



27 February 2004

Share Price	167.75
NAV per Share (diluted)	195.05
NAV per Share (undiluted)	209.39
Discount (calculated on diluted NAV)	14.0
Net Yield	N/A
Warrant Price*	67.75p
Gross Total Assets	£358.2m
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	50.45	-37.76
NAV Diluted	48.19	-18.58
NAV Undiluted	52.54	-21.27
FT/S&P World Index	21.34	-25.94
Warrant Price	176.53	-60.03

All figures capital performance only; Source HSBC

PCTT Share Price & Market Indices Over Past 12 Months



Source: Bloomberg LP

Key: **MLO**-MERRILL LYNCH USA TECH 100 **ENMPR** – EURO NM INDEX
JSDA-JASDAQ JAPAN INDEX **PCT LN** – PCTT SHARE PRICE

Portfolio Analysis – Gearing 113.9%

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.

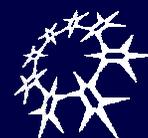
Manager Comment

Although most stock markets displayed increased volatility during February, they nevertheless made progress over the month. The Asian and European markets outshone Wall Street while technology shares generally underperformed. Most economic news was supportive of markets with indications from the monetary authorities that interest rates might remain on hold for some time. Corporate earnings news was encouraging with most companies outperforming analysts' expectations.

Technology demand appears to be quite healthy and the first quarter guidance given by most companies suggests less seasonal weakness than is normal. With corporate cashflows strong, capital expenditure should begin to accelerate and there are clear signs in the communications industry in particular that a new spending cycle may be underway. Wireless stocks have continued to be the strongest performers within the technology sector but February also saw a strong move by the biotechnology sector on the back of product approvals.

During the month, we edged up our Asian exposure while maintaining our North American and European weightings. Our shorter term indicators continue to suggest that price action may be a good deal more choppy over the next few months. However, the fundamental news should remain strong and both first and second quarter earnings are expected to compare very favourably with those of last year. A good deal of optimism is now priced into the sector but, with cash inflows into mutual funds remaining strong enough easily to soak up the increase in supply, there remains the prospect of a further rally into first quarter earnings. We expect to use such strength to adopt a more defensive stance.

Brian Ashford-Russell, 4th March 2004



Top Ten Equity Holdings	%	Sector Breakdown	%
Venture	1.6	Computing	10.1
Nokia	1.4	Consumer	6.4
Genentech	1.4	Communication Equipment ex wireless	6.3
Samsung	1.3	Semiconductor/SPE/EMS	27.8
NEC	1.3	Services	8.6
Qualcomm	1.3	Software	15.1
Nintendo	1.2	Telecom/Media	1.2
Hon Hai	1.1	Wireless	5.7
Filtronic	1.1	Healthcare	13.0
Amgen	1.1	Electronic Components	0.3
		Defence	2.0
		Other Sectors	3.5
Total	12.8%		

Geographical Breakdown	%
North America	46.4
Europe	26.2
Asia ex Japan	9.1
Japan	10.0
Cash/Bonds (net of borrowings)	8.3

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 segment 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.

