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FILER

WARBURG PINCUS INSTITUTIONAL FUND INC

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SEMIANNUAL
REPORT
April 30, 1996
WARBURG PINCUS INSTITUTIONAL FUND, INC.
- INTERNATIONAL EQUITY PORTFOLIO
- SMALL COMPANY GROWTH PORTFOLIO

[Logo]

The views of the Portfolios' management are as of the date of the letters and holdings described in this semiannual report are as of April 30, 1996; these views and holdings may have changed subsequent to these dates.

WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
SEMIANNUAL REPORT

Dear Shareholder:

June 21, 1996

The objective of Warburg Pincus Institutional Fund -- International Equity Portfolio (the 'Portfolio') is long-term capital appreciation. The Portfolio aims to tap into the strong growth potential of today's world stock markets by investing primarily in companies whose principal business activities and interests are outside the U.S.

For the six months ended April 30, 1996, the Portfolio gained 15.20%, vs. gains of 12.09% in the Lipper International Fund Index and 13.21% in the Morgan Stanley Europe, Australasia and Far East ('EAFE') Index.

The Portfolio's performance for the six months was driven by timely stock selection and, broadly, by its emphasis on Asian-Pacific markets, which saw strong returns over the period. The Portfolio's largest country weighting throughout remained Japan (29.1% of net assets as of April 30), which rose on signs of continued economic recovery, an improved earnings outlook for many companies, and an expansionary monetary policy from the Bank of Japan. We believe that the prospects for the Japanese economy and Japanese equities remain, in general, favorable, and that the Portfolio is well-positioned in terms of its specific holdings. By sector, the Portfolio's largest weightings are in two areas, machinery & industrial components and retail, reflecting our view that Japan's economic recovery will be led by capital spending and consumption.

As a defensive measure, we continue to hedge a substantial portion of the Portfolio's yen exposure, reflecting our view that the Japanese currency will weaken vs. the U.S. dollar. This strategy worked to the Portfolio's advantage over the reporting period.

Other Asian-Pacific stocks that contributed positively to the Portfolio's performance include its holdings in Hong Kong, Indonesia, South Korea and Taiwan. The latter two markets, which combined represented 10.1% of the Portfolio as of April 30, rebounded strongly in April -- rising 11% and 25%, respectively, for the month per Morgan Stanley Capital International -- after underperforming in 1995 and through the first three months of 1996. Our long-term outlook on both markets, and on Asian-Pacific markets generally, remains very positive, given what we consider to be their excellent growth prospects and reasonable valuations.

The Portfolio remained underweighted in Europe through the period, reflecting our general view that better growth prospects exist elsewhere. But the Portfolio saw positive results from many of its European holdings, notably its German stocks (Adidas and SGL Carbon, which both rose strongly despite general weakness

in the German equity market) and its French stocks. The French stock market, after lagging in 1995, was Europe's strongest performer in local-currency terms through the first four months of 1996, driven by signs that its economic troubles have begun to ease. The Portfolio benefited from this strength, with several of its holdings (e.g., Lagardere Groupe, Fives-Lille and Scor) enjoying particularly impressive gains. The Portfolio also benefited from our decision to hedge its franc exposure, since the French currency weakened against the U.S. dollar during the period. We remain positive on the outlook for our French stocks, believing that they are strong, well-managed businesses.

Richard H. King
Portfolio Manager

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- SMALL COMPANY GROWTH PORTFOLIO
SEMIANNUAL REPORT

Dear Shareholder:

June 21, 1996

The objective of Warburg Pincus Institutional Fund -- Small Company Growth Portfolio (the 'Portfolio') is capital growth. The Portfolio is a non-diversified management investment company that pursues its objective by investing primarily in equity securities of domestic companies with small market capitalizations (i.e., less than \$1 billion at the time of initial purchase).

For the four months ended April 30, 1996 (the Portfolio's inception was December 29, 1995), the Portfolio gained 25.00%, vs. a gain of 10.72% in the Russell 2000 Index.

The Portfolio's outperformance of its benchmark was the result of good stock selection and the generally strong gains shown by its more heavily weighted industries. These included computers (15.8% of assets as of April 30), business services (11.4%) and health care (10.4%), and we believe that our holdings in these areas continue to hold favorable prospects. The Portfolio also saw generally strong performances from holdings in other sectors and industries that we have emphasized, including electronics (5.4% of assets at the end of April), oil services (5.2%), pharmaceuticals (4.6%) and transportation (4.6%), and we remain similarly bullish on their prospects.

We believe that the Portfolio represents an attractive opportunity for investors seeking exposure to smaller U.S. companies, and that the long-term argument for investing in such companies remains a persuasive one. Historically, smaller companies have demonstrated the potential for explosive earnings growth, which has often translated into outsized gains in their share prices. Indeed, over extended periods, stocks of smaller companies in aggregate have handily outperformed those of larger-capitalization firms, albeit with an elevated level of volatility.

We are encouraged by the Portfolio's relative strength over the last several months, and look forward to the months ahead.

<TABLE>	
<S>	<C>
Elizabeth B. Dater	Stephen J. Lurito
Co-Portfolio Manager	Co-Portfolio Manager
</TABLE>	

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
STATEMENT OF NET ASSETS
April 30, 1996 (Unaudited)

<TABLE>
<CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
<S>	<C>	<C>

COMMON STOCK (93.1%)

Argentina (3.3%)

Banco de Galicia & Buenos Aires SA	106,796	\$ 639,408
Banco de Galicia & Buenos Aires SA ADR	11,003	258,571
Banco Frances del Rio de la Plata SA	129,030	1,236,301
Banco Frances del Rio de la Plata SA ADR	187,105	5,379,269
Capex SA GDR	58,400	835,996
Telefonica de Argentina SA ADR	263,800	7,716,150
YPF SA ADR	325,600	7,122,500

		23,188,195

Australia (2.4%)

Lend Lease Corp., Ltd.	267,100	4,070,258
Niugini Mining Ltd.	353,750	805,825
Pasminco Ltd.	911,000	1,330,998
Qantas Airways Ltd.	2,236,500	3,970,302
Reinsurance Australia Corp., Ltd.	1,788,600	4,622,270
Woodside Petroleum Ltd.	353,500	2,043,682

		16,843,335

Austria (2.5%)

Boehler-Uddeholm AG `D'	75,220	6,139,696
Maculan Holdings AG Vorzuege #	9,290	43,133
V.A. Technologie AG	83,250	11,062,378

		17,245,207

Brazil (1.4%)

Panamerican Beverages, Inc. Class A	225,600	9,898,200

Chile (0.1%)

Enersis SA ADR	21,000	624,750

China (0.7%)

Ek Chor China Motorcycle Co., Ltd.	10,000	147,500
Henderson China Holding Ltd. `D'	735,000	2,038,235
Jilin Chemical Industrial Co., Ltd. Class H	5,656,000	1,133,394
Jilin Chemical Industrial Co., Ltd. ADR	72,500	1,413,750

		4,732,879

Denmark (1.8%)

International Service System AS Class B	269,150	7,616,377
Tele Danmark AS ADR	160,100	4,042,525
Tele Danmark AS Class B	16,800	845,480

		12,504,382

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO

STATEMENT OF NET ASSETS (CONT'D)

April 30, 1996 (Unaudited)

<TABLE>

<CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
COMMON STOCK (CONT'D)		
<S>	<C>	<C>
Finland (1.6%)		
Metra Oy Class B	60,650	\$ 2,507,856
Metsa-Serla Class B	574,000	4,189,175
Valmet Corp. Class A	311,500	4,314,940

		11,011,971

France (5.2%)

Cetelem	13,458	2,888,788
Fives-Lille (Compagnie De)	26,740	2,825,905
Lagardere Groupe	304,550	8,175,958
Scor SA	73,251	2,669,731
Total Cie Franc Des Petroles Class B	169,447	11,501,996
Usinor Sacilor SA `D'	556,300	8,608,572

		36,670,950

Germany (2.6%)		
Adidas AG	95,000	7,173,558
Adidas AG ADS	42,100	1,599,169
SGL Carbon AG	97,708	9,126,817

		17,899,544

Hong Kong (4.5%)		
Citic Pacific Ltd.	2,813,000	11,055,617
Hong Kong Land Holdings Ltd.	1,575,000	3,370,500
Hong Kong Land Holdings Ltd. ADR	275,000	2,942,500
HSBC Holdings PLC	289,925	4,329,197
Jardine Matheson Holdings Ltd. ADR	1,223,715	9,789,720

		31,487,534

India (3.1%)		
Associated Cement Companies Ltd.	5,185	609,602
Bharat Petroleum Corp. Ltd.	14,000	148,159
Hindalco Industries Ltd.	56,750	2,147,253
Hindalco Industries Ltd. GDR	137,800	6,097,650
India Cements Ltd.	20,250	92,472
Reliance Industries Ltd.	693,500	5,237,946
Reliance Industries Ltd. GDS	60,700	1,001,550
State Bank of India	548,350	4,825,289
The India Fund Inc. `D'	144,000	1,602,000

		21,761,921

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
STATEMENT OF NET ASSETS (CONT'D)
April 30, 1996 (Unaudited)

<TABLE>

<CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
COMMON STOCK (CONT'D)		
<S>	<C>	<C>
Indonesia (1.8%)		
P.T. Bank International Indonesia	457,350	\$ 2,249,503
P.T. Mulia Industrindo	1,615,800	3,116,631
P.T. Semen Gresik	646,000	2,235,941
P.T. Sinar Mas Multiartha `D'	107,000	136,444
P.T. Telekomunikasi Indonesia	2,076,500	3,448,966
P.T. Telekomunikasi Indonesia ADR	26,100	890,663
P.T. Tri Polyta Indonesia ADR	40,500	506,250

		12,584,398

Israel (1.3%)		
Ampal-American Israel Corp. Class A	233,000	1,368,875
ECI Telecommunications Limited Designs	299,850	7,833,581

		9,202,456

Japan (27.8%)		
Canon Inc.	470,000	9,338,046
Canon Inc. ADR	25,200	2,507,400

Daibiru Corp.	147,000	1,979,845
Daimaru Inc.	314,000	2,474,448
DDI Corp.	1,095	9,403,047
East Japan Railway Co.	413	2,205,244
Fujitsu Ltd.	312,000	3,218,646
Hankyu Realty	216,000	2,125,131
Hitachi Ltd.	452,750	4,886,880
Honda Motor Co.	425,000	9,702,455
Itochu Corp.	335,000	2,550,339
Jusco Co., Ltd.	158,000	4,889,865
Kao Corp.	500	6,686
Keyence Corp.	30,000	3,954,532
Kirin Beverage Corp.	144,000	2,035,725
Kyocera Corp.	42,000	3,161,333
Mitsubishi Corp.	180,000	2,561,849
Mitsubishi Estate Co., Ltd.	428,000	6,009,743
Mitsubishi Heavy Industries Ltd.	994,000	8,868,049
Murata Mfg. Co., Ltd.	70,290	2,725,928
NEC Corp.	612,000	7,774,955
Nikko Securities Company Ltd.	482,000	6,123,412
Nikon Corp.	506,000	6,814,978
Nippon Communication Systems Corp.	405,300	5,226,430
Nippon Telephone & Telegraph Corp.	1,437	11,131,360
NKK Corp. `D'	2,635,000	8,255,612

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
STATEMENT OF NET ASSETS (CONT'D)
April 30, 1996 (Unaudited)

<TABLE>		
<CAPTION>		
	NUMBER OF	VALUE
	SHARES	
	-----	-----
COMMON STOCK (CONT'D)		
<S>	<C>	<C>
Japan (cont'd)		
NTT Data Communications Systems Co.	164	\$ 5,733,499
Orix Corp.	186,700	7,721,951
Rohm Co., Ltd.	80,000	5,089,311
Shin-Etsu Chemical Co., Ltd.	73,080	1,598,560
Sony Corp.	110,500	7,177,381
Sony Corp. ADR	36,900	2,380,050
TDK Corp.	169,000	9,669,596
Toho Co., Ltd.	25,850	4,493,934
Tokyo Electron Ltd.	119,000	4,421,721
Tsuchiya Home Co.	78,180	1,530,891
Uny Co., Ltd.	277,500	5,380,886
Yokogawa Electric	422,000	4,917,757
York-Benimaru Co., Ltd.	107,400	4,308,721

		194,356,196

Malaysia (0.3%)		
Land & General BHD	171,000	456,174
Westmont Industries BHD	353,000	764,682
Westmont Industries BHD Class A `D'	494,200	1,030,905

		2,251,761

Mexico (0.6%)		
Gruma SA de CV Class B	982,000	3,970,350

New Zealand (5.2%)		
Brierley Investments Ltd.	8,882,083	8,354,860
Fletcher Challenge Building `D'	1,499,913	3,552,948
Fletcher Challenge Energy `D'	570,513	1,222,147
Fletcher Challenge Forestry	5,220,251	6,738,342
Fletcher Challenge Paper `D'	1,141,025	2,350,283
Lion Nathan Ltd.	3,200,800	7,977,539

Sky City Ltd. `D'	862,075	3,663,865
Wrightson Ltd.	3,271,735	2,336,228

		36,196,212

Norway (0.6%)		
Norsk Hydro AS ADR	98,144	4,514,624

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
STATEMENT OF NET ASSETS (CONT'D)
April 30, 1996 (Unaudited)

	NUMBER OF SHARES	VALUE
	-----	-----
COMMON STOCK (CONT'D)		
<S>	<C>	<C>
Pakistan (0.2%)		
Pakistan Telecommunications Corp. `D'	345	\$ 34,386
Pakistan Telecommunications Corp. GDR `D'	14,400	1,483,200

		1,517,586

Portugal (0.9%)		
Portugal Telecom SA	131,400	2,857,468
Portugal Telecom SA ADR	149,100	3,224,288

		6,081,756

Singapore (1.6%)		
DBS Land Ltd.	1,097,500	4,451,541
Development Bank of Singapore Ltd.	315,562	3,997,014
Development Bank of Singapore Ltd. ADR	34,750	1,763,563
IPC Corp., Ltd.	1,795,000	913,275

		11,125,393

South Korea (4.9%)		
Daewoo Electronics Co., Ltd.	419,450	4,581,502
Daewoo Heavy Industries	78,194	869,157
Hana Bank	215,051	4,781,306
Hanil Bank	484,453	6,771,883
Inchon Iron & Steel Co., Ltd.	17,000	552,686
Korea Europe Fund Ltd.	289	1,319,285
Korea Long Term Credit Bank	59,157	1,882,693
Korea Mobile Telecommunications Corp.	500	70,059
L.G. Construction Ltd.	12,530	318,805
Mando Machinery Corp.	6,000	340,524
Samsung Electronics Co., Ltd.	43,017	5,859,431
Samsung Electronics Co., Ltd. GDR	15,347	629,220
Samsung Electronics Co., Ltd. GDR	4,824	365,421
Samsung Heavy Industries Co., Ltd.	112,453	2,384,316
Ssangyong Investment & Securities Co., Ltd. `D'	141,630	3,366,943

		34,093,231

Spain (3.5%)		
Banco de Santander	30,300	1,408,914
Banco de Santander ADR	249,000	11,671,875
Repsol SA ADR	303,500	11,229,500

		24,310,289

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
 STATEMENT OF NET ASSETS (CONT'D)
 April 30, 1996 (Unaudited)

<TABLE>
 <CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
COMMON STOCK (CONT'D)		
<S>	<C>	<C>
Sweden (2.5%)		
Asea AB Series B	59,200	\$ 6,002,093
Astra AB Series B	266,100	11,744,492

		17,746,585

Switzerland (0.9%)		
BEC Brown Boveri AG	3,674	4,428,218
Danzas Holding AG	1,369	1,571,725

		5,999,943

Taiwan (4.6%)		
China Steel Corp.	7,023,000	6,591,575
Hocheng Group Corp.	1,210,000	2,583,091
Kwang Hua Growth Fund	346,000	128,625
Phoenixtec Power Co., Ltd. `D'	1,280,000	2,732,526
Taiwan Semiconductor Mfg. Co.	1,621,000	6,145,349
Ton Yi Industrial Corp.	4,115,560	5,907,720
Yang Ming Marine Transport Corp.	5,588,000	7,980,213

		32,069,099

Thailand (1.4%)		
Bangkok Bank Public Co., Ltd.	170,400	2,476,823
Industrial Finance Corp. of Thailand	1,310,832	5,309,963
Ruam Pattana Fund II	86,000	56,354
Thai Military Bank Ltd.	340,560	1,650,052

		9,493,192

United Kingdom (5.8%)		
AAF Industries PLC `D'	208,500	90,915
British Air Authority PLC	852,034	7,007,717
Cookson Group PLC	1,246,700	5,904,795
Grand Metropolitan PLC	992,600	6,522,109
London Pacific Group Ltd.	606,000	2,314,401
Prudential Corp. PLC	81,242	558,861
Reckitt & Colman PLC	473,986	5,188,347
Rolls-Royce PLC	1,734,000	6,179,164
Singer & Friedlander Group PLC	2,210,000	3,688,481
Takare PLC	1,222,900	2,758,129
Trio Holdings PLC `D'	1,648,500	173,508

		40,386,427

Zimbabwe (0.0%)		
Delta Corp. Ltd.	37,000	90,953

TOTAL COMMON STOCK (Cost \$564,439,574)		649,859,319

</TABLE>

See Accompanying Notes to Financial Statements.

	NUMBER OF SHARES	VALUE
<hr/>		
PREFERRED STOCK (0.3%)		
<S>	<C>	<C>
Austria (0.0%)		
Maculan Holdings AG Vorzuege #	31,100	\$ 144,396
South Korea (0.2%)		
Samsung Electronics Co., Ltd.	16,264	1,358,177
United Kingdom (0.1%)		
Singer & Friedlander Group PLC, 8.50% Convertible	348,947	682,080
TOTAL PREFERRED STOCK (Cost \$3,961,744)		2,184,653
<hr/>		
STOCK RIGHTS & WARRANTS (0.0%)		
Hong Kong (0.0%)		
Jardine Strategic Holdings Ltd. Wts., 05/02/98 `D'	384,600	18,894
Israel (0.0%)		
Ampal-American Israel Corp. Class A Wts., 01/31/99 `D'	95,000	29,688
Japan (0.0%)		
Bandai Industries Wts., 11/04/97 `D'	60	83,250
South Korea (0.0%)		
Samsung Heavy Industries Rts., 05/14/96 `D'	10,907	82,692
Switzerland (0.0%)		
Danzas Holdings AG Wts., 08/02/96 `D'	2,000	6,848
TOTAL STOCK RIGHTS & WARRANTS (Cost \$409,880)		221,372
<hr/>		
CALL OPTIONS (0.8%)		
Japan (0.4%)		
Topix Index, 05/10/96, (Strike Price \$1,323.64) `D'	3,126	1,215,326
Topix Index, 06/14/96, (Strike Price \$1,275.00) `D'	3,141	1,357,917
		2,573,243
Taiwan (0.4%)		
Taiwan Weighted Index, 07/11/96, (Strike Price \$183.42) `D'	21,193	937,771
Taiwan Weighted Index, 07/16/96, (Strike Price \$184.01) `D'	22,136	973,087
Taiwan Weighted Index, 08/02/96, (Strike Price \$174.89) `D'	16,984	898,280
		2,809,138
TOTAL CALL OPTIONS (Cost \$1,667,483)		5,382,381
<hr/>		

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
STATEMENT OF NET ASSETS (CONT'D)
April 30, 1996 (Unaudited)

	PAR=	VALUE
<hr/>		
CONVERTIBLE BONDS/NOTES (1.4%)		

<S>	<C>	<C>
Argentina (0.2%)		
Banco de Galicia & Buenos Aires SA 7.00%, 08/01/02	\$ 1,574,000	\$ 1,652,700

Japan (0.9%)		
Matsushita Electric Works Ltd. 2.70%, 05/31/02	(A) 521,000,000	6,315,303

New Zealand (0.1%)		
Brierley Investments Ltd. 9.00%, 06/30/98	(B) 1,028,875	904,225

Thailand (0.2%)		
Bangkok Bank Public Co., Ltd. 3.25%, 03/03/04	800,000	988,000

TOTAL CONVERTIBLE BONDS/NOTES (Cost \$8,710,921)		9,860,228

<CAPTION>		
SHORT-TERM INVESTMENTS (2.0%)		
<S>	<C>	<C>
Repurchase agreement with State Street Bank & Trust Co. dated 04/30/96 at 5.24% to be repurchased at \$14,104,053 on 05/01/96. (Collateralized by \$14,720,000 U.S. Treasury Bill due 10/03/96, with a market value of \$14,388,800.) (Cost \$14,102,000)	14,102,000	14,102,000

TOTAL INVESTMENTS AT VALUE (97.6%) (Cost \$593,291,602*)		681,609,953
OTHER ASSETS IN EXCESS OF LIABILITIES (2.4%)		16,950,188

NET ASSETS (100.0%) (applicable to 41,500,090 shares)		\$698,560,141

NET ASSET VALUE, offering and redemption price per share (\$698,560,141[div]41,500,090 shares)		\$16.83

</TABLE>

INVESTMENT ABBREVIATIONS

<TABLE>
<C>
<S>
ADR = American Depository Receipt
GDR = Global Depository Receipt
GDS = Global Depository Share
</TABLE>

`D' Non-income producing security.
Illiquid security.
* Cost for Federal income tax purposes is \$593,470,851.

= Unless otherwise indicated below, all bonds are denominated in U.S. Dollars.

(A) Denominated in Japanese Yen.
(B) Denominated in New Zealand Dollars.

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- SMALL COMPANY GROWTH PORTFOLIO
STATEMENT OF NET ASSETS
April 30, 1996 (Unaudited)

<TABLE>
<CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
<S>	<C>	<C>
COMMON STOCK (82.7%)		
Banks and Savings & Loans (0.3%)		
Great Financial Corp.	1,100	\$ 30,112

Business Services (11.4%)		
American Management Systems, Inc. `D'	5,800	154,425
Catalina Marketing Corp. `D'	1,600	124,600
CDI Corp. `D'	3,300	97,350
Checkpoint System, Inc. `D'	3,300	98,588
Continuum, Inc. `D'	2,000	114,000
Copart, Inc. `D'	3,300	89,925
Daisytek International Corp. `D'	3,300	134,475
Health Payment Review, Inc. `D'	3,300	141,900
Norrell Corp.	3,300	127,875
Quickresponse Services, Inc. `D'	3,300	96,525

		1,179,663

Capital Equipment (1.1%)		
Roper Industries, Inc.	2,500	116,250

Communications & Media (3.1%)		
Central European Media Enterprises Ltd. Class A `D'	5,100	145,988
Harte-Hanks Communications, Inc.	3,900	92,138
TCA Cable TV, Inc.	2,700	78,975

		317,101

Computers (15.8%)		
Borland International, Inc. `D'	4,900	80,238
Citrix Systems, Inc. `D'	3,300	257,400
Cognex Corp. `D'	5,100	136,425
FileNet Corp. `D'	2,500	140,000
Learning Tree International, Inc. `D'	3,300	82,500
National Instruments Corp. `D'	3,400	83,300
OrCad, Inc. `D'	10,700	143,112
Platinum Technology, Inc. `D'	5,800	84,825
Raptor Systems, Inc. `D'	4,000	132,000
Synopsys, Inc. `D'	6,600	272,249
System Software Associates, Inc.	6,600	157,575
Tecnomatix Technologies, Ltd. `D'	3,400	62,050

		1,631,674

Consumer Non-Durables (2.0%)		
Central Garden & Pet Co. `D'	5,800	61,625
Nature's Sunshine Products, Inc.	5,800	145,000

		206,625

Consumer Services (1.8%)		
DeVRY, Inc. `D'	5,100	189,975

</TABLE>

See Accompanying Notes to Financial Statements.

12

WARBURG PINCUS INSTITUTIONAL FUND, INC. -- SMALL COMPANY GROWTH PORTFOLIO
STATEMENT OF NET ASSETS (CONT'D)
April 30, 1996 (Unaudited)

<TABLE>
<CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
COMMON STOCK (CONT'D)		
<S>		
<C>		
<C>		
Electronics (5.4%)		
Burr-Brown Corp. `D'	3,900	\$ 75,075
Glenayre Technologies, Inc. `D'	2,500	116,250
Maxim Integrated Products, Inc. `D'	3,700	126,725
Methode Electronics, Inc. Class A	6,600	110,550
ThermoTrex Corp. `D'	2,500	130,937

		559,537

Energy (4.5%)		
Brown (Tom), Inc. `D'	6,400	99,200
Flores & Rucks, Inc. `D'	12,900	269,288
Texas Meridian Resources Corp. `D'	9,200	96,600

		465,088

Environmental Services (2.3%)		
Allied Waste Industries, Inc. `D'	12,900	125,775
Sanifill, Inc. `D'	2,500	108,437

		234,212

Financial Services (3.7%)		
Sirrom Capital Corp.	3,300	83,325
Transactions Systems Architects, Inc. Class A `D'	2,000	107,000
United Companies Financial Corp.	3,300	105,600
Vesta Insurance Group, Inc.	2,700	86,738

		382,663

Healthcare (10.4%)		
American Oncology Resources, Inc. `D'	2,500	119,375
Ballard Medical Products	3,400	67,575
Conmed Corp. `D'	4,900	145,775
EMCare Holdings, Inc. `D'	5,800	162,400
Endosonics Corp. `D'	6,600	114,675
Equimed, Inc. `D'	3,400	27,625
IDX Systems Corp. `D'	3,300	121,275
Medcath, Inc. `D'	2,300	89,700
Physicians Resource Group, Inc. `D'	2,700	81,337
Rexall Sundown, Inc. `D'	4,900	139,650

		1,069,387

Lodging & Restaurants (1.5%)		
Doubletree Corp. `D'	3,900	125,775
Renaissance Hotel Group NV `D'	1,400	26,600

		152,375

</TABLE>

See Accompanying Notes to Financial Statements.

13

WARBURG PINCUS INSTITUTIONAL FUND, INC. -- SMALL COMPANY GROWTH PORTFOLIO
STATEMENT OF NET ASSETS (CONT'D)
April 30, 1996 (Unaudited)

<TABLE>
<CAPTION>

	NUMBER OF SHARES	VALUE
	-----	-----
COMMON STOCK (CONT'D)		
<S>		
<C>		
<C>		
Oil Services (5.2%)		
Input/Output, Inc. `D'	6,600	\$ 229,350
Nabors Industries, Inc. `D'	9,700	149,137
Petroleum Geo Services ADR `D'	5,100	161,288

		539,775

Pharmaceuticals (4.6%)		
Alpharma Inc. Class A `D'	3,900	95,550
Gilead Sciences, Inc. `D'	4,900	149,450
La Jolla Pharmaceutical Co. `D'	16,000	136,000
Ligand Pharmaceuticals, Inc. Class B `D'	6,600	96,525

		477,525

Real Estate (1.5%)		
NHP, Inc. `D'	7,800	151,125

Retail (1.6%)		
Borders Group, Inc. `D'	5,100	163,200
Telecommunications & Equipment (1.9%)		
Teledata Communications Ltd. `D'	16,200	194,400
Transportation (4.6%)		
Heartland Express, Inc. `D'	6,600	193,050
Hub Group, Inc. Class A `D'	6,600	153,450
Mark VII, Inc. `D'	6,400	128,400
		474,900
TOTAL COMMON STOCK (Cost \$7,888,106)		8,535,587

<CAPTION>

	PAR	
SHORT-TERM INVESTMENTS (53.1%) +		
<S>	<C>	<C>
Repurchase agreement with State Street Bank & Trust Co. dated 04/30/96 at 5.24% to be repurchased at \$5,479,798 on 05/01/96. (Collateralized by \$5,530,000 U.S. Treasury Note at 6.00%, due 08/15/97, with a market value of \$5,592,213.) (Cost \$5,479,000)	\$5,479,000	5,479,000
TOTAL INVESTMENTS AT VALUE (135.8%) (Cost \$13,367,106*)		14,014,587
LIABILITIES IN EXCESS OF OTHER ASSETS (35.8%) #		(3,693,619)
NET ASSETS (100.0%) (applicable to 825,833 shares)		\$10,320,968
NET ASSET VALUE, offering and redemption price per share (\$10,320,968[div]825,833)		\$12.50

</TABLE>

INVESTMENT ABBREVIATIONS

<TABLE>
<C> <S>
ADR = American Depository Receipt
</TABLE>

`D' Non-income producing security.
 * Also cost for Federal income tax purposes.
 + Consists of \$5,000,000 subscription received on 04/29/96.
 # Unsettled security purchases were 36.7% of the Portfolio's net assets.

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. STATEMENT OF OPERATIONS

<TABLE>
 <CAPTION>

	INTERNATIONAL EQUITY PORTFOLIO	SMALL COMPANY GROWTH PORTFOLIO
	FOR THE SIX MONTHS ENDED APRIL 30, 1996 (UNAUDITED)	FOR THE PERIOD DECEMBER 29, 1995 (COMMENCEMENT OF OPERATIONS) THROUGH APRIL 30, 1996 (UNAUDITED)
<S>	<C>	<C>
INVESTMENT INCOME:		
Dividends (net of foreign taxes withheld of \$893,419)	\$ 5,451,611	\$ 1,974

Interest	591,004	7,896
	-----	-----
Total investment income	6,042,615	9,870
	-----	-----
EXPENSES:		
Investment advisory	2,345,980	8,035
Administrative services	602,436	1,786
Audit	12,264	5,942
Custodian/Sub-custodian	247,315	10,403
Directors	4,350	1,672
Insurance	3,687	397
Interest	92,890	0
Legal	20,011	10,889
Organizational	11,845	10,967
Printing	7,049	5,951
Registration	54,654	13,281
Transfer agent	9,778	15,872
Miscellaneous	6,893	2,974
	-----	-----
	3,419,152	88,169
	-----	-----
Less fees waived and expenses reimbursed	(633,301)	(78,520)
	-----	-----
Total expenses	2,785,851	9,649
	-----	-----
Net investment income	3,256,764	221
	-----	-----
NET REALIZED AND UNREALIZED GAIN FROM INVESTMENTS AND FOREIGN CURRENCY RELATED ITEMS:		
Net realized gain from security transactions	11,462,601	180,469
Net realized gain from foreign currency related items	15,471,951	0
Net change in unrealized appreciation from investments and foreign currency related items	56,627,008	647,481
	-----	-----
Net realized and unrealized gain from investments and foreign currency related items	83,561,560	827,950
	-----	-----
Net increase in net assets resulting from operations	\$ 86,818,324	\$828,171
	-----	-----
	-----	-----

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC.
STATEMENTS OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

INTERNATIONAL EQUITY PORTFOLIO		SMALL COMPANY GROWTH PORTFOLIO
-----		-----
FOR THE SIX MONTHS ENDED APRIL 30, 1996 (UNAUDITED)	FOR THE YEAR ENDED OCTOBER 31, 1995	FOR THE PERIOD DECEMBER 29, 1995 (COMMENCEMENT OF OPERATIONS) THROUGH APRIL 30, 1996 (UNAUDITED)
-----	-----	-----

<S>

<C>

<C>

<C>

FROM OPERATIONS:

Net investment income	\$ 3,256,764	\$ 4,659,886	\$ 221
Net realized gain (loss) from security transactions	11,462,601	(1,094,116)	180,469
Net realized gain from foreign currency related items	15,471,951	3,076,737	0
Net change in unrealized appreciation from investments and foreign currency related items	56,627,008	(6,017,482)	647,481
	-----	-----	-----
Net increase in net assets resulting from operations	86,818,324	625,025	828,171
	-----	-----	-----

FROM DISTRIBUTIONS:

Dividends from net investment income	(17,882,333)	(3,614,605)	0
Distributions from capital gains	0	(11,710,991)	0
	-----	-----	-----
Net decrease from distributions	(17,882,333)	(15,325,596)	0
	-----	-----	-----

FROM CAPITAL SHARE TRANSACTIONS:

Proceeds from sale of shares	143,443,192	253,425,787	9,491,797
Reinvested dividends	13,380,860	13,607,235	0
Net asset value of shares redeemed	(34,958,793)	(75,870,772)	0
	-----	-----	-----
Net increase in net assets from capital share transactions	121,865,259	191,162,250	9,491,797
	-----	-----	-----
Net increase in net assets	190,801,250	176,461,679	10,319,968

NET ASSETS:

Beginning of period	507,758,891	331,297,212	1,000
	-----	-----	-----
End of period	\$698,560,141	\$507,758,891	\$ 10,320,968
	-----	-----	-----

</TABLE>

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- INTERNATIONAL EQUITY PORTFOLIO
FINANCIAL HIGHLIGHTS
(For a Share of the Portfolio Outstanding Throughout Each Period)

<TABLE>
<CAPTION>

	FOR THE SIX MONTHS ENDED APRIL 30, 1996 (UNAUDITED)	FOR THE YEAR ENDED OCTOBER 31,			SEPTEMBER 1, 1992 (COMMENCEMENT OF OPERATIONS) THROUGH OCTOBER 31, 1992
		1995	1994	1993	
<S>	<C>	<C>	<C>	<C>	<C>
NET ASSET VALUE, BEGINNING OF PERIOD	\$15.10	\$16.34	\$13.49	\$ 9.62	\$ 10.00
	-----	-----	-----	-----	-----
Income from Investment Operations:					
Net Investment Income	.12	.15	.17	.10	.02
Net Gain (Loss) from Securities and Foreign Currency Related Items (both realized and unrealized)	2.11	(.64)	2.87	3.87	(.40)
	-----	-----	-----	-----	-----
Total from Investment Operations	2.23	(.49)	3.04	3.97	(.38)
	-----	-----	-----	-----	-----
Less Distributions:					
Dividends from net investment income	(.50)	(.18)	(.07)	(.10)	.00
Distributions from capital gains	.00	(.57)	(.12)	.00	.00
	-----	-----	-----	-----	-----
Total Distributions	(.50)	(.75)	(.19)	(.10)	.00

	-----	-----	-----	-----	-----
NET ASSET VALUE, END OF PERIOD	\$16.83	\$15.10	\$16.34	\$13.49	\$ 9.62
	-----	-----	-----	-----	-----
Total Return	15.20%`D'	(2.83%)	22.62%	41.61%	(3.80%)`D'
RATIOS /SUPPLEMENTAL DATA:					
Net Assets, End of Period (000s)	\$698,560	\$507,759	\$331,297	\$109,280	\$18,613
Ratios to average daily net assets:					
Operating expenses	.95%*	.95%	.95%	.95%	.95%*
Net investment income	1.11%*	1.20%	.59%	.75%	1.22%*
Decrease reflected in above expense ratios due to waivers/reimbursements	.21%*	.23%	.29%	.44%	.85%*
Portfolio Turnover Rate	17.21%`D'	39.70%	19.34%	19.40%	8.25%`D'
Average Commission Rate #	\$.0191	--	--	--	--

</TABLE>

`D' Non-Annualized
* Annualized

Computed by dividing the total amount of commissions paid by the total number of shares purchased and sold during the period for which there was a commission charge.

See Accompanying Notes to Financial Statements.

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WARBURG PINCUS INSTITUTIONAL FUND, INC. -- SMALL COMPANY GROWTH PORTFOLIO
FINANCIAL HIGHLIGHTS
(For a Share of the Portfolio Outstanding Throughout the Period)

<TABLE>
<CAPTION>

	DECEMBER 29, 1995 (COMMENCEMENT OF OPERATIONS) THROUGH APRIL 30, 1996 (UNAUDITED)
<S>	<C>
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 10.00

Net Investment Income	0.00
Net Gain on Securities (both realized and unrealized)	2.50

Total from Investment Operations	2.50

NET ASSET VALUE, END OF PERIOD	\$ 12.50

Total Return	25.00%`D'
RATIOS /SUPPLEMENTAL DATA:	
Net Assets, End of Period (000s)	\$10,321
Ratio to average daily net assets:	
Operating expenses	1.08%*
Net investment income	0.02%*
Decrease reflected in above expense ratios due to waivers/reimbursements	8.79%*
Portfolio Turnover Rate	40.65%`D'
Average Commission Rate #	\$.0564

</TABLE>

`D' Non-Annualized
* Annualized

Computed by dividing the total amount of commissions paid by the total number of shares purchased and sold during the period for which there was a commission charge.

WARBURG PINCUS INSTITUTIONAL FUND, INC.
NOTES TO FINANCIAL STATEMENTS
April 30, 1996 (Unaudited)

1. SIGNIFICANT ACCOUNTING POLICIES

Warburg Pincus Institutional Fund, Inc. (the 'Fund') is an open-end management investment company and currently offers three managed investment funds (the 'Portfolios'): International Equity Portfolio, which commenced operations on September 1, 1992, seeks long-term capital appreciation by investing in equity securities of principally non-United States issuers; Small Company Growth Portfolio, which commenced operations on December 29, 1995, seeks capital growth by investing primarily in equity securities of small-sized domestic companies; and Global Fixed Income Portfolio, which as of April 30, 1996, had not commenced operations, seeks to maximize total investment return consistent with prudent investment management while preserving capital by investing in investment grade fixed income securities of issuers throughout the world, including United States issuers.

The net asset values of the Portfolios are determined daily as of the close of regular trading on the New York Stock Exchange. The Portfolio's investments are valued at market value, which is currently determined using the last reported sales price. If no sales are reported, investments are generally valued at the last reported mean price. In the absence of market quotations, investments are generally valued at fair value as determined by or under the direction of the Fund's Board of Directors. Short-term investments that mature in 60 days or less are valued on the basis of amortized cost, which approximates market value.

The books and records of the Portfolios are maintained in U.S. dollars. Transactions denominated in foreign currencies are recorded at the current prevailing exchange rates. All assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the current exchange rate at the end of the period. Translation gains or losses resulting from changes in the exchange rate during the reporting period and realized gains and losses on the settlement of foreign currency transactions are reported in the results of operations for the current period. The Fund does not isolate that portion of gains and losses on investments in equity securities which are due to changes in the foreign exchange rate from that which are due to changes in market prices of equity securities. The Fund isolates that portion of gains and losses on investments in debt securities which are due to changes in the foreign exchange rate from that which are due to changes in market prices of debt securities.

Security transactions are accounted for on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The cost of investments sold is determined by use of the specific identification method for both financial reporting and income tax purposes.

Dividends from net investment income and distributions of net realized capital gains, if any, are declared and paid annually. However, to the extent that a

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WARBURG PINCUS INSTITUTIONAL FUND, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
April 30, 1996 (Unaudited)

net realized capital gain can be reduced by a capital loss carryover, such gain will not be distributed. Income and capital gain distributions are determined in accordance with Federal income tax regulations which may differ from generally accepted accounting principles.

No provision is made for Federal taxes as it is the Fund's intention to have each portfolio continue to qualify for and elect the tax treatment applicable to regulated investment companies under the Internal Revenue Code and make the requisite distributions to its shareholders which will be sufficient to relieve it from Federal income and excise taxes.

Costs incurred by the Portfolios in connection with their organization have been deferred and are being amortized over a period of five years from the date each Portfolio commences its operations. Costs incurred by the Portfolios in connection with the offering of its shares have been deferred and are being amortized over a one year period from the date each Portfolio commences its operations.

The Portfolios may enter into repurchase agreement transactions. Under the terms of a typical repurchase agreement, a Portfolio acquires an underlying security subject to an obligation of the seller to repurchase. The value of the underlying security collateral will be maintained at an amount at least equal to the total amount of the purchase obligation, including interest. The collateral is in the Portfolio's possession.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

The Portfolios have an arrangement with their transfer agent whereby interest earned on uninvested cash balances was used to offset a portion of the transfer agent expense. For the period ended April 30, 1996, the International Equity Portfolio and the Small Company Growth Portfolio had credits or reimbursements of \$9,778 and \$3, respectively under this arrangement.

2. INVESTMENT ADVISER, CO-ADMINISTRATORS AND DISTRIBUTOR

Warburg, Pincus Counsellors, Inc. ('Warburg'), a wholly owned subsidiary of Warburg, Pincus Counsellors G.P. ('Counsellors G.P.'), serves as each Portfolio's investment adviser. For its investment advisory services, Warburg receives the following fees based on each Portfolio's average daily net assets:

PORTFOLIO	ANNUAL RATE
International Equity	.80% of average daily net assets
Small Company Growth	.90% of average daily net assets

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WARBURG PINCUS INSTITUTIONAL FUND, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT'D)
 April 30, 1996 (Unaudited)

For the period ended April 30, 1996, investment advisory fees, waivers and reimbursements were as follows:

PORTFOLIO	GROSS ADVISORY FEE	WAIVER	NET ADVISORY FEE	EXPENSE REIMBURSEMENTS
International Equity	\$2,345,980	(\$550,846)	\$1,795,134	\$ 0
Small Company Growth	8,035	(8,035)	0	(69,589)

Counsellors Funds Service, Inc. ('CFSI'), a wholly owned subsidiary of Warburg, and PFPC Inc. ('PFPC'), an indirect, wholly owned subsidiary of PNC Bank Corp. ('PNC'), serve as each Portfolio's co-administrators. For its administrative services, CFSI receives a fee calculated at an annual rate of .10% of the Portfolios' average daily net assets. For the period ended April 30, 1996, administrative services fees earned by CFSI were as follows:

PORTFOLIO	CO-ADMINISTRATION FEE
-----------	-----------------------

<S>	<C>
International Equity	\$ 293,248
Small Company Growth	893

For its administrative services, PFPC currently receives a fee calculated at an annual rate of .10% of the average daily net assets of the Small Company Growth Portfolio. For the International Equity Portfolio, PFPC receives a fee based on the following fee structure:

AVERAGE DAILY NET ASSETS	ANNUAL RATE
<S>	<C>
First \$250 million	.12% of average daily net assets
Second \$250 million	.10% of average daily net assets
Third \$250 million	.08% of average daily net assets
Over \$750 million	.05% of average daily net assets

For the period ended April 30, 1996, administrative service fees earned and waived by PFPC were as follows:

PORTFOLIO	CO-ADMINISTRATION FEE	WAIVER	NET CO-ADMINISTRATION FEE
<S>	<C>	<C>	<C>
International Equity	\$ 309,188	\$ (72,677)	\$ 236,511
Small Company Growth	893	(893)	0

Counsellors Securities Inc. ('CSI'), also a wholly owned subsidiary of Warburg, acts as distributor of each Portfolio's shares. No compensation is payable by the Portfolios to CSI for its distribution services.

3. INVESTMENTS IN SECURITIES

Purchases and sales of investment securities for the period ended April 30, 1996 (excluding short-term investments) were as follows:

PORTFOLIO	PURCHASES	SALES
<S>	<C>	<C>
International Equity	\$209,374,152	\$96,947,607
Small Company Growth	8,875,710	1,168,073

At April 30, 1996, the net unrealized appreciation from investments for those securities having an excess of value over cost and net depreciation from

WARBURG PINCUS INSTITUTIONAL FUND, INC.
 NOTES TO FINANCIAL STATEMENTS (CONT'D)
 April 30, 1996 (Unaudited)

investments for those securities having an excess of cost over value (based on cost for Federal income tax purposes) was as follows:

PORTFOLIO	UNREALIZED APPRECIATION	UNREALIZED DEPRECIATION	NET UNREALIZED APPRECIATION
<S>	<C>	<C>	<C>
International Equity	\$109,564,537	\$ (21,425,435)	\$ 88,139,102
Small Company Growth	711,031	(63,550)	647,481

4. FORWARD FOREIGN CURRENCY CONTRACTS

The Portfolios may enter into forward currency contracts for the purchase or sale of a specific foreign currency at a fixed price on a future date. Risks may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar. Each Portfolio will enter into forward contracts primarily for hedging purposes. The forward currency contracts are adjusted by the daily exchange rate of the underlying currency and any gains or losses are recorded for financial statement purposes as unrealized until the contract settlement date.

At April 30, 1996, the International Equity Portfolio had the following open forward foreign currency contracts:

<TABLE>
<CAPTION>

FORWARD CURRENCY CONTRACT	EXPIRATION DATE	FOREIGN CURRENCY TO BE SOLD	CONTRACT AMOUNT	CONTRACT VALUE	UNREALIZED FOREIGN EXCHANGE GAIN/(LOSS)
<S>	<C>	<C>	<C>	<C>	<C>
French Francs	09/24/96	150,665,950	\$ 30,034,676	\$ 29,366,146	\$ 668,530
Japanese Yen	03/05/97	3,972,915,600	39,300,000	39,511,723	(211,723)
Japanese Yen	03/05/97	3,398,640,000	33,600,000	33,800,397	(200,397)
Japanese Yen	03/05/97	2,673,850,000	26,500,000	26,592,163	(92,163)
Japanese Yen	03/05/97	1,766,012,500	17,500,000	17,563,473	(63,473)
Japanese Yen	03/05/97	971,424,000	9,600,000	9,661,075	(61,075)
Japanese Yen	03/05/97	202,400,000	2,000,000	2,012,923	(12,923)
Japanese Yen	03/05/97	124,596,500	1,232,409	1,239,146	(6,737)
			-----	-----	-----
			\$159,767,085	\$159,747,046	\$ 20,039
			-----	-----	-----

</TABLE>

5. EQUITY SWAP TRANSACTIONS

The International Equity Portfolio (the 'Portfolio') entered into a Taiwanese equity swap agreement (which represents approximately .48% of the Portfolio's net assets at April 30, 1996) dated August 11, 1995, where the Portfolio receives a quarterly payment, representing the total return (defined as market appreciation and dividend income) on a basket of three Taiwanese common stocks ('Common Stocks'). In return, the Portfolio pays quarterly the Libor rate (London Interbank Offered Rate), plus 1.25% per annum (6.508% on April 30, 1996) on the market value of the Common Stocks ('Notional amount') which is currently \$2,583,878. The Notional amount is marked to market on each quarterly reset date. In the event that the Common Stocks decline in value, the Portfolio will be required to pay quarterly, the amount of any depreciation in value from the notional amount. The equity swap agreement will terminate on August 11, 1996.

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WARBURG PINCUS INSTITUTIONAL FUND, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
April 30, 1996 (Unaudited)

During the term of the equity swap transaction, changes in the value of the Common Stocks as compared to the Notional amount is recognized as unrealized gain or loss. Dividend income for the Common Stocks are recorded on the ex-dividend date. Interest expense is accrued daily. At April 30, 1996, the Portfolio has recorded an unrealized gain of \$778,199 and interest payable of \$36,433 on the equity swap transaction.

6. CAPITAL SHARE TRANSACTIONS

The Fund is authorized to issue up to three billion full and fractional shares of common stock of separate series having a \$.001 par value per share. Shares of three series have been authorized, which constitute the interest in the Portfolios.

Transactions in shares of each Portfolio were as follows:

<TABLE>
<CAPTION>

	INTERNATIONAL EQUITY PORTFOLIO		SMALL COMPANY GROWTH PORTFOLIO
	FOR THE SIX MONTHS ENDED APRIL 30, 1996 (UNAUDITED)	FOR THE YEAR ENDED OCTOBER 31, 1995	FOR THE PERIOD DECEMBER 29, 1995 (COMMENCEMENT OF OPERATIONS) THROUGH APRIL 30, 1996 (UNAUDITED)
<S>	<C>	<C>	<C>
Shares sold	9,188,484	17,573,932	825,733
Shares issued to shareholders on reinvestment of dividends	898,044	939,078	0
Shares redeemed	(2,222,462)	(5,146,019)	0
Net increase in shares outstanding	7,864,066	13,366,991	825,733

</TABLE>

7. NET ASSETS

Net assets at April 30, 1996, consisted of the following:

<TABLE>
<CAPTION>

	INTERNATIONAL EQUITY PORTFOLIO	SMALL COMPANY GROWTH PORTFOLIO
<S>	<C>	<C>
Capital contributed, net	\$593,483,584	\$ 9,492,797
Accumulated net investment income	8,296,436	221
Accumulated net realized gain from security transactions	7,624,180	180,469
Net unrealized appreciation from investments and foreign currency related items	89,155,941	647,481
Net assets	\$698,560,141	\$ 10,320,968

</TABLE>

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Further information is contained in the Prospectus, which must precede or accompany this report.

[LOGO]

P.O. BOX 9030, BOSTON, MA 02205-9030
800-WARBURG (800-927-2874)

COUNSELLORS SECURITIES INC., DISTRIBUTOR

WPINS-3-0496

STATEMENT OF DIFFERENCES

The dagger symbol shall be expressed as `D'
The division sign shall be expressed as [div]