

Polar Capital Partners Factsheet

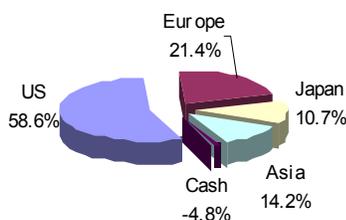
Polar Capital Technology Investment Trust Plc.

31 January 2007

Price:		Fund Particulars:		Portfolio Analysis:	
Share Price	240.25	Management:	Polar Capital LLP	Gearing: 111.12%	
NAV per Share	244.54	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)	-1.75	Lead Manager:	Ben Rogoff		
Net Yield	N/A	Established	December 1996		
Gross Total Assets	£380m				
Management Fee	1%p.a plus performance fee				

<u>Top Ten Holdings</u>	<u>%</u>	<u>Sector Breakdown</u>	<u>%</u>
Renesola	3.75	Semi Conductors	24.1
Motech	1.81	Software	15.5
Zeon	1.74	Other Sectors	12.4
Taiwan Semicon Manufacturing	1.62	Healthcare	9.8
Aveva Group	1.51	Computing	9.4
Nitto Denko	1.48	Services	8.9
Apple Computers	1.40	Comms Eq (ex wireless)	6.7
Cisco Systems	1.36	Electronic Components	4.2
Nat Semiconductors	1.36	Wireless	3.0
Broadcom	1.32	Consumer	3.0
Total Top Ten :	17.34	Defence	2.4
		Telecoms/Media	0.8

Geographical Breakdown%



Market Cap

Market Cap	%
Large(> \$10bn)	32.3
Medium(\$1-10bn)	50.4
Small (<\$1bn)	17.3

Performance Over:	1yr(%)	3yrs(%)
Share Price	-8.13	41.32
NAV Diluted	-2.86	24.22
FT/S&P World Index	3.99	35.58

All figures capital performance only; Source HSBC

Polar Capital Technology Investment Trust Over Past 12 Months



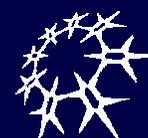
Manager Comment

Global equities moved modestly higher during the month with the FTSE World Index rising 0.9% in Sterling terms as strong macroeconomic data provided further succour to the view that the miasmatic impact of a weak housing market would be limited. Encouragingly, this better economic news has not so far been accompanied by renewed inflationary pressure; ongoing energy and other commodity price weakness instead appear to be ameliorating the impact of a tight labour market and rising unit labour costs. A lacklustre start to Q4 earnings season resulted in modest underperformance from technology stocks, the Dow Jones World Technology Index rising just 0.2% during January. European issues performed well, aided by a backdrop of better than expected economic news and solid earnings reports. Particularly strong performance from solar-related names reflecting renewed global awareness of climate change. Conversely, Asian technology indices performed poorest during the month, with Taiwan (-0.9%) giving back some of its recent gains, and Korea (-4.9%) continuing its poor run. Mainstream Japanese indices edged higher; the decision not to raise rates in Japan saw some rotation back into speculative small-caps, the Mothers market gaining more than 6% during the month.

In terms of portfolio activity, we modestly increased our leveraged position by adding to our US exposure, leaving net cash at -4.8% as at month end. At the sector level, our allocations remain largely unchanged. At the margin we have continued to rotate away from stronger-performing groups such as biotechnology in favour of the out of favour semiconductor sector which has continued to trade poorly as a result of sharp price declines in memory prices and weak guidance for Q1. Given that our indicators point to a fundamental trough around now we will likely add to the group on any further weakness.

Given our leveraged position, it will come as no surprise to read that we remain sanguine about the prospects for 2007. Whilst the uninterrupted progress of stocks post summer lows has left many markets looking somewhat extended and therefore susceptible to profit-taking, any correction should be modest given that the overall backdrop remains supportive for equities. Encouragingly investor sentiment remains far from exuberant, with concerns apparently bifurcated between those who worry about recessionary risk associated with contagion from US real estate and an inverted yield curve, and those who believe that higher bond yields point to potential postponement of the end of the current rate cycle. In our view, recession remains a low-probability event and as such valuations, particularly in the US and Taiwan, look appealing. The end of the technology de-rating that has plagued the sector since 2000, a number of new applications at or approaching inflection points and a semiconductor cycle that looks set to trough early this year point to the best risk-reward profile for the sector since the early 1990s.

Ben Rogoff, 12th February 2007



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 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 - Analyst

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

