

Polar Capital Partners Factsheet

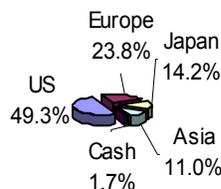
Polar Capital Technology Investment Trust Plc.

30 December 2005

Price:		Fund Particulars:		Portfolio Analysis:	
Share Price	244.50	Management:	Polar Capital Partners Ltd	Gearing: 113.6%	
NAV per Share	242.77	Sales/Marketing:	+44 207 227 2709	The gearing figure is calculated by dividing the Trust's gross assets by its net assets. This calculation ignores the effect of any cash or fixed interest holdings.	
Premium	0.71	Lead Managers:			
Net Yield	N/A	Brian Ashford-Russell/Ben Rogoff			
Gross Total Assets	£370.4m	Established December 1996			
Management Fee	1%p.a plus performance fee				

<u>Top Ten Holdings</u>	<u>%</u>	<u>Sector Breakdown</u>	<u>%</u>
Motech	2.8	Semi Conductors	18.9
Genentech	1.5	Healthcare	13.7
JSR	1.4	Other Sectors	11.9
Tokyo Electron	1.4	Software	13.0
Medtronic	1.4	Computing	8.0
Infosys Techs	1.3	Services	12.0
CKD	1.3	Electronic Components	5.0
Konica Minolta	1.3	Comms Eq (ex wireless)	4.5
Keyence	1.3	Consumer	4.0
KLA Tenor	1.2	Telecoms/Media	3.8
Total Top Ten :	14.9	Wireless	2.7
		Defence	2.6
		Futures & Options	0.0

Geographical Breakdown%



Market Cap

Market Cap	%
Large (> \$10bn)	39.9
Medium (\$1-10bn)	33.9
Small (<\$1bn)	26.2

Performance Over:	1yr(%)	3yrs(%)
Share Price	41.74	100.00
NAV Diluted	22.85	82.88
FT/S&P World Index	21.74	51.95

All figures capital performance only; Source HSBC

Polar Capital Technology Investment Trust Over Past 12 Months



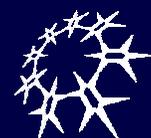
Manager Comment

Favourable macroeconomic data allowed global equity markets to build on their November gains. Despite a (well-anticipated) 0.25% hike in US interest rates, investors remained sanguine about the possible end to the current rate cycle, no doubt encouraged by positive data both on prices (PPI, CPI) and growth (ISM, Empire Manufacturing, Consumer Confidence). With credit spreads remaining tight, the backdrop for ongoing M&A continues to help underpin markets, and whilst the pace of actual announcements necessarily slowed heading into the seasonal period, rumours of large private equity transactions abounded. The technology sector continued to garner its share of these supposed take-outs, with two computer services companies (Affiliated Computer Services and Computer Sciences) considered alleged targets.

Although the US market trod water in December, equity markets elsewhere fared better with European and Japanese benchmark indices up 2.6% and 8.3% respectively. The technology sector kept up in most geographies, having outperformed meaningfully during November. The exception was in Japan where large-capitalisation technology stocks failed to keep up with the (still) soaring Japanese market. A very large property transaction in central Tokyo by insurance giant AIG took place at values much higher than previously recorded, which helped reflation-related sectors outperform. However, the most dramatic move in Japan during the month was the rotation towards small-cap growth stocks. Whilst these are necessarily a small proportion of the trust, several of our holdings generated returns greater than 30%, and one (Simplex Technology) rose a staggering 81%.

Our liquidity reduced further during the month as we continued to make investments post several successful overseas company visits. If the US market appeared a little overbought post the November rally, the profit-taking that took place late in December has left many of our short-term indicators looking more accommodative. Whilst the Japanese market does appear short-term overbought, our conviction in the Japanese recovery thesis continues to strengthen. Looking into 2006, there are (as ever) a number of risk factors that could challenge our more upbeat prognosis such as currency headwinds, option expensing and the arrival of a new Fed Chairman, Ben Bernanke. Risks notwithstanding, we remain relatively upbeat on the prospects for our sector, a view driven by the increasing number of investable themes that we see today, and valuations that remain supportive.

Ben Rogoff, 13th January 2006



Investment Rational: 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.

Approach: Polar Capital Technology Trust 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

Polar Capital Technology Investment Management Team

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

Polar Capital Technology Investment Trust Lead Managers:



Brian Ashford-Russell: Was Head of the Technology Team at Henderson (previously Touche Remnant) from 1987 until his resignation to set up Polar Capital in September 2000. He has been the appointed fund manager of Polar Capital Technology Trust since its launch in 1996 as Henderson Technology Trust, and was also the manager of HTT's predecessor, TR Technology, from 1988 to 1998. He managed the Henderson Global Technology Unit Trust from its launch in 1984 to 1996 as well as a number of other funds.



Ben Rogoff: Deputy manager of the trust responsible for managing the US technology portfolio and assisting in the asset allocation process. He has been a technology specialist for eight years having begun his career in fund management at CMI as a global tech analyst. He moved to Aberdeen Fund Managers in 1998 where he spent four years as a senior technology manager prior to joining Polar Capital in May 2003.

Technology Investment Management Team:

Tim Woolley – Fund Manager

Began his career at Prolific as a trainee US fund manager in 1987. He joined Henderson's technology team in 1996 and launched the Henderson Horizon fund that focused on small and mid cap technology companies. Tim left with Brian to establish Polar Capital Partners in 2001

Craig Mercer - Fund Manager

Craig has over seven 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 he focuses on Japanese technology stocks working closely with the Polar Capital Japan team.

Emma Parkinson - Analyst

Emma has worked with Brian and Tim for the last eight years as a European technology analyst, initially at Henderson and at Polar Capital from its formation. Prior to this she was an US small cap specialist with Touche Remnant and Charterhouse Bank.

Diana MacAndrew - Analyst

Diana graduated from Durham University in 2000 and has been employed at Polar Capital since its inception in January 2001. She is responsible for coverage of the global semiconductor sectors.

Polar Capital Technology Trust PLC is an investment trust listed and traded on the London Stock Exchange.

All sources Polar Capital Partners unless otherwise stated. Please remember that past performance is not necessarily a guide to future performance. 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. Issued in the UK by Polar Capital LLP. 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 SW1N 9HP

