., Inc., 3.70%, 4/21/08 .	Aa3/AA-	167,591
270	World Savings Bank FSB, 4.125%, 3/10/08	Aa1/AA	267,405
			778,755
	Food & Beverage — 0.6%		
180	Kellogg Co., 2.875%, 6/1/08 .	A3/BBB+	175,658
	Oil & Gas — 0.6%		
190	ChevronTexaco Capital Co., 3.50%, 9/17/07 .	Aa2/AA	189,352
	Retail — 1.1%		
165	CVS Corp., 3.875%, 11/1/07 .	Baa2/BBB+	164,063
150	Safeway, Inc., 4.80%, 7/16/07 .	Baa2/BBB-	149,918
			313,981
	Total Corporate Notes (cost-$1,787,495)		1,777,496
	Repurchase Agreement — 1.6%		
$ 472	State Street Bank & Trust Co., dated 6/29/07, 4.90%, due 7/2/07, proceeds $472,193; collateralized by Fannie Mae, 5.45%, due 10/18/21, valued at $483,244 including accrued interest (cost-$472,000)		$ 472,000
	Total Short-Term Investments (cost-$2,259,495)		2,249,496
	Total Investments (cost-$27,930,386)	100.1%	29,396,429
	Liabilities in excess of other assets . . .	(0.1)%	(43,668)
	Net Assets	100.0%	$29,352,761

Notes to Schedule of Investments:

(a) Non-income producing.

Glossary:

ADR - American Depositary Receipt

REIT - Real Estate Investment Trust

See accompanying notes to financial statements.

Premier VIT
OpCap Balanced Portfolio
STATEMENT OF ASSETS AND LIABILITIES

June 30, 2007
(unaudited)

Assets:	
Investments, at value (cost-$27,930,386)	$29,396,429
Cash	572
Dividends and interest receivable	139,866
Receivable from shares of beneficial interest sold	135
Total Assets	29,537,002
Liabilities:	
Payable for shares of beneficial interest redeemed	93,310
Payable for investments purchased	48,883
Investment advisory fees payable	14,351
Accrued expenses	27,697
Total Liabilities	184,241
Net Assets	$29,352,761
Composition of Net Assets:	
Beneficial interest shares of $0.01 par value (unlimited number authorized)	$26,705
Paid-in-capital in excess of par	25,605,620
Undistributed net investment income	226,701
Accumulated net realized gains	2,027,692
Net unrealized appreciation of investments	1,466,043
Net Assets	$29,352,761
Shares outstanding	2,670,474
Net asset value, offering price and redemption price per share	$10.99

See accompanying notes to financial statements.

Premier VIT
OpCap Balanced Portfolio
STATEMENT OF OPERATIONS

For the six the months ended June 30, 2007
(unaudited)

Investment Income:	
Interest	$ 194,650
Dividends (net of foreign withholding taxes of $6,109)	178,735
Total investment income	373,385
Expenses:	
Investment advisory fees	117,347
Custodian fees	19,710
Shareholder communications	11,789
Audit and tax services	8,297
Trustees' fees and expenses	4,311
Transfer agent fees	3,768
Legal fees	1,956
Miscellaneous	2,753
Total expenses	169,931
Less: investment advisory fees waived	(22,862)
custody credits earned on cash balances	(385)
Net expenses	146,684
Net investment income	226,701
Realized and Change in Unrealized Gain (Loss):	
Net realized gain on investments	2,089,041
Net change in unrealized appreciation/depreciation of investments	(809,867)
Net realized and change in unrealized gain on investments	1,279,174
Net increase in net assets resulting from investment operations	$1,505,875

See accompanying notes to financial statements.

Premier VIT
OpCap Balanced Portfolio
STATEMENT OF CHANGES IN NET ASSETS

	Six Months ended June 30, 2007 (unaudited)	Year ended December 31, 2006
Investment Operations:		
Net investment income	$ 226,701	$ 382,852
Net realized gain on investments	2,089,041	2,004,155
Net change in unrealized appreciation/depreciation of investments	(809,867)	575,942
Net increase in net assets resulting from investment operations	1,505,875	2,962,949
Dividends and Distributions to Shareholders from:		
Net investment income	(382,852)	(239,879)
Net realized gains	(1,922,409)	(810,758)
Total dividends and distributions to shareholders	(2,305,261)	(1,050,637)
Share Transactions:		
Net proceeds from the sale of shares	464,496	1,510,342
Reinvestment of dividends and distributions	2,305,261	1,050,637
Cost of shares redeemed	(2,295,040)	(4,035,831)
Net increase (decrease) in net assets from share transactions	474,717	(1,474,852)
Total increase (decrease) in net assets	(324,669)	437,460
Net Assets:		
Beginning of period	29,677,430	29,239,970
End of period (including undistributed net investment income of $226,701and $382,852 respectively)	$29,352,761	$29,677,430
Shares Issued and Redeemed:		
Issued	40,395	143,619
Issued in reinvestment of dividends and distributions	209,568	101,315
Redeemed	(197,662)	(379,289)
Net increase (decrease)	52,301	(134,355)

See accompanying notes to financial statements.

Premier VIT
OpCap Balanced Portfolio
FINANCIAL HIGHLIGHTS

For a share of beneficial interest outstanding throughout each period:

	Six Months ended June 30, 2007 (unaudited)	Year ended December 31, 2006	2005	2004*	2003*	2002*
Net asset value, beginning of period	$11.34	$10.62	$10.86	$10.25	$8.02	$9.95
Investment Operations:						
Net investment income	0.09	0.15	0.09	0.04	0.04	0.14
Net realized and unrealized gain (loss) on investments	0.49	0.96	0.20	1.03	2.30	(1.96)
Total from investment operations	0.58	1.11	0.29	1.07	2.34	(1.82)
Dividends and Distributions to Shareholders from:						
Net investment income	(0.15)	(0.09)	(0.03)	(0.01)	(0.11)	(0.07)
Net realized gains	(0.78)	(0.30)	(0.50)	(0.45)	—	(0.04)
Total dividends and distributions to shareholders	(0.93)	(0.39)	(0.53)	(0.46)	(0.11)	(0.11)
Net asset value, end of period	$10.99	$11.34	$10.62	$10.86	$10.25	$8.02
Total Return (1)	5.13%	10.80%	2.74%	10.80%	29.22%	(18.30)%
Ratios/Supplemental data:						
Net assets, end of period (000's)	$29,353	$29,677	$29,240	$30,120	$28,281	$14,136
Ratio of expenses to average net assets (2)(3)	1.00%(4)	1.00%	1.00%	1.04%	1.10%	1.10%
Ratio of net investment income to average net assets (2)	1.55%(4)	1.33%	0.82%	0.43%	0.97%	2.00%
Portfolio Turnover	58%	105%	89%	146%	139%	90%

* The financial information for the fiscal periods prior to April 30, 2004 reflects the financial information for the LSA Balanced Fund which was reorganized into OpCap Balanced Fund as of the close of business on April 30, 2004.

(1) Assumes reinvestment of all dividends and distributions. Total return for a period of less than one year is not annualized.

(2) During the fiscal periods indicated above, the Investment Adviser waived a portion or all of its fee and assumed or reimbursed a portion of the Portfolio's expenses. If such waivers and assumptions/reimbursement had not been in effect, the ratio of expenses to average net assets and the ratio of net investment income to average net assets would have been 1.16% (annualized) and 1.39% (annualized), respectively for the six months ended June 30, 2007; 1.11% and 1.22%, respectively, for the year ended December 31, 2006; 1.31% and 0.51%, respectively, for the year ended December 31, 2005; 1.41% and 0.06%, respectively, for the year ended December 31, 2004; 2.06% and 0.01%, respectively, for the year ended December 31, 2003; 2.53% and 0.57%, respectively, for the year ended December 31, 2002.

(3) Inclusive of custody expenses offset by credits earned on cash balances at the custodian bank (see 1(G) in Notes to Financial Statements).

(4) Annualized.

See accompanying notes to financial statements.

Premier VIT
OpCap Balanced Portfolio
NOTES TO FINANCIAL STATEMENTS

June 30, 2007
(unaudited)

(1) Organization and Significant Accounting Policies

Premier VIT (the "Trust"), was organized on May 12, 1994 as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a diversified, open-end management investment company. The Trust is authorized to issue an unlimited number of shares of beneficial interest at $0.01 par value. The Trust is comprised of the: NFJ Dividend Value Portfolio, OpCap Balanced Portfolio (the "Portfolio"), OpCap Equity Portfolio, OpCap Global Equity Portfolio, OpCap Managed Portfolio, OpCap Mid Cap Portfolio, OpCap Renaissance Portfolio, and OpCap Small Cap Portfolio. OpCap Advisors LLC (the "Investment Adviser") serves as the Trust's investment adviser. The Investment Adviser is an indirect wholly-owned subsidiary of Allianz Global Investors of America L.P. ("Allianz Global"). Allianz Global is a majority-owned subsidiary of Allianz SE.

The Portfolio's objective is to seek growth of capital by investing in equity and debt securities that the Investment Adviser believes are undervalued. Generally, the Portfolio will invest at least 25% of its total assets in equity securities and at least 25% of its total assets in debt securities.

The accompanying financial statements and notes thereto are those of the Portfolio. The financial statements of the other portfolios are presented in separate reports. The Trust is an investment vehicle for variable annuity and variable life insurance contracts of various life insurance companies, and qualified pension and retirement plans.

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

In the normal course of business, the Trust enters into contracts that contain a variety of representations which provide general identifications. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet been asserted. However, the Trust expects the risk of any loss to be remote.

In July 2006, the Financial Accounting Standards Board issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109" (the "Interpretation"). The Interpretation establishes for all entities, including pass-through entities such as the Portfolio, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Interpretation is effective for fiscal years beginning after December 15, 2006, and is to be applied to all open tax years as of the date of effectiveness. The Securities & Exchange Commission announced that it would not object if a fund implements the Interpretation in its NAV calculation as late as its last NAV calculation in the first required financial statement reporting period for its fiscal year beginning after December 15, 2006. Fund management has determined that its evaluation of the Interpretation has resulted in no impact to the Portfolio's financial statements at June 30, 2007.

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") 157, Fair Value Measurements, which clarifies the definition of fair value and requires companies to expand their disclosure about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. Adoption of SFAS 157 requires the use of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. At this time, the Portfolio is in the process of reviewing the SFAS 157 against its current valuation policies to determine future applicability.

(1) Organization and Significant Accounting Policies (continued)

The following is a summary of significant accounting policies followed by the Portfolio:

(A) Valuation of Investments

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities and other financial investments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to guidelines established by the Board of Trustees. Portfolio securities and other financial instruments other than debt securities, listed on a national securities exchange or traded in the over-the-counter National Market System are valued each business day at the last reported sales price; if there are no such reported sales, securities are valued at their last quoted bid price. Other Portfolio securities traded over-the-counter and not part of the National Market System are valued at the last quoted bid price. Debt securities (other than short-term obligations) are valued each business day by an independent pricing service. Prices obtained from an independent pricing service use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Short-term securities maturing in 60 days or less are valued at amortized cost if their original term to maturity exceeded 60 days or less, or by amortizing their value on the 61st day prior to maturity if their original term to maturity exceeded 60 days. The prices used by the Portfolio to value securities may differ from the value that would be realized if the securities were sold and the differences could be material to the financial statements. The Portfolio's net asset value is determined daily at the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange ("NYSE") on each day the NYSE is open for business.

(B) Investment Transactions and Other Income

Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on the identified cost basis. Dividend income is recorded on the ex-dividend date. Interest income is accrued as earned. Discounts or premiums on debt securities purchased are accreted or amortized to interest income over the lives of the respective securities using the effective interest method. Payments received from certain investments may be comprised of dividends, realized gains and return of capital. These payments may initially be recorded as dividend income and may subsequently be reclassified as realized gains and/or return of capital upon receipt of information from the issuer.

(C) Federal Income Taxes

The Portfolio intends to distribute all of its taxable income and to comply with the other requirements of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required.

(D) Dividends and Distributions

Dividends and distributions to shareholders from net investment income and net realized capital gains, if any, are declared and paid at least annually. The Portfolio records dividends and distributions to its shareholders on the ex-dividend date. The amount of dividends and distributions is determined in accordance with federal income tax regulations, which may differ from generally accepted accounting principles. These "book-tax" differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal income tax treatment; temporary differences do not require reclassification. To the extent dividends and/or distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as dividends and/or distributions of paid-in-capital in excess of par.

(1) Organization and Significant Accounting Policies (continued)

(E) Repurchase Agreements

The Portfolio enters into transactions with its custodian bank or securities brokerage firms whereby it purchases securities under agreements to resell at an agreed upon price and date ("repurchase agreements"). Such agreements are carried at the contract amount in the financial statements. Collateral pledged (the securities received), which consists primarily of U.S. government obligations and asset-backed securities, are held by the custodian bank until maturity of the repurchase agreement. Provisions of the repurchase agreements and the procedures adopted by the Portfolio require that the market value of the collateral, including accrued interest thereon, is sufficient in the event of default by the counterparty. If the counterparty defaults and the value of the collateral declines or if the counterparty enters an insolvency proceeding, realization of the collateral by the Portfolio may be delayed or limited.

(F) Allocation of Expenses

Expenses specifically identifiable to the Portfolio are borne by the Portfolio. Other expenses are allocated to each portfolio of the Trust based on its net assets in relation to the total net assets of all applicable portfolios of the Trust or on another reasonable basis.

(G) Custody Credits Earned on Cash Balances

The Portfolio has an expense offset arrangement with its custodian bank whereby uninvested cash balances earn credits which reduce monthly custodian fees. Had these cash balances been invested in income producing securities, they would have generated income for the Portfolio.

(2) Investment Adviser/Sub-Adviser/Distributor

The Portfolio has entered into an Investment Management Agreement (the "Agreement") with the Investment Adviser to serve as investment adviser of the Portfolio. Subject to the supervision of the Portfolio's Board of Trustees, the Investment Adviser is responsible for managing, either directly or through others selected by it, the investment activities of the Portfolio and its business affairs and administrative matters. Pursuant to the Agreement, the Investment Adviser will receive an annual fee, payable monthly at an annual rate of 0.80% on the first $400 million of the Portfolio's average daily net assets, 0.75% on the next $400 million of average daily net assets and 0.70% of average daily net assets thereafter. The Investment Adviser is contractually obligated to waive that portion of the advisory fee and to assume any necessary expense in order to limit total operating expenses of the Portfolio to 1.00% of average daily net assets (net of custody credits earned on cash balances at the custodian bank) on an annual basis. The Investment Adviser has retained its affiliate Oppenheimer Capital LLC (the "Sub-Adviser"), to manage the Portfolio's investments. The Investment Adviser and not the Portfolio pays a portion of the fees it receives to the Sub-Adviser in return for its services.

Allianz Global Investors Distributors LLC ("the Distributor"), an affiliate of the Investment Adviser, serves as the distributor of the Trust's shares. Pursuant to a Distribution Agreement with the Trust, the Investment Adviser on behalf of the Portfolio pays the Distributor.

(3) Investments in Securities

For the six months ended June 30, 2007, purchases and sales of securities, other than short-term and government securities, aggregated $15,207,417 and $15,458,611, respectively. For the six months ended June 30, 2007, purchases and sales of government securities, aggregated $381,389 and $0, respectively.

(4) Income Tax Information

The cost basis of portfolio securities of $27,930,386 is substantially the same for both federal income tax and financial reporting purposes. Aggregated gross unrealized appreciation for securities in which there is an excess of value over tax cost is $1,985,949; aggregate gross unrealized depreciation for securities in which there is an excess of tax cost over value is $519,906; net unrealized appreciation for federal income tax purposes is $1,466,043.

(5) Legal Proceedings

In June and September 2004, certain affiliates of the Investment Adviser (the "Affiliates") including the Distributor and Allianz Global, agreed to settle, without admitting or denying the allegations, claims brought by the Securities and Exchange Commission (the "Commission"), the New Jersey Attorney General and the California Attorney General alleging violations of federal and state securities laws with respect to certain open-end funds for which one of the Affiliates serves as investment adviser. Two settlements (with the Commission and New Jersey) related to an alleged "market timing" arrangement in certain open-end funds subadvised by another of the Affiliates. Two settlements (with the Commission and California) related to the alleged use of cash and fund portfolio commissions to finance "shelf-space" arrangements with broker-dealers for open-end funds. The Affiliates agreed to pay a total of $68 million to settle the claims related to market timing and $20.6 million to settle the claims related to shelf-space. In addition to monetary payments, the settling parties agreed to undertake certain corporate governance, compliance and disclosure reforms related to market timing, brokerage commissions, revenue sharing and shelf-space arrangements, and consented to cease and desist orders and censures. None of the settlements alleged that any inappropriate activity took place with respect to the Portfolio.

Since February 2004, the Affiliates and their employees have been named as defendants in a number of pending lawsuits concerning "market timing," and "revenue sharing/shelf -space/directed brokerage," which allege the same or similar conduct underlying the regulatory settlements discussed above. The market timing lawsuits have been consolidated in a multi-district litigation proceeding in the United States District Court for the District of Maryland, and the revenue sharing/shelf-space/directed brokerage lawsuits have been consolidated in the United States District Court for the District of Connecticut. Any potential resolution of these matters may include, but not be limited to, judgments or settlements for damages against the Affiliates or related injunctions.

The Affiliates believe that these matters are not likely to have a material adverse effect on the Portfolio or on their ability to perform their respective investment advisory and distribution activities relating to the Portfolio.

The foregoing speaks only as of the date hereof.

Premier VIT

OpCap Balanced Portfolio

MATTERS RELATING TO THE TRUSTEES CONSIDERATION OF THE CONTINUANCE OF THE ADVISORY AND SUB ADVISORY AGREEMENTS

(unaudited)

The Investment Company Act of 1940 requires that both the full Board of Trustees (the "Trustees") and a majority of the non-interested ("independent") Trustees, voting separately, approve the Trust's Investment Advisory Agreement (the "Advisory Agreement") with the Investment Adviser and the Portfolio Management Agreements (the "Sub-Advisory Agreements" and together with the Advisory Agreement the "Agreements") between the Investment Adviser and the Sub-Advisers, as it pertains to the Portfolios of the Trust. The Trustees met on February 6, 2007 (the "contract review meeting") for the specific purpose of considering whether to approve the Agreements. The independent Trustees were assisted in their evaluation of the Agreements by experienced independent legal counsel, from whom they received separate legal advice and with whom they met separately from Fund management during the contract review meeting.

Based on their evaluation of factors that they deemed to be material, including those factors described below, the Board of Trustees, including a majority of the independent Trustees, approved the continuation of the Agreements.

In determining to approve the Advisory Agreement and the Sub-Advisory Agreements, the Trustees met with the relevant investment advisory personnel from the Investment Adviser and Sub-Advisers and considered information relating to personnel providing services under the applicable agreement. The information considered included the education and experience of the personnel providing services, including the education and experience of the investment professionals expected to be on the team of investment professionals managing each Portfolio. The Trustees also took into account the time and attention that had been devoted by senior management to the Portfolios and the other funds in the complex. The Trustees evaluated the level of skill required to manage the Portfolios and concluded that the human resources devoted by the Investment Adviser and Sub-Advisers to the Portfolios were appropriate to fulfill effectively the duties of the Investment Adviser and Sub-Advisers under the applicable agreement. The Trustees also considered the business reputation of the Investment Adviser and Sub-Advisers since their inception, their significant financial resources, the Investment Adviser's and Sub-Advisers' experience in managing the Portfolios, including the Investment Adviser's assets under management of approximately $507 million as of December 31, 2006. Since the Investment Adviser is an indirect subsidiary of Allianz Global Investors of America L.P. ("AGI"), the Trustees also considered the assets under management of approximately $723 billion as of December 31, 2006, AGI together with its subsidiaries and concluded that they would be able to meet any reasonably foreseeable obligations under the applicable agreement.

The Trustees received information concerning the investment philosophy and investment process applied by the Investment Adviser and Sub-Advisers in managing the Portfolios, as described in the Prospectus. In this connection, the Trustees considered the Investment Adviser's and Sub-Advisers' in-house research capabilities, including its ongoing forecasting of industry, sector and overall market movements, interest rates and the development of its ongoing outlook on the global economy, as well as other resources available to the Investment Adviser's and Sub-Advisers' personnel, including research services available to the Investment Adviser and Sub-Advisers as a result of securities transactions effected for the Portfolios and other investment advisory clients. The Trustees concluded that the Investment Adviser's and Sub-Advisers' investment process, research capabilities and philosophy were suited to the Portfolios.

The Trustees considered the scope of the services provided by the Investment Adviser and Sub-Advisers to the Portfolios under the Advisory Agreement and Sub-Advisory Agreements, respectively, relative to services provided by third parties to other mutual funds. The Trustees noted that the Investment Adviser's and Sub-Advisers' required standard of care was comparable to that found in most mutual fund investment advisory agreements. The Trustees also considered the tools and procedures used to assure each Portfolio's compliance with applicable regulations and policies including the retention of a Chief Compliance Officer and the adoption of enhanced compliance policies and procedures. The Trustees apprised themselves and took account of claims made by regulators and others against affiliates of the Investment Adviser and the steps taken to address those claims. The Trustees concluded that the scope of the Investment Adviser's and Sub-Advisers' services to the Portfolios, as described above, was consistent with the Portfolios' operational requirements, including, in addition to its investment objective, compliance with each Portfolio's investment restrictions, tax and reporting requirements and related shareholder services.

The Trustees also evaluated the procedures of the Investment Adviser and Sub-Advisers designed to fulfill their fiduciary duty to the Portfolios with respect to possible conflicts of interest, including their codes of ethics (regulating the personal trading of their officers and employees), the procedures by which the Investment Adviser and Sub-Advisers allocate trades among its various investment advisory clients, the integrity of the systems in place to ensure compliance with the foregoing and the record of the Investment Adviser and Sub-Advisers in these matters. The Trustees also received information concerning standards of the Investment Adviser and Sub-Advisers with respect to the execution of portfolio transactions. The information considered by the Trustees included information regarding the Investment Adviser and the Sub-Advisers, their personnel, policies and practices included in each of their respective Form ADVs.

The Trustees considered the information provided by Lipper Analytical Services ("Lipper") regarding the performance of each Portfolio and similar open-end funds. The Trustees also considered the performance of each Portfolio compared with similar accounts managed by the Sub-Advisers. In the course of their deliberations, the Trustees took into account information provided by the Investment Adviser in connection with the contract review meeting, as well as during investment review meetings conducted with portfolio management personnel during the course of the year regarding the investment performance of each Portfolio. In assessing the reasonableness of each Portfolios' fees under the Agreements, the Trustees considered, among other information, the Portfolios' management fee and the total expense ratio as a percentage of average net assets and the management fee and total expense ratios of comparable funds identified by Lipper.

<u>OpCap Balanced Portfolio</u> ("Balanced Portfolio")

The Trustees noted that the Balanced Portfolio had underperformed its Lipper median and average peer group and its benchmark, 60% S&P 500 / 40% Merrill Lynch Corporate Bond Master Index, for the one-year and five-year periods but had outperformed its benchmark for the three-year and since inception periods ended December 31, 2006. The Trustees also noted that the Balanced Portfolio's expense ratio (after taking into account waivers) was above the Lipper median and average for its peer group. The Trustees also noted that the portfolio turnover percentage was higher for the Balanced Portfolio than the Lipper median and average for its peer group.

The Trustees considered the profitability analysis. They noted that AGI does not allocate corporate overhead to its subsidiaries, which might cause the profitability to be overstated slightly.

The Trustees inquired into the Investment Adviser's and the Sub-Advisers' plans to maintain and improve the investment performance of each of the Portfolios. The Trustees considered the nature and quality of the services provided by the Investment Adviser and Sub-Advisers to the Portfolios. In that connection, the Trustees considered that for those accounts that are not registered investment companies or that are sub-advised registered investment companies sponsored by other investment advisers, the Investment Adviser and Sub-Advisers do not devote the same level of services to manage and administer those assets and that certain of the other accounts managed by the Investment Adviser and the Sub-Advisers paid a lesser fee than the Portfolios on a gross basis. The Trustees also noted that the Investment Adviser is contractually obligated to waive that portion of the advisory fee and to assume any necessary expenses to limit total operating expenses of the Portfolios to 1.00% (1.25% for Global Equity Portfolio) of the average daily net assets (net of custody credits earned on cash balances at the custodian bank) on an annual basis.

In considering potential economies of scale, the Trustees noted that the Portfolios' proposed investment advisory and sub-advisory fees did not include breakpoints to reflect potential economies of scale if the Portfolios reached sufficient size such that its other expenses may be allocated among a larger asset and shareholder base. Therefore, the Trustees did not consider potential economies of scale as a principal factor in assessing the fee rates payable under the Agreements.

The Trustees also took into account so-called "fallout benefits" to the Investment Adviser and Sub-Advisers such as reputational value derived from serving as investment adviser and sub-adviser, respectively, to the Portfolios and the fact that the Investment Adviser and Sub-Advisers may receive certain legally permissible services, including research, from brokers who execute portfolio transactions for the Trust.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding the Agreements that they were satisfied with the Investment Adviser's and each Sub-Adviser's responses and efforts relating to investment performance.

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The financial information included herein is taken from the records of the Portfolio without examination by an independent registered public accounting firm, who did not express an opinion hereon.