



31 January 2005

Share Price	172.50
NAV per Share (diluted)	198.77
NAV per Share (undiluted)	214.85
Discount (calculated on diluted NAV)	-13.22
Net Yield	N/A
Warrant Price*	72.25
Gross Total Assets	£269.0m
Management Fee	1.0% p.a. plus performance fee

Established December 1996

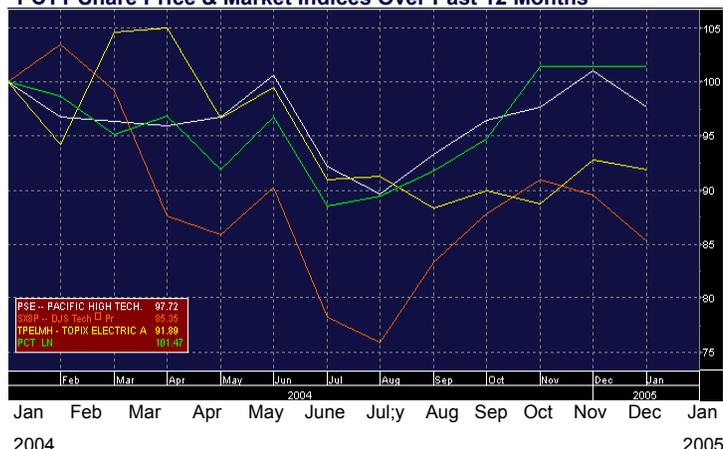
Source: HSBC / Polar Capital Partners

*Warrants may be exercised on 30 September 2005 at a price of 100p per share

Performance Over:	1yr(%)	3yrs(%)
Share Price	1.47	-15.02
NAV Diluted	0.98	-1.75
NAV Undiluted	1.60	-2.76
FT/S&P World Index	5.38	-10.80
Warrant Price	3.21	-30.53

All figures capital performance only; Source HSBC

PCTT Share Price & Market Indices Over Past 12 Months



Source: Bloomberg LP

Key: PSE-PACIFIC HIGH TECH SX8P – DJ STOXX 600TECH
 TPELMH-TOPIX ELECTRIC M PCT LN – PCTT SHARE PRICE

Portfolio Analysis – Gearing 116.90%

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.

Manager Comment

Indications that the US FOMC might be considering taking a more "hawkish" approach to monetary tightening unsettled equity markets during January leading to a fall of 2.5% in the S&P Composite Index. The "normal" seasonal strength that equity markets enjoy at this time of the year was conspicuous by its absence. Indeed, the US technology sector had one of its worst starts to a year in the last two decades. Over the month, the Dow Jones Global Technology Index fell by 5% in dollar terms although the dollar's surprise rebound reduced the severity of the fall for non-US investors.

There is some evidence of a continuing moderation in the pace of economic expansion in the US and growth in many of the other G7 economies remains sluggish. Despite this, fourth quarter earnings results have been satisfactory but, in the case of the technology sector, insufficiently exceptional to reignite investor sentiment. Encouragingly, inventories in some areas of the technology industry were drawn-down during the fourth quarter and cashflows have remained extremely robust. Companies have been cautiously optimistic in their earnings guidance and valuations, based on 2005 forecasts, appear in line with long term averages.

Against this backdrop, we have continued to re-allocate funds away from some of our larger cap US investments towards the smaller companies where we see strong (often non-economy dependent) growth prospects. We also, towards the end of the month, took some profits from our Asian portfolio which has been a notably strong performer in the year to date. Following the recent weakness in US technology share prices, we are encouraged by the availability of some good value and anticipate making further additions to our small cap weighting.

Brian Ashford-Russell, 3rd February 2005



Top Ten Equity Holdings	%	Sector Breakdown	%
LG Philips	2.1	Computing	9.4
APLIX	1.6	Consumer	4.2
CKD	1.3	Communication Equipment ex wireless	6.3
Kumho Electric	1.3	Semiconductor/SPE/EMS	18.5
Apple	1.3	Services	8.5
Nitto Denko	1.3	Software	17.6
JSR	1.3	Telecom/Media	0.3
Harris	1.2	Wireless	4.1
Motech	1.2	Healthcare	11.7
Connect	1.2	Electronic Components	5.7
		Defence	2.3
		Other Sectors	11.4
Total	13.8%		

Geographical Breakdown		%
North America		50.3
Europe		20.3
Asia ex Japan		10.5
Japan		12.7
Cash/Bonds (net of borrowings)		6.1

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.

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.

Tim Woolley: Was responsible for the North American specialist technology portfolios at Henderson. He joined Henderson in 1996 from (Aberdeen) Prolific where he managed the Technology Unit Trust from 1993 to 1996. He managed Henderson Global Technology Unit Trust and Henderson Horizon Global Technology Fund from 1996 until his resignation to set up Polar Capital in September 2000.



Ben Rogoff: 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. He is responsible for the management of Polar Capital's US technology portfolios.

The Trust

Investment 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

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.

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 Partners Ltd. Polar Capital Partners Limited is authorised and regulated by the Financial Services Authority.

