

# **Premier VIT**

## **OpCap Small Cap Portfolio**

**Annual Report  
December 31, 2007**



2007 ANNUAL REPORT

# Premier VIT—OpCap Small Cap Portfolio

## Letter to Shareholders

Dear Shareholder:

I am pleased to provide you with the annual report for Premier VIT—OpCap Small Cap Portfolio (the “Portfolio”) for the year ended December 31, 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.

A handwritten signature in black ink, appearing to read "B Shlissel". The signature is fluid and cursive, with a large initial "B" and a long, sweeping underline.

Brian S. Shlissel  
President & Chief Executive Officer

# Premier VIT—OpCap Small Cap 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](http://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, are 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>.

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

## 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 Example is intended to help you understand your 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 Example is based on an investment of \$1,000.00 invested at the beginning of the period and held for the entire period indicated which is from July 1, 2007 to December 31, 2007.

## Actual Expenses

The information in the table under the heading "Actual Performance" provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000.00 (for example, an \$8,600.00 account value divided by \$1,000.00 = \$8.60), then multiply the result by the number in the row entitled "Expenses Paid During Period" 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 you paid for the period. You 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 the other funds.

Please note that the expenses shown in the table are meant to highlight your 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 you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

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

## 2007 ANNUAL REPORT

# Premier VIT—OpCap Small Cap Portfolio

(unaudited)

- U.S. stocks tracked a volatile course in 2007, delivering modest advances on average for the year on the strength of returns for energy, industrials and materials stocks. Growth stocks delivered positive returns in all market capitalization segments. Value stocks recorded losses for the year in all capitalization categories, most significantly in the small cap group. Weakness in financials and consumer discretionary stocks detracted most from broad market returns in every category for the year as concerns over subprime mortgage securities and the effects of a deflated price bubble in housing weighed on markets.
- The health care sector led both absolute and relative returns for the year. Generic drug maker Perrigo delivered solid performance on strong earnings and an earlier-than-expected launch of its generic heartburn drug Prilosec OTC. The stock was also boosted by

FDA approval of its new drug application for over-the-counter allergy pills Cetirizine Hydrochloride Tablets.

- Shares of industrials company Dynamic Materials climbed through the year on favorable analyst coverage and earnings results that exceeded expectations. The company, which welds metal plates using explosive charges, is the dominant global player in a niche industry with extremely high barriers to entry. Shares of Hexcel Corporation rose with increasing demand for the company's carbon fiber products by aerospace and other users.
- While financials stocks showed continuing weakness in the period, the Portfolio's exposure to the sector contributed positively to performance relative to the benchmark. Shares of Investment Technology Group, a leading provider of technology-based securities trading

services and transaction research, rose on announcement of significantly increased revenues and earnings. Its non-U.S. business in Europe, Asia Pacific and Canada reported record revenues.

- Stock selections in technology detracted from Portfolio performance. Silicon Image, maker of computer chips used for high-definition televisions, suffered from news of a much higher tax rate and softer product pricing. Demand for some products hasn't met expectations, and the company hasn't developed new technology as quickly as planned.
- In the materials sector, shares of A. M. Castle & Co. weakened over the second half of the year as aerospace demand slackened and earnings fell. The company provides highly-engineered specialty metals to industrial companies in a variety of industries.

### Total Returns for the periods ended 12/31/07 (\*Average Annual Total Return)

	1 year	5 year*	10 year*
OpCap Small Cap Portfolio	0.58%	15.99%	8.66%
Russell 2000 Index	(1.57)%	16.25%	7.08%

*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.*

### Shareholder Expense Example for the period ended 12/31/07

	Beginning Value	Ending Value	Expenses Paid
Actual Performance	\$1,000.00	\$933.80	\$4.68
Hypothetical Performance (5% return before expenses)	\$1,000.00	\$1,020.37	\$4.89

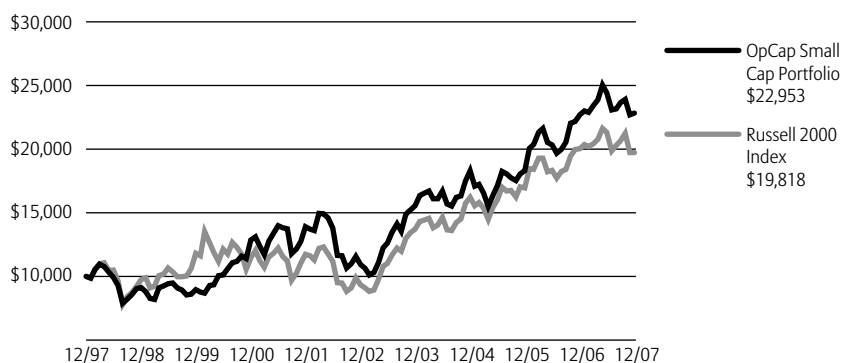
Expenses are equal to the Portfolio's annualized expense ratio of 0.96%; multiplied by the average account value over the period, multiplied by 184/365 (to reflect the number of days in the period).

### Top Ten Industries as of 12/31/07

(% of net assets)

Financial Services	12.3%
Healthcare & Hospitals	7.9%
Commercial Services	7.0%
Technology	6.4%
Insurance	5.8%
Computer Software	5.3%
Consumer Discretionary	4.9%
Telecommunications	4.5%
Retail	4.2%
Real Estate (REIT)	4.0%

### Growth of \$10,000



**Premier VIT**  
**OpCap Small Cap Portfolio**  
**SCHEDULE OF INVESTMENTS**

**December 31, 2007**

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
<b>COMMON STOCK — 98.7%</b>		<b>Consumer Services — 1.6%</b>	
<b>Aerospace/Defense — 2.6%</b>		18,200	Kendle International, Inc. (a) . . . \$890,344
56,400	AAR Corp. (a) . . . . . \$2,144,892	33,200	Macquarie Infrastructure
28,600	Esterline		Co. LLC, UNIT . . . . . 1,345,596
	Technologies Corp. (a) . . . . . 1,480,050		2,235,940
	3,624,942	<b>Diversified Manufacturing — 1.1%</b>	
<b>Airlines — 1.6%</b>		64,000	Hexcel Corp. (a) . . . . . 1,553,920
114,500	Republic Airways	<b>Energy — 1.8%</b>	
	Holdings, Inc. (a) . . . . . 2,243,055	42,100	Berry Petroleum Co. . . . . 1,871,345
<b>Apparel &amp; Textiles — 3.3%</b>		8,100	Exterran Holdings, Inc. (a) . . . . 662,580
150,700	Iconix Brand Group, Inc. (a) . . . 2,962,762		2,533,925
69,800	Wolverine World Wide, Inc. . . . 1,711,496	<b>Financial Services — 12.3%</b>	
	4,674,258	20,500	Affiliated Managers
<b>Capital Goods — 1.2%</b>			Group, Inc. (a) . . . . . 2,407,930
176,300	Flow International Corp. (a) . . . 1,643,116	84,500	Boston Private Financial
<b>Commercial Services — 7.0%</b>			Holdings, Inc. . . . . 2,288,260
53,700	Bright Horizons Family	91,200	Encore Bancshares, Inc. (a) . . . 1,823,088
	Solutions, Inc. (a) . . . . . 1,854,798	67,200	Investment Technology
103,400	Geo Group, Inc. (a) . . . . . 2,895,200		Group, Inc. (a) . . . . . 3,198,048
175,800	Global Cash Access	72,300	Pacific Capital Bancorp . . . . . 1,455,399
	Holdings, Inc. (a) . . . . . 1,065,348	52,300	Prosperity Bancshares, Inc. . . . . 1,537,097
135,300	H&E Equipment	100,800	Renasant Corp. . . . . 2,174,256
	Services, Inc. (a) . . . . . 2,554,464	69,600	Signature Bank & Trust (a) . . . . 2,349,000
16,700	Parexel International Corp. (a) . . . 806,610		17,233,078
33,600	Rollins, Inc. . . . . 645,120	<b>Food &amp; Beverage — 2.0%</b>	
	9,821,540	81,700	Papa John's
<b>Computer Services — 1.1%</b>			International, Inc. (a) . . . . . 1,854,590
34,900	CACI International, Inc. (a) . . . . 1,562,473	36,400	Performance Food
<b>Computer Software — 5.3%</b>			Group Co. (a) . . . . . 978,068
78,700	Blackbaud, Inc. . . . . 2,206,748		2,832,658
387,100	Borland Software Corp. (a) . . . . 1,165,171	<b>Healthcare &amp; Hospitals — 7.9%</b>	
150,900	Glu Mobile, Inc. (a) . . . . . 787,698	41,800	Abaxis, Inc. (a) . . . . . 1,498,948
87,500	Informatica Corp. (a) . . . . . 1,576,750	72,900	Immucor, Inc. (a) . . . . . 2,477,871
60,200	THQ, Inc. (a) . . . . . 1,697,038	112,100	Merit Medical
	7,433,405		Systems, Inc. (a) . . . . . 1,558,190
<b>Consumer Discretionary — 4.9%</b>		120,200	Power Medical
45,500	Dolan Media Co. (a) . . . . . 1,327,235		Interventions (a) . . . . . 1,655,154
142,090	GateHouse Media, Inc. . . . . 1,247,550	61,200	SonoSite, Inc. (a) . . . . . 2,060,604
77,020	Gymboree Corp. (a) . . . . . 2,346,029	100,000	Symmetry Medical, Inc. (a) . . . . 1,743,000
138,500	Maidenform Brands, Inc. (a) . . . 1,873,905		10,993,767
	6,794,719		

**Premier VIT**  
**OpCap Small Cap Portfolio**  
**SCHEDULE OF INVESTMENTS**

**December 31, 2007**  
**(continued)**

<u>Shares</u>		<u>Value</u>	<u>Shares</u>		<u>Value</u>
	<b>COMMON STOCK (continued)</b>			<b>Retail — 4.2%</b>	
	<b>Household Products — 1.2%</b>		111,400	A.C. Moore Arts & Crafts, Inc. (a) . . . . .	\$1,531,750
101,200	Central Garden and Pet Co. (a) . . . . .	\$542,432	106,950	Aeropostale, Inc. (a) . . . . .	2,834,175
47,700	Jarden Corp. (a) . . . . .	1,126,197	159,100	Carrols Restaurant Group, Inc. (a) . . . . .	1,524,178
		<u>1,668,629</u>			<u>5,890,103</u>
	<b>Insurance — 5.8%</b>			<b>Semi-conductors — 2.1%</b>	
54,165	Assured Guaranty Ltd. . . . .	1,437,539	126,900	Fairchild Semiconductor International, Inc. (a) . . . . .	1,831,167
50,800	Delphi Financial Group, Inc. . . . .	1,792,224	122,500	Mattson Technology, Inc. (a) . . . . .	1,048,600
64,700	First Mercury Financial Corp. (a) . . . . .	1,578,680			<u>2,879,767</u>
287,500	RAM Holdings Ltd. (a) . . . . .	1,420,250		<b>Storage/Warehousing — 0.7%</b>	
33,600	RLI Corp. . . . .	1,908,144	50,100	Mobile Mini, Inc. (a) . . . . .	928,854
		<u>8,136,837</u>			
	<b>Machinery — 1.2%</b>			<b>Technology — 6.4%</b>	
25,930	Astec Industries, Inc. (a) . . . . .	964,337	115,000	Commvault Systems, Inc. (a) . . . . .	2,435,700
22,000	Columbus McKinnon Corp. (a) . . . . .	717,640	102,600	Microsemi Corp. (a) . . . . .	2,271,564
		<u>1,681,977</u>	32,700	Orion Energy Systems, Inc. (a) . . . . .	610,182
	<b>Metal Fabricate/Hardware — 1.2%</b>		63,400	Phase Forward, Inc. (a) . . . . .	1,378,950
62,100	A. M. Castle & Co. . . . .	1,688,499	864,000	Quantum Corp. (a) . . . . .	2,324,160
					<u>9,020,556</u>
	<b>Metals &amp; Mining — 3.5%</b>			<b>Telecommunications — 4.5%</b>	
96,789	Claymont Steel Holdings, Inc. (a) . . . . .	2,260,023	158,100	Arris Group, Inc. (a) . . . . .	1,577,838
45,100	Dynamic Materials Corp. . . . .	2,656,390	43,100	Comtech Telecommunications Corp. (a) . . . . .	2,327,831
		<u>4,916,413</u>	151,900	Syniverse Holdings, Inc. (a) . . . . .	2,366,602
	<b>Multi-Media — 1.5%</b>				<u>6,272,271</u>
143,800	World Wrestling Entertainment, Inc. . . . .	2,122,488		<b>Utilities — 1.3%</b>	
			66,200	Atmos Energy Corp. . . . .	1,856,248
	<b>Oil &amp; Gas — 3.6%</b>			Total Common Stock	
113,400	Rosetta Resources, Inc. (a) . . . . .	2,248,722		(cost-\$131,442,787) . . . . .	<u>138,175,845</u>
93,600	Vectren Corp. . . . .	2,715,336			
		<u>4,964,058</u>		<b>EXCHANGE-TRADED FUND — 0.5%</b>	
	<b>Pharmaceuticals — 3.8%</b>		9,200	iShares Russell 2000 Index Fund	
153,600	Perrigo Co. . . . .	5,377,536		(cost-\$704,708) . . . . .	698,464
	<b>Real Estate (REIT) — 4.0%</b>				
188,700	Ashford Hospitality Trust, Inc. . . . .	1,356,753			
61,600	Cousins Properties, Inc. . . . .	1,361,360			
76,900	Dupont Fabros Technology . . . . .	1,507,240			
134,000	Medical Properties Trust, Inc. . . . .	1,365,460			
		<u>5,590,813</u>			

**Premier VIT  
OpCap Small Cap Portfolio  
SCHEDULE OF INVESTMENTS**

**December 31, 2007  
(continued)**

<u>Principal Amount (000s)</u>		<u>Value</u>
	<b>U.S. GOVERNMENT</b>	
	<b>AGENCY SECURITIES — 0.9%</b>	
\$1,200	Federal Home Loan Bank, 3.25%, 1/2/08 (cost-\$1,199,892) . . . . .	<u>\$1,199,892</u>
	Total Investments (cost-\$133,347,387) 100.1%	140,074,201
	Liabilities in excess of other assets . . . . .	<u>(70,285)</u>
	Net Assets . . . . .	<u>100.0%</u> <u>\$140,003,916</u>

**Notes to Schedule of Investments:**

(a) Non-income producing.

**Glossary:**

REIT - Real Estate Investment Trust

UNIT - More than one class of securities traded together.

*See accompanying notes to financial statements*

**Premier VIT  
OpCap Small Cap Portfolio  
STATEMENT OF ASSETS AND LIABILITIES**

**December 31, 2007**

**Assets:**

Investments, at value (cost-\$133,347,387) .....	\$140,074,201
Cash .....	59,499
Dividends receivable .....	181,861
Receivable from shares of beneficial interest sold .....	26,180
Prepaid expenses .....	11,496
Total Assets .....	<u>140,353,237</u>

**Liabilities:**

Deferred trustees' retirement plan expense .....	114,873
Investment advisory fees payable .....	95,935
Payable for shares of beneficial interest redeemed .....	69,565
Accrued expenses .....	68,948
Total Liabilities .....	<u>349,321</u>
Net Assets .....	<u><u>\$140,003,916</u></u>

**Composition of Net Assets:**

Beneficial interest shares of \$0.01 per value (unlimited number authorized) .....	\$47,963
Paid-in-capital in excess of par .....	109,572,792
Undistributed net investment income .....	116,204
Accumulated net realized gain on investments .....	23,540,143
Net unrealized appreciation of investments .....	6,726,814
Net Assets .....	<u>\$140,003,916</u>
Shares outstanding .....	<u>4,796,307</u>
<b>Net asset value, offering price and redemption price per share .....</b>	<u><u>\$29.19</u></u>

*See accompanying notes to financial statements*

**Premier VIT  
OpCap Small Cap Portfolio  
STATEMENT OF OPERATIONS**

**For the year ended December 31, 2007**

<b>Investment Income:</b>	
Dividends .....	\$1,666,345
Interest .....	<u>135,943</u>
Total investment income .....	<u>1,802,288</u>
<b>Expenses:</b>	
Investment advisory fees .....	1,307,972
Shareholder communications .....	55,183
Custodian fees .....	49,199
Trustees' fees and expenses .....	48,181
Audit and tax services .....	33,694
Transfer agent fees .....	33,348
Legal fees .....	20,695
Insurance expense .....	4,073
Miscellaneous .....	<u>3,662</u>
Total expenses .....	1,556,007
Less: custody credits earned on cash balances .....	<u>(722)</u>
Net expenses .....	<u>1,555,285</u>
Net investment income .....	<u>247,003</u>
<b>Realized and Change in Unrealized Gain (Loss):</b>	
Net realized gain on investments .....	23,542,668
Net change in unrealized appreciation/depreciation of investments .....	<u>(21,735,614)</u>
Net realized and change in unrealized gain on investments .....	<u>1,807,054</u>
<b>Net increase in net assets resulting from investment operations .....</b>	<b><u><u>\$2,054,057</u></u></b>

*See accompanying notes to financial statements*

**Premier VIT**  
**OpCap Small Cap Portfolio**  
**STATEMENT OF CHANGES IN NET ASSETS**

	<u>Year ended December 31,</u>	
	<u>2007</u>	<u>2006</u>
<b>Investment Operations:</b>		
Net investment income (loss) .....	\$247,003	\$(105,716)
Net realized gain on investments .....	23,542,668	36,244,865
Net change in unrealized appreciation/depreciation of investments .....	<u>(21,735,614)</u>	<u>5,154,542</u>
Net increase in net assets resulting from investment operations .....	<u>2,054,057</u>	<u>41,293,691</u>
<b>Distributions to Shareholders from net realized gains .....</b>	<u>(36,111,252)</u>	<u>(10,879,114)</u>
<b>Share Transactions:</b>		
Net proceeds from the sale of shares .....	11,025,509	13,490,308
Reinvestment of distributions .....	36,111,252	10,879,114
Cost of shares redeemed .....	<u>(48,276,803)</u>	<u>(69,727,418)</u>
Net decrease in net assets from share transactions .....	<u>(1,140,042)</u>	<u>(45,357,996)</u>
Total decrease in net assets .....	<u>(35,197,237)</u>	<u>(14,943,419)</u>
<b>Net Assets:</b>		
Beginning of year .....	<u>175,201,153</u>	<u>190,144,572</u>
End of year (including undistributed (dividends in excess of) net investment income of \$116,204 and \$(103,493), respectively) .....	<u>\$140,003,916</u>	<u>\$175,201,153</u>
<b>Shares Issued and Redeemed:</b>		
Issued .....	310,315	401,984
Issued in reinvestment of distributions .....	1,150,772	329,071
Redeemed .....	<u>(1,433,167)</u>	<u>(2,042,175)</u>
Net increase (decrease) .....	<u>27,920</u>	<u>(1,311,120)</u>

*See accompanying notes to financial statements*

**Premier VIT  
OpCap Small Cap Portfolio  
FINANCIAL HIGHLIGHTS**

**For a share of beneficial interest outstanding throughout each year:**

	Year ended December 31,				
	2007	2006	2005	2004	2003
Net asset value, beginning of year . . . . .	\$36.74	\$31.28	\$36.15	\$30.68	\$21.52
<b>Investment Operations:</b>					
Net investment income (loss) . . . . .	0.05	(0.03)	(0.12)	(0.11)	0.05
Net realized and change in unrealized gain (loss) on investments . . . . .	0.74	7.36	(0.13)	5.59	9.12
Total from investment operations . . . . .	0.79	7.33	(0.25)	5.48	9.17
<b>Dividends and Distributions to Shareholders from:</b>					
Net investment income . . . . .	—	—	—	(0.01)	(0.01)
Net realized gains . . . . .	(8.34)	(1.87)	(4.62)	—	—
Total dividends and distributions to shareholders . . . . .	(8.34)	(1.87)	(4.62)	(0.01)	(0.01)
Net asset value, end of year . . . . .	\$29.19	\$36.74	\$31.28	\$36.15	\$30.68
<b>Total Return (1) . . . . .</b>	0.58%	24.08%	0.06%	17.88%	42.65%
<b>Ratios/Supplemental data:</b>					
Net assets end of year (000's) . . . . .	\$140,004	\$175,201	\$190,145	\$275,319	\$248,950
Ratio of expenses to average net assets (2) . . . . .	0.95%	0.93%	0.92%	0.91%	0.93%
Ratio of net investment income (loss) to average net assets . . . . .	0.15%	(0.06)%	(0.32)%	(0.30)%	0.23%
Portfolio turnover . . . . .	69%	99%	94%	102%	136%

(1) Assumes reinvestment of all dividends and distributions.

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

*See accompanying notes to financial statements*

**Premier VIT**  
**OpCap Small Cap Portfolio**  
**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2007**

**(1) Organization and Significant Accounting Policies**

Premier VIT (the “Trust”), was organized 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 Income Portfolio, OpCap Balanced Portfolio, OpCap Equity Portfolio, OpCap Global Equity Portfolio, OpCap Managed Portfolio, OpCap Mid Cap Portfolio, OpCap Renaissance Portfolio and OpCap Small Cap Portfolio (the “Portfolio”). The OpCap Global Equity Portfolio and OpCap Renaissance Portfolio were liquidated subsequent to year end on January 25, 2008. 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 an indirect majority-owned subsidiary of Allianz SE.

The Portfolio’s objective is to seek capital appreciation through a diversified portfolio consisting primarily of securities of companies with market capitalizations of under \$2 billion at the time of purchase.

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 indemnifications. 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. Portfolio management determined that its evaluation of the Interpretation has resulted in no impact to the Portfolio’s financial statements at December 31, 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.

**Premier VIT  
OpCap Small Cap Portfolio  
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2007  
(continued)**

**(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 instruments 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 or persons acting at their discretion pursuant to guidelines established by the Board of Trustees. Portfolio securities and other financial instruments 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, the 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. The market value for NASDAQ National Market and Small Cap securities may also be calculated using the NASDAQ Official Closing Price instead of the last reported sales price. Short-term securities maturing in 60 days or less are valued at amortized cost if their original term to maturity was 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 normally 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 from the sale of 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. The 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.

**Premier VIT  
OpCap Small Cap Portfolio  
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2007  
(continued)**

**(1) Organization and Significant Accounting Policies (continued)**

***(E) Allocation of Expenses***

Expenses specifically identifiable to a particular portfolio are borne by that 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.

***(F) Trustees' Retirement Plan***

The trustees have adopted a Retirement Plan (the "Plan"). The Plan provides for payments upon retirement to independent trustees based on the average annual compensation paid to them during their five highest paid years of service. An independent trustee must serve for a minimum of seven years (or such lesser period as may be approved by the Board of Trustees) to become eligible to receive benefits. At December 31, 2007, the Portfolio's payable in connection with the Plan was \$114,873, of which \$5,714 was accrued during year ended December 31, 2007.

***(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 an Investment Management Agreement (the "Agreement") with the Investment Adviser. Subject to the supervision of the Trust's Board of Trustees, the Investment Adviser is responsible for managing, either directly or through others selected by it, the Portfolio's investment activities, business affairs, and administrative matters. Pursuant to the Agreement, the Investment Adviser receives 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 any 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 year ended December 31, 2007, purchases and sales of securities, other than short-term securities, aggregated \$110,743,269 and \$144,470,436, respectively.

**(4) Income Tax Information**

The tax character of dividends paid during the years ended December 31 were:

	<u>2007</u>	<u>2006</u>
Ordinary Income . . . . .	\$11,421,403	—
Long-term capital gains . . . . .	24,689,849	\$10,879,114

**Premier VIT**  
**OpCap Small Cap Portfolio**  
**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2007**  
**(continued)**

**(4) Income Tax Information (continued)**

At December 31, 2007, tax basis distributable earnings of \$24,975,087 was comprised of \$7,962,487 of ordinary income and \$17,012,600 of long-term capital gains.

In accordance with U.S. Treasury regulations, the Portfolio elected to defer realized capital losses of \$1,043,728 arising after October 31, 2007. Such losses are treated as arising on January 1, 2008.

For the year ended December 31, 2007, the permanent differences were primarily attributable to the reclassification of real estate investment trust distributions. These adjustments were to decrease undistributed net investment income and increase accumulated realized gains by \$27,306.

The cost basis of portfolio securities for federal income tax purposes is \$133,543,706. Aggregated gross unrealized appreciation for securities in which there is an excess of value over tax cost is \$20,948,323; aggregate gross unrealized depreciation for securities in which there is an excess of tax cost over value is \$14,417,828; net unrealized appreciation for federal income tax purposes is \$6,530,495. The difference between book and tax basis unrealized appreciation/depreciation is primarily attributable to wash sales and reclassification of real estate investment trust distributions.

**(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") and the New Jersey 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 and the Distributor serves as principal underwriter. The settlements related to an alleged "market timing" arrangement in certain open-end funds formerly sub-advised by one of the Affiliates. The Affiliates agreed to pay a total of \$68 million to settle the claims. In addition to monetary payments, the settling parties agreed to undertake certain corporate governance, compliance and disclosure reforms related to market timing 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, certain of the Affiliates and their employees have been named as defendants in a number of pending lawsuits concerning "market timing," 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. 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 Small Cap Portfolio**  
**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Shareholders and Board of Trustees of  
Premier VIT—OpCap Small Cap Portfolio

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Premier VIT—OpCap Small Cap Portfolio, (one of the portfolios of Premier VIT, hereafter referred to as the “Portfolio”) at December 31, 2007, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Portfolio’s management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2007 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP  
New York, New York  
February 20, 2008

**Premier VIT  
OpCap Small Cap Portfolio**

**December 31, 2007**

---

**Federal Tax Information (unaudited)**

---

The Portfolio paid ordinary income dividends of \$2.6390 per share and long-term capital gains of \$5.70477 per share during the year ended December 31, 2007.

**Premier VIT**  
**BOARD OF TRUSTEES**  
**(unaudited)**

---

**Name, Position(s) Held with Portfolio,  
Date of Birth; Length of Service; Other  
Trusteeships/Directorships Held by Trustee;  
Number of Portfolios in Fund Complex/Outside  
Fund Complex Overseen by Trustee**

**Principal Occupation(s) During Past 5 Years:**

---

*The address of each Trustee is 1345 Avenue of the Americas, New York, NY 10105. Each Trustee serves for an indefinite term, until his resignation, retirement, death or removal.*

**Thomas W. Courtney**

*Chairman of the Board of Trustees*

*Date of Birth: 8/17/33*

*Trustee since: 1994*

*Trustee of 6 funds in Fund Complex*

*Trustee/Director of 15 funds outside of Fund Complex*

Principal of Courtney Associates, Inc., a venture capital business firm, since 1988; Chairman of the Board (since 2001, Director since 1984) of 10 Oppenheimer Funds; Trustee, Hawaiian Tax Free Trust since 1984; Trustee, Tax-Free Trust of Arizona since 1985.

**V. Lee Barnes**

*Date of Birth: 6/18/36*

*Trustee since: 2000*

*Trustee of 6 funds in Fund Complex*

*Trustee/Director of no funds outside of Fund Complex*

Principal, Glenville Associates, management consultants to the insurance industry; Director, Davis International Banking Consultants (London, England).

**Lacy B. Herrmann**

*Date of Birth: 5/12/29*

*Trustee since: 1994*

*Trustee of 6 funds in Fund Complex*

*Trustee/Director of 10 funds outside of Fund Complex*

Founder, Chairman Emeritus (since 2005), Chairman of the Board of Trustees (1992-2005) Aquila Management Corporation, the sponsoring organization and parent of the Manager or Administrator and/or Adviser or Sub-Adviser to each fund of the Aquila Group of Funds; Chairman of the Manager or Administrator and/or Adviser of Sub-Adviser since 2004; Trustee of 10 open-end Oppenheimer Funds investment companies; Trustee Emeritus of Brown University, the Hopkins School, Aquila Rocky Mountain Equity Fund, Hawaiian Tax-Free Trust, Pacific Capital Cash Assets Trust, Pacific Capital Tax-Free Cash Assets Trust, Pacific Capital U.S. Government Securities Cash Assets Trust, Tax-Free Fund of Colorado, Churchill Tax-Free Fund of Kentucky, Narragansett Insured Tax-Free Income Fund, Tax-Free Trust of Arizona, Tax-Free Trust of Oregon and Tax-Free Fund for Utah; active in university, school and charitable organizations.

**Premier VIT**  
**BOARD OF TRUSTEES**  
**(unaudited) (continued)**

---

**Name, Position(s) Held with Portfolio,  
Date of Birth; Length of Service; Other  
Trusteeships/Directorships Held by Trustee;  
Number of Portfolios in Fund Complex/Outside  
Fund Complex Overseen by Trustee**

---

**Principal Occupation(s) During Past 5 Years:**

---

**Theodore T. Mason**

*Date of Birth: 11/24/35*

*Trustee since: 2000*

*Trustee of 6 funds in Fund Complex*

*Trustee/Director of 11 funds outside of Fund  
Complex*

Managing Director, East Wind Power Partners LTD since 1994 and Louisiana Powers Partners, 1999-2003; Treasurer, Fort Schuyler Maritime Alumni Association, Inc. (successor to Alumni Association of SUNY Maritime College) since 2004 (President, 2002-2003, first Vice President, 2000-2001, Second Vice President, 1998-1999) and Director of same organization since 1997; Independent Chairman, the Board of Trustees of Hawaiian Tax-Free Trust and Pacific Capital Cash Assets Trust since 2004 and Trustee since 1984; Lead Independent Trustee, the Board of Trustees, Aquila Three Peaks High Income Fund, since March 2006; Trustee, Churchill Tax-Free Fund of Kentucky since 1985; Trustee, Churchill Cash Reserves Trust (inactive) since 1985; Vice Chairman, Capital Cash Management Trust (inactive) since 1974; Director, STCM Management Company, Inc. 1974-2004; twice national officer of Naval Reserve Association, commanding Officer of four Naval Reserve units and Captain, USNR (Ret); Director, The Navy League of the United States New York Council since 2002; Honorary Director since 2005 and Director of The Maritime Industry Museum at Fort Schuyler, 2000-2004; Trustee, Fort Schuyler Maritime Foundation, Inc. (formerly Maritime College at Fort Schuyler Foundations, Inc.) since 2000.

**Brian S. Shlissel**

*President & Chief Executive Officer*

*Date of Birth: 11/14/64*

*Trustee since: 2004*

*Trustee of 6 funds in Fund Complex*

*Trustee of no funds outside of Fund Complex*

Executive Vice President and Director of Fund Administration, Allianz Global Investors Fund Management LLC; President and Chief Executive Officer of 37 funds in the Fund Complex; Treasurer; Principal Financial and Accounting Officer of 37 funds in the Fund Complex and The Korea Fund, Inc.; Trustee of 6 funds in the Fund Complex.

*Further information about the Trustees is available in the Statement of Additional Information, dated May 1, 2007, which can be obtained upon request, without charge, by calling the Trust at (800) 628-1237.*

**Premier VIT**  
**PRINCIPAL OFFICERS**  
**(unaudited)**

---

**Name, Position(s) Held with Portfolio,  
Date of Birth; Length of Service**

**Principal Occupation(s) During Past 5 Years:**

**Lawrence G. Altadonna**

*Date of Birth: 3/10/66  
Treasurer, Principal Financial & Accounting  
Officer since: 2002*

Senior Vice President, Allianz Global Investors Fund Management LLC; Treasurer, Principal Financial and Accounting Officer of 37 funds in the Fund Complex; Assistant Treasurer of 37 funds in the Fund Complex and The Korea Fund, Inc.

**Malcolm Bishop**

*Date of Birth: 6/11/48  
Executive Vice President since: 2004*

Managing Director, Marketing and Client Services, Allianz Global Investors Distributions LLC.

**Thomas J. Fuccillo**

*Date of Birth: 3/22/68  
Vice President, Secretary &  
Chief Legal Officer since: 2004*

Senior Vice President, Senior Counsel, Allianz Global Investors of America L.P., Vice President, Secretary and Chief Legal Officer of 74 funds in the Fund Complex and The Korea Fund, Inc.; Formerly, Vice President and Associate General Counsel, Neuberger Berman, LLC (1991-2004).

**Scott Whisten**

*Date of Birth: 3/13/71  
Assistant Treasurer since: 2007*

Vice President, Allianz Global Investors Fund Management LLC; Assistant Treasurer of 74 funds in the Fund Complex. Formerly Accounting Manager Prudential Investments (2002-2005)

**Youse E. Guia**

*Date of Birth: 9/3/72  
Chief Compliance Officer since: 2004*

Senior Vice President, Group Compliance Manager, Allianz Global Investors of America L.P.; Chief Compliance Officer of 74 funds in the Fund Complex and The Korea Fund, Inc.; Formerly, Vice President, Group Compliance Manager, Allianz Global Investors of America L.P. (2002-2004).

**William V. Healey**

*Date of Birth: 7/28/53  
Assistant Secretary since: 2006*

Executive Vice President, Chief Legal Officer-U.S. Retail, Allianz Global Investors of America L.P.; Executive Vice President, Chief Legal Officer and Secretary, Allianz Global Investors Advertising Agency Inc., Allianz Global Investors Fund Management LLC, Allianz Global Investors Managed Accounts LLC and Allianz Global Investors Distributors LLC; Assistant Secretary of 74 funds in the Fund Complex. Formerly, Vice President and Associate General Counsel, Prudential Insurance Company of America; Executive Vice President and Chief Legal Officer, The Prudential Investments (1998-2005).

**Richard H. Kirk**

*Date of Birth: 4/6/61  
Assistant Secretary since: 2006*

Senior Vice President, Allianz Global Investors of America L.P. (since 2004). Senior Vice President, Associate General Counsel, Allianz Global Investors Distributors LLC. Assistant Secretary of 74 funds in the Fund Complex; formerly, Vice President, Counsel, The Prudential Insurance Company of America/American Skandia (2002-2004).

**Kathleen Chapman**

*Date of Birth: 11/11/54  
Assistant Secretary since: 2006*

Assistant Secretary of 74 funds in the Fund Complex; Manager – IIG Advisory Law, Morgan Stanley (2004-2005); Paralegal, The Prudential Insurance Company of America; and Assistant Corporate Secretary of affiliated American Skandia companies (1996-2004).

**Lagan Srivastava**

*Date of Birth: 9/20/77  
Assistant Secretary since: 2006*

Assistant Secretary of 74 funds in the Fund Complex and The Korea Fund, Inc.; formerly, Research Assistant, Dechert LLP (2004-2005); Research Assistant, Swidler Berlin Shereff Friedman LLP (2002-2004).

*Officers hold office at the pleasure of the Board and until their successors are appointed and qualified or until their earlier resignation or removal.*

(This page intentionally left blank)



**Premier VIT**  
**1345 Avenue of the Americas**  
**New York, NY 10105**

**Trustees and Principal Officers**

Thomas W. Courtney	Trustee, Chairman of the Board of Trustees
V. Lee Barnes	Trustee
Lacy B. Herrmann	Trustee
Theodore T. Mason	Trustee
Brian S. Shlissel	Trustee, President & Chief Executive Officer
Malcolm Bishopp	Executive Vice President
Lawrence G. Altadonna	Treasurer, Principal Financial & Accounting Officer
Thomas J. Fuccillo	Vice President, Secretary & Chief Legal Officer
Scott Whisten	Assistant Treasurer
Youse E. Guia	Chief Compliance Officer
William V. Healey	Assistant Secretary
Richard H. Kirk	Assistant Secretary
Kathleen Chapman	Assistant Secretary
Lagan Srivastava	Assistant Secretary

**Investment Adviser**

OpCap Advisors LLC  
1345 Avenue of the Americas  
New York, NY 10105

**Sub-Adviser**

Oppenheimer Capital LLC  
1345 Avenue of the Americas  
New York, NY 10105

**Distributor**

Allianz Global Investors Distributors LLC  
1345 Avenue of the Americas  
New York, NY 10105

**Custodian & Accounting Agent**

State Street Corp.  
P.O. Box 1978  
Boston, MA 02105

**Transfer Agent**

PFPC, Inc.  
P.O. Box 43027  
Providence, RI 02940-3027

**Independent Registered Public Accounting Firm**

PricewaterhouseCoopers LLP  
300 Madison Avenue  
New York, NY 10017

**Legal Counsel**

Mayer, Brown, Rowe & Maw LLP  
1675 Broadway  
New York, NY 10019-5820