

Polar Capital Partners Factsheet

Polar Capital Technology Investment Trust Plc.

28 February 2007

Price:		Fund Particulars:		Portfolio Analysis:	
Share Price	248.75	Management:	Polar Capital LLP	Gearing: 111.45%	
NAV per Share	242.01	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.	
Discount (calculated on diluted NAV)	2.79	Lead Manager:	Ben Rogoff		
Net Yield	N/A	Established	December 1996		
Gross Total Assets	£377m				
Management Fee	1%p.a plus performance fee				

Top Ten Holdings

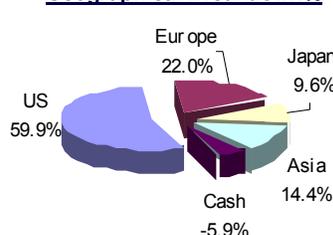
	%
Reneseola	3.4%
Motech	2.6%
Advantest	2.4%
Tokyo Seimitsu	2.2%
Taiwan Semicon Manufacturing	1.7%
Zeon	1.6%
Network Appliance	1.6%
Nat Semiconductor	1.6%
Nitto Denko	1.6%
Qualcomm	1.6%

Total Top Ten : 20.04%

Sector Breakdown

	%
Semiconductors	25.3%
Software	14.6%
Other Sectors	12.7%
Computing	9.5%
Healthcare	9.1%
Services	7.9%
ComsEq (Ex Wireless)	7.2%
Electric Components	3.7%
Defence	3.1%
Wireless	3.1%
Consumer	2.8%
Telecoms/ Media	0.9%
Futures and Options	0.1%

Geographical Breakdown%



Market Cap

	%
Large (> \$10bn)	33.8
Medium (\$1-10bn)	46.1
Small (<\$1bn)	20.1

Performance Over:

1yr(%) 3yrs(%)

Share Price	-4.60	48.29
NAV Diluted	-4.56	24.08
DJ World Technology Index	-4.77	8.65

All figures capital performance only; Source HSBC

Polar Capital Technology Investment Trust Over Past 12 Months



Feb Mar Apr May June July Aug Sep Oct Nov Dec Jan Feb
2006 Source: Bloomberg, PCT LN - PCTT SHARE PRICE v.s. W1TEC Index, GBP. 2007

Manager Comment

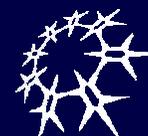
Global equities continued to move higher during February until a dramatic month-end sell-off (that has continued into early March) resulted in the FTSE World Index registering a -0.8% return over the period. A near 9% one-day correction in the Chinese equity market (as measured by the Shanghai Composite) may have acted as catalyst but the global market sell-off that followed was more likely caused by the confluence of a number of unexpected negatives at a time when investor sentiment had become somewhat complacent. Weaker than anticipated US macroeconomic data late in the month (durable goods orders, new home sales and a negative revision to fourth-quarter GDP) was given further credence following comments made by former Fed Chairman Alan Greenspan during which he discussed the (modest) chance of a US recession. To add insult to injury, the US sub-prime mortgage market had begun to meaningfully deteriorate leaving some to worry about the peripheral impact this might have. The sell-off that would have anyway transpired was exacerbated by a sharp rally in the Japanese Yen reflecting the unwinding of the so-called 'carry trade', an important source of global liquidity.

Beyond the US, newsflow has remained relatively benign, especially so in Europe where both growth and inflation data has continued to surprise positively. Both the ECB and the Bank of England desisted from raising rates but retained their tightening bias given money supply growth and slightly worrisome public sector wage settlements. Japanese stocks regained some of their recent underperformance relative to other markets despite a quarter point interest rate rise by the Bank of Japan. Technology stocks trailed broader market measures, the Dow Jones World Technology Index falling 2% in Sterling terms reflecting contracting investor risk appetite, an apparently lackluster earnings season and disappointing initial adoption of Microsoft's new operating system, 'Vista'.

In terms of portfolio activity we continued to further deploy liquidity, primarily in favour of the US, leaving net cash at -5.9% as at month end. At the sector level we modestly increased our exposure to semiconductors reflecting our view that the sector is likely at or approaching a cycle trough. Prior to the sell-off a number of our indicators had pointed to a period of somewhat higher volatility. Given our relatively aggressive portfolio positioning we took the decision to hedge most of the portfolio exposure accounted for by negative net cash via a NASDAQ option strategy.

Whilst this corrective phase may yet play out over weeks rather than days, we do not believe that the sell-off represents a fundamental challenge to our upbeat prognosis. Rather, the uninterrupted progress of markets since last summer had led to rising investor complacency resulting in recent negative developments having a disproportionate impact. We maintain that the case for equities remains compelling given (still) attractive liquidity trends, tight corporate credit spreads, undemanding valuations and a supportive M&A backdrop. Whilst the earnings season appeared relatively lackluster, we are encouraged by the marked progress of a number of holdings and themes that the team has been highlighting for some time. Key risks remain contagion from US real estate weakness and higher energy and other commodity prices resulting in renewed inflationary pressure curtailing an orderly end to the current rate cycle.

Ben Rogoff, 8th March 2007



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.

Approach: Polar Capital Partners 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:



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 ten 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.



Craig Mercer – Deputy Manager

In May 2006 Craig became the Deputy Manager of the Trust.

Craig has nine 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.

Technology Investment Management Team:

Brian Ashford-Russell – Founder/Director of Polar Capital Partners

Remains on the trust board and is responsible for asset allocation strategy for the trust.

Brian 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 had 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.

Tim Woolley –Fund Manager (Founder/Director of Polar Capital Partners)

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

Emma Parkinson – Fund Manager

Emma has worked with Brian and Tim for the last fifteen 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 SW1H 9NP

