

28 August 2009

Fact sheet

Fund Manager Comment

Market Performance

Equities continued to tear higher, the FTSE World rising 5.6% in Sterling terms. The month certainly started on an encouraging note, with both the S&P 500 and NASDAQ Composite indices breaking through key resistance levels (1000 and 2000 respectively). Economic news flow dominated markets as the majority of key second quarter earnings releases occurred last month and surprises were therefore relatively limited. Although the economic data remained mixed, it was taken positively by markets with better than expected housing starts (pending, existing and new) and a slowing pace of job losses, offsetting weaker than expected US consumer confidence.

Unfortunately equities gave up some ground mid month as a sharp correction in the Chinese stock market sparked increased risk aversion worldwide. Asian indices were amongst the worst affected, but with Chinese growth central to the global economic recovery most markets were impacted. Stronger than expected growth created increased speculation that the Chinese may attempt to tighten liquidity to prevent a housing or equity bubble gaining momentum. Despite these risks, markets (ex China) soon recovered aided by remarks from the US Federal Reserve suggesting they saw signs of global stabilisation but combined with expectations of a slow recovery.

Technology Performance

The technology sector modestly trailed the broader market during the month, the Dow Jones World Tech Index advancing 4.8% in Sterling terms. This modest underperformance reflected healthy rotation in the broader market as evidence of further improvement in technology fundamentals was commonplace during the month. Cisco reported encouraging July quarter results; although earnings upside was largely due to cost cutting they also cited improving sequential order growth from enterprise customers, particularly in the US. Dell also saw signs of stabilisation in the US and Asia and indicated they expect to see a PC refresh cycle in 2010 driven by Windows 7.0 and pent-up demand due to an aging PC installed base. A number of cyclical semiconductor and EMS companies - such as Marvell, Quanta and Hon Hai - reported solid earnings later eclipsed by sharply increased revenue and gross margin guidance from industry bellwether Intel. Encouragingly two of our core secular growth positions, Salesforce.com and Aruba Networks also reported strong year over year growth and solid guidance despite the tough backdrop.

Outlook

We continue to believe that ongoing deleveraging will result in a prolonged period of below trend global GDP growth. With credit availability tight and unemployment still rising, structural inflationary pressures appear unlikely to materialise. As such we expect interest rates to remain low for longer than initially anticipated. Clearly this should be supportive of long duration assets / sectors including technology. However, our optimism remains based on a belief that a new technology cycle is underway. As previously discussed, distributed computing has the potential to dramatically lower the cost of computing for small and mid-sized companies thus significantly expanding the addressable market. Concurrently, IT budgets remain significantly pressured which is accelerating the progress of myriad new and disruptive technologies largely at the expense of existing suppliers.

Whilst this augers well for next-generation companies, the incremental opportunity for legacy vendors is often marginal and comes at deleterious margins. In short, we do not expect legacy companies to fare well over the coming years as we believe that **the value of incumbency is greatly diminished during new technology cycles**. We therefore continue to pare our exposure to last-generation companies in favour of those with secular growth ahead of them. Although we anticipate small and mid cap medium-term outperformance I remain philosophically market-cap agnostic and as such will likely retain a healthy weighting in large-caps that have little to lose from a new cycle whilst offering growth at a reasonable price (eg. Apple, Google, Qualcomm)

Ben Rogoff, 8th September 2009

Trust Facts

Share Price (p)	212.00
NAV per Share (p)	240.93
Discount (%)	-12.01
Total Assets (£m)	328
Borrowing (£m)	27
Cash & Fixed Interest (£m)	27
Gearing Ratio*	108.79
Capital Structure	126,497,914 Ordinary shares of 25p

* Gearing is expressed as a ratio of total assets to shareholders' funds multiplied by 100. The calculation ignores the effect of cash or fixed interest holdings.

Trust Characteristics

Launch Date	16 December 1996
Lead Manager	Ben Rogoff
Deputy Manager	Craig Mercer
Year End	30 April
Results Announced	Mid June
Next AGM	July 2010
Continuation Vote	2010 AGM; every 5 years
Listed	London Stock Exchange

Benchmark

Dow Jones World Technology Index (Total Return)
(from 1 May 2006)

Fees*

Management Fee	1.00%
Performance Fee	15% over Benchmark
Total Expense Ratio (historic)	1.31%

* Further details can be found in the Report & Accounts

Trust Overview

Objective

The investment objective is to maximize capital growth for our shareholders through investing in a diversified portfolio of technology companies around the world.

Investment Rationale

Over the last two decades the technology industry has been one of the most vibrant, dynamic and rapidly growing segments of the global economy. Technology companies offer the potential for substantially faster earnings growth than the broad market, reflecting the accelerating rate of adoption of new technology. Technology is transforming the competitive position of companies and entire economies, thereby fuelling a major secular increase in technology spending.

Full details of the Investment Objective, Rational and Strategy are available on the company's website.

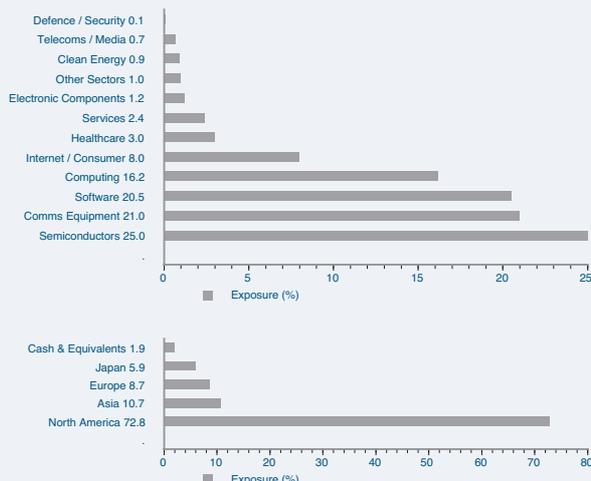
Approach

Polar Capital selects companies for their potential for generating capital growth, not on the basis of technology for its own sake. We believe in rigorous fundamental analysis and focus on: management quality, the identification of new growth markets, the globalisation of major technology trends, and exploiting international valuation anomalies and sector volatility.

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Sector & Geographic Exposure (%)



Total Number of Holdings 116

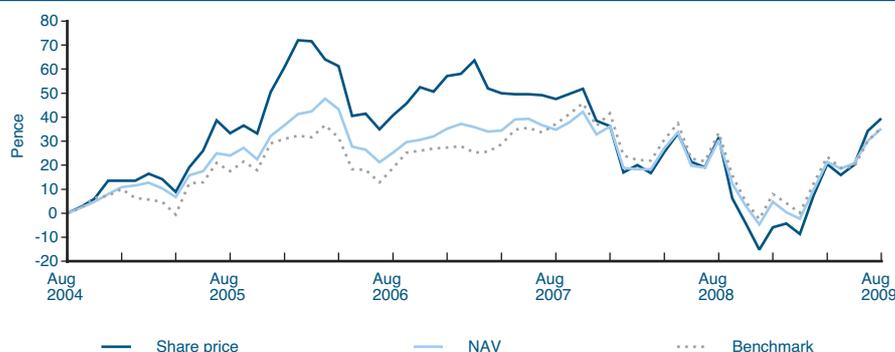
Top Ten Holdings (%)

Apple	5.6
Google	4.7
Microsoft	4.4
Cisco Systems	4.2
Qualcomm	3.4
Intel	3.2
Samsung Electronics	3.1
International Business Machines	3.0
Hewlett-Packard	2.7
Oracle	2.6
Total	36.9

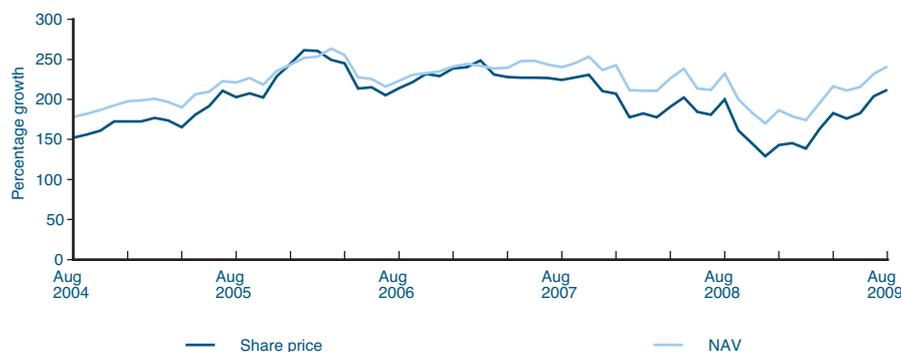
Market Capitalisation Exposure (%)

Large (greater than US\$ 10bn)	64.0
Medium (US\$ 1bn to 10bn)	25.7
Small (less than US\$ 1bn)	10.3

Performance Over 5 Years



Share Price & NAV per Share Over 5 Years



Cumulative Performance (%) to 28/08/2009

	1 Month	3 Months	6 Months	1 Year	5 Years
Share Price	3.92	20.28	52.79	6.00	39.47
NAV per Share	3.92	14.07	38.33	3.66	35.22**
Benchmark	4.19	14.09	35.44	1.60	35.64

Discrete Annual Performance (%)

	30/06/08 30/06/09	29/06/07 30/06/08	30/06/06 29/06/07	30/06/05 30/06/06	30/06/04 30/06/05
Share Price	-0.95	-18.81	5.70	12.27	16.41
NAV per Share	0.92	-14.02	10.17	7.57	8.10
Benchmark	-2.62	-9.57	14.85	4.61	-0.94

Source: Lipper & HSBC Securities Services (UK) Limited, percentage growth, total return

**Not Adjusted for warrant exercise in September 2005. NAV per share performance is calculated on the basis of diluted NAV for the entire period.

It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this list. A list of all recommendations made within the immediately preceding 12 months is available upon request.

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Polar Capital Technology Investment Management Team

Polar Capital Technology Trust is managed by the Polar Capital technology team. Polar Capital was established by the senior technology fund managers previously responsible for Henderson's specialist technology funds. Today's Polar Capital technology team comprises of six investment professionals.

Ben Rogoff - Fund Manager



In May 2006, he took over the responsibility for managing the portfolio following three successful years running the US portfolio. Ben has been a technology specialist for over twelve years, having begun his career in at CMI as a global tech analyst. He moved to Aberdeen Fund Managers in 1998 as a senior technology manager prior to joining Polar Capital in May 2003.

Craig Mercer - Deputy Manager



In May 2006, Craig became the Deputy Manager of the Trust. Craig has twelve years fund management experience. He joined Scottish Equitable (later Aegon) in 1997 after gaining an economics degree from York University. He was responsible for the Aegon Japan OEIC. At Polar Capital he focuses on Japanese technology stocks.

Technology Investment Management Team:

Nick Evans - Fund Manager

Nick recently joined Polar Capital and has eleven years experience as a technology specialist. He was previously Head of Technology at AXA Framlington where, since August 2001, he had been lead manager of the AXA Framlington Global Technology Fund and the AXA World Fund (AWF) - Framlington Global Technology. Prior to this he spent three years as a Pan European Investment Manager and Technology Analyst at Hill Samuel Asset Management. He started his career as an IT graduate trainee at Lloyds TSB. He graduated from Hull University with a degree in Economics with Business Economics in 1994.

Fatima Iu - Analyst

Fatima joined Polar Capital in April 2006 after working as an analyst with Citigroup Asset Management for 18 months. She graduated from Imperial College London in 2002.

Brian Ashford-Russell - Founder/Director of Polar Capital

Brian was head of the technology team at Henderson Global Investors (and prior to that Touche Remnant) from 1987 until his resignation in September 2000 to set up Polar Capital. He has been the appointed fund manager of Polar Capital Technology Trust plc, previously named Henderson Technology Trust and its predecessor TR Technology, since TR Tech's launch in 1988. He also managed the Henderson Global Tech Unit Trust from its launch in 1984 to 1996 as well as co-managing the Seligman Global Tech and Mackenzie Universal Science & Tech funds.

Tim Woolley - Founder/Director of Polar Capital

Tim began his career as a systems analyst for two leading financial service companies. He then joined Prolific as a trainee US fund manager in 1987 and was promoted to lead manager of the technology fund in 1993. He joined Henderson's technology team in 1996 and launched the Henderson Horizon fund that focused on small and mid cap companies. Tim left with Brian to establish Polar Capital in 2001.

How to Invest

Market Purchases

The shares of Polar Capital Technology Trust PLC are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

Share Dealing Services

The company has arranged for Shareview Dealing, a telephone and internet share sale service offered by Equiniti to be made available.

Tel: 0870 850 0852
Online: www.shareview.co.uk/dealing

Savings Scheme & ISA

Shares in the company may be purchased through a share saving scheme and an ISA administered by BNP Paribas Fund Services, by contacting:

BNP Paribas Fund Services UK Ltd (Polar Capital)
Block C, Western House
Lynchwood Business Park
Peterborough, PE2 6BP

Tel: 0845 358 1109
Fax: 01733 285 822

Registered Office

4 Matthew Parker Street, London SW1H 9NP

Custodian

JP Morgan Chase NA acts as global custodian for all the Company's investments.

Registrar

Equiniti
The Causeway, Worthing, West Sussex BN99 6DA
www.shareview.co.uk

Codes

London Stock Exchange	PCT
Reuters	PCT.L
Bloomberg	PCT.LN
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Website

www.polarcapitaltechnologytrust.co.uk

House View

This document has been produced based on Polar Capital research and analysis and represents our house view. All sources are Polar Capital unless otherwise stated.

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Holdings

The top 10 positions were selected based on percentage of AUM. This portfolio data is "as at" the date indicated and should not be relied upon as a complete or current listing of the holdings (or top holdings) of the fund. The holdings may represent only a small percentage of the aggregate portfolio holdings, are subject to change without notice, and may not represent current or future portfolio composition. Information on particular holdings may be withheld if it is in the fund's best interest to do so. A complete list of the portfolio holdings may be made available upon request. It should not be assumed that any of the securities transactions or holdings discussed was or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. The information provided in this document should not be considered a recommendation to purchase or sell any particular security.

Benchmarks

The following benchmark index is used: Dow Jones World Technology Index (Total Return). This benchmark is generally considered to be representative of the Technology equity universe. This benchmark is a broad-based index which is used for comparative/illustrative purposes only and has been selected as it is well known and is easily recognizable by investors. Please refer to www.djindexes.com for further information on this index. Comparisons to benchmarks have limitations because benchmarks have volatility and other material characteristics that may differ from the fund. For example, investments made for the fund may differ significantly in terms of security holdings, industry weightings and asset allocation from those of the benchmark. Accordingly, investment results and volatility of the fund may differ from those of the benchmark. Also, the index noted in this presentation is unmanaged, are not available for direct investment, and is not subject to management fees, transaction costs or other types of expenses that the fund may incur. In addition, the performance of the index reflects reinvestment of dividends and, where applicable, capital gain distributions. Therefore, investors should carefully consider these limitations and differences when evaluating the comparative benchmark data performance. The information regarding the index is included merely to show the general trends in the periods indicated and is not intended to imply that the fund was similar to the index in composition or risk.

Regulatory Status

This document is Issued in the UK by Polar Capital. Polar Capital LLP is a limited liability partnership number OC314700. It is authorised and regulated by the Financial Services Authority. A list of members is open to inspection at the registered office, 4 Matthew Parker Street, London SW1H 9NP

Information Subject to Change

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Forecasts

References to future returns are not promises or even estimates of actual returns Polar Capital may achieve, and should not be relied upon. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. In addition, the forecasts are based upon subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never do so.

Performance

Performance is shown net of fees and expenses and includes the reinvestment of dividends and capital gain distributions. Many factors affect fund performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment return and principal value of your investment will fluctuate, so that when your investment is sold, the amount you receive could be less than what you originally invested. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Stock markets and currency movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Where investments are made in emerging markets, unquoted securities or smaller companies, their potential volatility may increase the risk to the value of, and the income from, the investment. Investments are not insured by the FDIC (or any other state or federal agency), are not guaranteed by any bank, and may lose value.

Investment Process - Risk

No investment process or strategy is free of risk and there is no guarantee that the investment process or strategy described herein will be profitable. Investors may lose all of their investments.

Allocations

The strategy allocation percentages set forth in this document are estimates and actual percentages may vary from time-to-time. The types of investments presented herein will not always have the same comparable risks and returns. Please see the private placement memorandum for a description of the investment allocations as well as the risks associated therewith. Please note that the fund may elect to invest assets in different investment sectors from those depicted herein, which may entail additional and/or different risks. The actual performance of the fund will depend on the Investment Manager's ability to identify and access appropriate investments, and balance assets to maximize return to the fund while minimizing its risk. The actual investments in the fund may or may not be the same or in the same proportion as those shown herein.