



30 September 2004

Share Price	156.00
NAV per Share (diluted)	182.06
NAV per Share (undiluted)	195.93
Discount (calculated on diluted NAV)	-14.31
Net Yield	N/A
Warrant Price*	56.25
Gross Total Assets	£300.9m
Management Fee	1.0% p.a. plus performance fee

Established December 1996

Source: HSBC / Polar Capital Partners

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

Performance Over:	1yr(%)	3yrs(%)
Share Price	-0.79	-3.41
NAV Diluted	3.58	17.85
NAV Undiluted	4.28	19.02
FT/S&P World Index	6.15	-6.30
Warrant Price	-1.32	-23.47

All figures capital performance only; Source HSBC

PCT Share Price & Market Indices Over Past 12 Months



Sep Oct Nov Dec Jan Feb Mar Apr May June July Aug September 2003 2004

Source: Bloomberg LP

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

Portfolio Analysis – Gearing 117.3%

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.

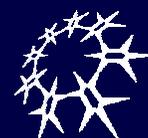
Manager Comment

Most major markets, with the exception of Japan, made good progress in September helped by more stable oil prices together with some evidence that the summer “soft patch” had come to an end. Technology markets outperformed strongly following their weakness in August and European shares were notably strong.

September saw a wave of downward earnings revisions within the semiconductor sector but, significantly, few of these were accompanied by significant share price weakness. This suggests that the ongoing inventory correction in the industry has been largely discounted by the equity market. In contrast, earnings warnings in other sectors were scarcer and technology share prices received a boost during the month following an upgrade to earnings guidance from Nokia. Expectations remain low for Q3 earnings and there is, as yet, little visibility into the December quarter.

Over the month, we modestly reduced our remaining liquidity thereby continuing the trend set in process during August. Most of our buying has been in the USA and we have begun to build positions in a number of smaller companies. Valuations in the small cap area look – in many cases – attractive having been under significant pressure over the last half year. We continue to hope for better capital spending trends in the fourth quarter and believe the sector is likely to enjoy a meaningful seasonal rally off the lows recorded in mid August.

Brian Ashford-Russell, 5th October 2004



Top Ten Equity Holdings	%	Sector Breakdown	%
LG Philips	1.6	Computing	9.4
Daikin	1.6	Consumer	7.0
Symantec	1.4	Communication Equipment ex wireless	5.9
Nitto Denko	1.4	Semiconductor/SPE/EMS	16.3
Wincor Nixdorf	1.3	Services	10.6
Harris	1.3	Software	17.0
Amgen	1.2	Telecom/Media	0.3
KLA Tencor	1.2	Wireless	3.4
St Jude Medical	1.2	Healthcare	15.2
Medtronic	1.2	Electronic Components	5.1
		Defence	3.5
		Other Sectors	6.3
Total	13.4%		

Geographical Breakdown	%
North America	51.5
Europe	20.7
Asia ex Japan	7.5
Japan	9.7
Cash/Bonds (net of borrowings)	10.6

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.

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.

