

Fund Manager Comment

Market review

Global equities ended the period largely unchanged as a late month rally together with US Dollar strength combined to leave the FTSE World Index down just 0.5% in Sterling terms. Once again, 'top-down' fears dominated markets with a proposed and then retracted referendum on the Greek bailout package initially spooking investors. Counter-productively, the nature of the bailout package for Greece (designed to avoid a technical default) rendered CDS insurance ineffective, resulting in further widening of peripheral European sovereign spreads. In addition, negative feedback loops associated with deep austerity measures against a slowing economic backdrop contributed to the unusual spectacle of three European governments being toppled during the month. While a 'failed' bond auction in Germany was blamed for a market sell-off ahead of the Thanksgiving weekend, the inability of the US super-committee (charged with reducing the fiscal deficit) to reach agreement likely contributed to the malaise. Although overshadowed by events in Europe, third quarter earnings season and US economic data were broadly supportive. Markets ended the month on a stronger note as a result of more supportive rhetoric emanating from the ECB and the appointment of a new president, Mario Draghi.

Technology review

The technology sector declined inline with the broader market during the month, with the Dow Jones World Technology Index falling 0.6% in Sterling terms. Third quarter earnings season largely dominated stock specific proceedings with most companies delivering inline or ahead of expectations despite the more uncertain backdrop. There were some exceptions, including Salesforce.com which fell after reporting bookings below expectations and Network Appliance who blamed extended sales cycles for another disappointing quarter. Semiconductor and component companies also bucked the positive trend as their fortunes remained more closely tied to the inventory cycle (perception), rather than end demand (reality) There were also signs that increased competition may be impacting smartphone vendors, evidenced by warnings from both HTC and Research in Motion. Severe flooding in Thailand is creating an additional layer of uncertainty due to likely disruption to hard disk drive (HDD) supply into early 2012. Elsewhere, demand has remained remarkably robust with Thanksgiving retail sales the strongest since 2007. The month ended with another acquisition in the Software as a Service (SaaS) sector, with SAP offering a 52% premium to acquire SuccessFactors.

Outlook

While we expect 'top down' uncertainty to remain significant, recent measures (such as coordinated efforts to ease US Dollar liquidity and a rate cut in the Chinese banking reserve requirement) have ameliorated the risk of near-term Eurozone 'meltdown'. We know the next stage – relying on European politicians to reach an agreement regarding tighter integration and new fiscal rules of engagement – is by no means straightforward, although thus far the market reaction (tighter Italian and Spanish sovereign spreads) has been encouraging. With the 'worst case' outcome apparently off the table, at least for now, we are hopeful that extraordinarily high levels of correlation between assets will fade, risk aversion will subside and stock picking will once again become relevant.

With the end of the calendar year approaching, we believe that the "pain trade" for markets remains up and barring any major new disagreements at the 9th December European Council meeting, equities should continue a volatile but upward path. As such and armed with supportive fundamental data points regarding technology demand from recent company trips, we have taken advantage of weakness over recent weeks to modestly reduce cash raised during the October rally. The retention of some liquidity (c. 4%) reflects our view that any ultimate "solution" for Europe will likely require quantitative easing and/or open ended intervention in order to make European peripheral debt investable again. Unfortunately, the path to achieving this goal is unlikely to be smooth, hence we expect ongoing volatility.

Even as the worst of Europe's problems are addressed it is difficult not to conclude that a prolonged period of sub-trend global growth awaits. Fortunately, (as technology investors) we are also in the midst of a highly disruptive new cycle, which could receive an additional boost from a more challenging backdrop as we saw in 2009 when budget pressure presaged a significant reallocation away from traditional technologies towards disruptive (cheaper) alternatives. While 'top down' fear has 'crowded out' risk assets since April (investors focusing instead on mega-cap 'stores of wealth'), extreme levels of stock cross-correlation are unlikely to persist and as such we have been selectively increasing our exposure to small and mid-caps that have been thrown out with the European 'bathwater'.

Ben Rogoff, 7th December 2011

30 November 2011

Fact sheet

Trust Facts

Ordinary Shares[†]

Share Price (p)	329.00
NAV per Share (p)	348.15
Discount (%)	-5.50
Capital Structure	127,730,518 of 25p

Subscription Shares[†]

Share Price (p)	6.50
Exercise Price (p)	
- Until 31 March 2012	401.00
- From 1 April 2012 to 31 March 2014	478.00
Capital Structure	25,275,684 shares of 1p

Total Net Assets (£m)	445
AIC Gross Gearing Ratio (%) [*]	107.00
AIC Net Gearing Ratio (%) [*]	96.00

^{*}Gearing calculations are exclusive of current year Revenue/Loss

Trust Characteristics

Launch Date	16 December 1996
Lead Manager	Ben Rogoff
Deputy Manager	Craig Mercer
Year End	30 April
Results Announced	Mid June
Next AGM	September 2012
Continuation Vote	2015 AGM; every 5 years
Listed	London Stock Exchange

Benchmark

Dow Jones World Technology Index (Total Return)
(from 1 May 2006)

Fees^{*}

Management Fee	1.00%
Performance Fee ^{**}	15% over Benchmark
Total Expense Ratio (historic)	1.16%

^{*} Further details can be found in the Report & Accounts

^{**} Subject to high watermark and cap

Trust Overview

Objective

The investment objective is to maximise capital growth for our shareholders through investing in a diversified portfolio of technology companies around the world.

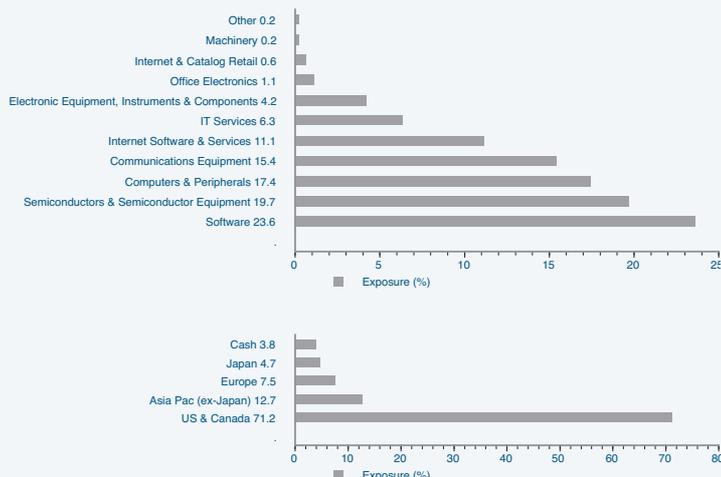
†For full details of the subscription shares and their exercise terms please refer to the prospectus of 18 January 2011 and the notes on the company's website.

It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this list. A list of all recommendations made within the immediately preceding 12 months is available upon request.

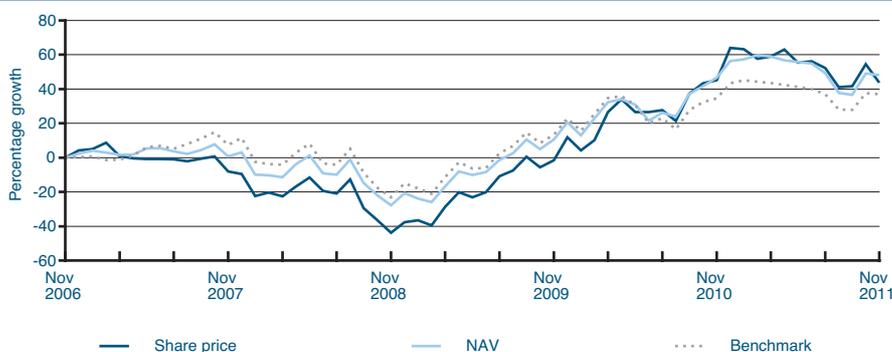
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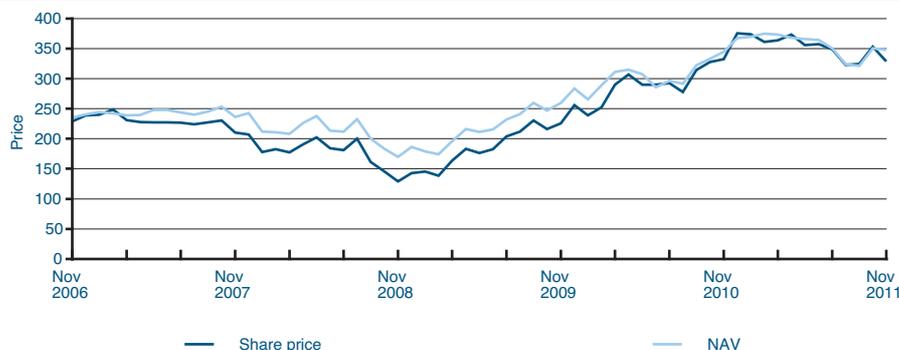
Sector & Geographic Exposure (%)



Performance Over 5 Years



Share Price & NAV per Share Over 5 Years



Cumulative Performance (%) to 30/11/2011

	1 Month	3 Months	6 Months	1 Year	5 Years
Share Price	-6.93	1.89	-7.58	-1.05	43.67
NAV per Share	-0.66	7.51	-4.95	1.03	48.09
Benchmark	-0.43	6.85	-3.03	1.69	36.89

Discrete Annual Performance (%)

	30/09/10 30/09/11	30/09/09 30/09/10	30/09/08 30/09/09	28/09/07 30/09/08	29/09/06 28/09/07
Share Price	3.21	36.52	42.60	-29.01	2.71
NAV per Share	-0.38	24.04	29.79	-18.43	6.37
Benchmark	0.12	11.44	25.73	-18.03	12.86

Source: Lipper & HSBC Securities Services (UK) Limited, percentage growth, total return

Total Number of Holdings 134

Top Ten Holdings (%)

Apple	9.1
Google	5.2
Microsoft	4.0
Oracle	3.9
Samsung Electronics	3.5
International Business Machines	3.0
Cisco Systems	2.7
Qualcomm	2.7
Taiwan Semicon Manufacturing	2.1
Intel	2.0
Total	38.2

Market Capitalisation Exposure (%)

Large (greater than US\$ 10bn)	67.7
Medium (US\$ 1bn to 10bn)	20.4
Small (less than US\$ 1bn)	11.9

Trust Overview

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.

Full details of the Investment Objective, Rational and Strategy are available on the company's website.

Approach

Polar Capital 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

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Fact sheet

Polar Capital Technology Investment Management Team

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

Ben Rogoff - Fund Manager



Ben has been a technology specialist for fourteen years having begun his career in fund management at CMI, as a global technology 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 lead manager of Polar Capital Technology Trust plc and is also joint manager of Polar Capital Global Technology Fund. Ben graduated from St Catherine's College, Oxford in 1995.

Craig Mercer - Deputy Manager



Craig joined Polar Capital in 2002 and he has over thirteen years' fund management experience. Craig is deputy manager of Polar Capital Technology Trust Plc and he has responsibility for the team's Asian and Japanese technology exposure. Prior to joining Polar Capital, Craig was at Scottish Equitable (now Aegon), where he was responsible for the Aegon Japan OEIC. Craig graduated from York University with a degree in economics.

Technology Investment Management Team:

Nick Evans - Fund Manager

Nick joined Polar Capital in September 2007 and has thirteen years experience as a technology specialist. He has been lead manager of the Polar Capital Global Technology Fund since January 2008. Prior to joining Polar he was Head of Technology at AXA Framlington and lead manager of the AXA Framlington Global Technology Fund and the AXA World Fund (AWF) - Global Technology from Aug 2001 to July 2007 (both rated five stars by S&P). He also spent three years as a Pan European Investment Manager and Technology Analyst at Hill Samuel Asset Management. Nick graduated from Hull University with a degree in economics.

Colin Moar - Fund Manager

Colin joined Polar Capital in January 2011, having spent 13 years covering pan-European and then Global Equity markets with the Technology sector as his main focus. He started his career at Morley Fund Management in 1997 initially covering UK/European equities before moving to their global equity team in 2002. From 2006 he took responsibility for €450m of the team's focused Global Equity funds. In January 2010 Colin joined HSBC Asset Management's Global Equity team as a Senior Fund Manager. Colin Graduated from the University of Edinburgh with a degree in Business Studies.

Fatima Iu - Fund Manager

Fatima joined Polar Capital in April 2006 after working as an analyst with Citigroup Asset Management for 18 months. She focuses on European technology stocks and has responsibility for coverage of the global medical technology sub-sector. Fatima graduated from Imperial College London in 2002 with a degree in Medicinal Chemistry.

Brian Ashford-Russell - Founder/Director of Polar Capital

Brian was head of the technology team at Henderson Global Investors (and prior to that Touche Remnant) from 1987 until his resignation in September 2000 to set up Polar Capital. He has been the appointed fund manager of Polar Capital Technology Trust plc, previously named Henderson Technology Trust and its predecessor TR Technology, since TR Tech's launch in 1988. He also managed the Henderson Global Tech Unit Trust from its launch in 1984 to 1996 as well as co-managing the Seligman Global Tech and Mackenzie Universal Science & Tech funds.

How to Invest

Market Purchases

The shares of Polar Capital Technology Trust PLC are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

Share Dealing Services

The company has arranged for Shareview Dealing, a telephone and internet share sale service offered by Equiniti to be made available.

Tel: 0870 850 0852
Online: www.shareview.co.uk/dealing

Savings Scheme & ISA

Shares in the company may be purchased through a share saving scheme and an ISA administered by BNP Paribas Fund Services, by contacting:

BNP Paribas Fund Services UK Ltd (Polar Capital)
Block C, Western House
Lynchwood Business Park
Peterborough, PE2 6BP
Tel: 0845 358 1109
Fax: 01733 285 822

Registered Office

4 Matthew Parker Street, London SW1H 9NP

Custodian

JP Morgan Chase NA acts as global custodian for all the Company's investments.

Registrar

Equiniti
The Causeway, Worthing, West Sussex BN99 6DA
www.shareview.co.uk

Codes

London Stock Exchange	PCT
Reuters	PCT.L
Bloomberg	PCT.LN

Website

www.polarcapitaltechnologytrust.co.uk

House View

This document has been produced based on Polar Capital research and analysis and represents our house view. All sources are Polar Capital unless otherwise stated.

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Holdings

The top 10 positions were selected based on percentage of AUM. This portfolio data is as at the date indicated and should not be relied upon as a complete or current listing of the holdings (or top holdings) of the fund. The holdings may represent only a small percentage of the aggregate portfolio holdings, are subject to change without notice, and may not represent current or future portfolio composition. Information on particular holdings may be withheld if it is in the fund's best interest to do so. A complete list of the portfolio holdings may be made available upon request. It should not be assumed that any of the securities transactions or holdings discussed was or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. The information provided in this document should not be considered a recommendation to purchase or sell any particular security.

Benchmarks

The following benchmark index is used: Dow Jones World Technology Index (Total Return). This benchmark is generally considered to be representative of the Technology equity universe. This benchmark is a broad-based index which is used for comparative/illustrative purposes only and has been selected as it is well known and is easily recognizable by investors. Please refer to www.djindexes.com for further information on this index. Comparisons to benchmarks have limitations because benchmarks have volatility and other material characteristics that may differ from the fund. For example, investments made for the fund may differ significantly in terms of security holdings, industry weightings and asset allocation from those of the benchmark. Accordingly, investment results and volatility of the fund may differ from those of the benchmark. Also, the index noted in this presentation is unmanaged, are not available for direct investment, and is not subject to management fees, transaction costs or other types of expenses that the fund may incur. In addition, the performance of the index reflects reinvestment of dividends and, where applicable, capital gain distributions. Therefore, investors should carefully consider these limitations and differences when evaluating the comparative benchmark data performance. The information regarding the index is included merely to show the general trends in the periods indicated and is not intended to imply that the fund was similar to the index in composition or risk.

Regulatory Status

This document is Issued in the UK by Polar Capital. 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.

Information Subject to Change

The information contained herein is subject to change, without notice, at the discretion of Polar Capital and Polar Capital does not undertake to revise or update this information in any way.

Forecasts

References to future returns are not promises or even estimates of actual returns Polar Capital may achieve, and should not be relied upon. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. In addition, the forecasts are based upon subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never do so.

Performance

Performance is shown net of fees and expenses and includes the reinvestment of dividends and capital gain distributions. Many factors affect fund performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment return and principal value of your investment will fluctuate, so that when your investment is sold, the amount you receive could be less than what you originally invested. Past performance is not a guide to or indicative of future results.† Future returns are not guaranteed and a loss of principal may occur. 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, or the income from, the investment. Investments are not insured by the FDIC (or any other state or federal agency), are not guaranteed by any bank, and may lose value.

Investment Process - Risk

No investment process or strategy is free of risk and there is no guarantee that the investment process or strategy described herein will be profitable. Investors may lose all of their investments.

Allocations

The strategy allocation percentages set forth in this document are estimates and actual percentages may vary from time-to-time. The types of investments presented herein will not always have the same comparable risks and returns. Please see the private placement memorandum for a description of the investment allocations as well as the risks associated therewith. Please note that the fund may elect to invest assets in different investment sectors from those depicted herein, which may entail additional and/or different risks. The actual performance of the fund will depend on the Investment Manager's ability to identify and access appropriate investments, and balance assets to maximize return to the fund while minimizing its risk. The actual investments in the fund may or may not be the same or in the same proportion as those shown herein.