

30 September 2009

Fact sheet

Fund Manager Comment

Market Performance

Despite adverse seasonal trend, equity markets continued their ascent during September, the FTSE World Index rising 6.2% in Sterling terms. Positive news on both growth (ISM manufacturing, home sales, retail sales) and employment (non-farm payrolls) helped stocks higher during the month, whilst benign inflationary data (headline CPI down 1.5%, ex-food and energy up just 1.4%,) did little to jeopardise the current monetary status quo. Indeed the Federal Reserve at its September FOMC meeting stated that rates would remain "exceptionally low" for an "extended period". Unfortunately, the quid quo pro was Dollar weakness which fell 2% on a weighted basket basis. However, this was more than offset by pronounced Sterling weakness, following dovish comments from the Governor of the Bank of England. Towards the end of the month US macroeconomic data became decidedly more mixed (homes sales, durable goods orders, consumer confidence, Chicago purchasing managers) leading to modest profit taking in stocks and rotation into bonds.

Technology Performance

Global technology stocks continued to outpace the broader market, the Dow Jones World Technology index rising 7.1% in Sterling terms during the month. With Q3 reporting season due to commence in October, earnings data points were limited beyond the semiconductor sub-sector which witnessed a number of positive pre-announcements from companies such as Xilinx, Skyworks and Silicon Labs, together with more sanguine commentary from bellwethers Samsung and TSMC. Elsewhere, a number of underwhelming off-quarter earnings reports during the month (Oracle, Research in Motion, Adobe) were poorly received by a market reflecting expectations that have risen commensurate with stock prices. However, this dynamic was overwhelmed by an M&A frenzy that saw Dell acquire Perot Systems, Xerox bid for Affiliated Computer Services, and Adobe buy Omniture. With all three acquiring companies' stock sharply lower, it was unsurprising that potential acquirers meaningfully lagged would-be targets presaging the largest bifurcation of large / small cap monthly returns post the market low.

Outlook

Despite the magnitude of the recovery of equities from lows, we remain relatively constructive on the broader market. Whilst recent economic data has been modestly disappointing and may lead to a period of profit-taking, we are encouraged that - for now- central banks / governments' interests are relatively aligned with equity investors. The need to avoid a so-called 'double-dip' should thus help ensure a backdrop conducive to balance sheet repair and the outperformance of longer duration assets. Risks to this thesis include earlier than anticipated interest rate rises, faltering economic recovery and geopolitical dislocation.

Turning to tech, we feel that there may well be an end of year budget flush that will help justify the P/E expansion we have enjoyed year-to-date. Whilst we would normally expect this dynamic to benefit legacy vendors, we are encouraged by IT spending surveys that reveal that RFPs are more fluid than previously. This would seem to support our notion that the value of incumbency is waning as a new cycle commences. Furthermore the nature of recent M&A - "strategic" transactions with large premiums - also suggests that incumbents are 'feeling their age', needing to make increasingly non-core acquisitions to defend existing franchises and retain pertinence (whilst making a mockery of the concept of "free cash flow"). Suitably emboldened by these developments, we have continued to reduce exposure to last-generation names, increase our roster of disruptive next-generation companies whilst at the same time modestly raising cash into month-end to provide us with a little firepower should stocks dip into the upcoming earnings season.

Ben Rogoff, 5th October 2009

Trust Facts

Share Price (p)	230.30
NAV per Share (p)	259.94
Discount (%)	-11.40
Total Assets (£m)	356
Borrowing (£m)	28
Cash & Fixed Interest (£m)	33
Gearing Ratio*	108.53
Capital Structure	126,497,914 Ordinary shares of 25p

* Gearing is expressed as a ratio of total assets to shareholders' funds multiplied by 100. The calculation ignores the effect of cash or fixed interest holdings.

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	July 2010
Continuation Vote	2010 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)	1.31%

* Further details can be found in the Report & Accounts

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.

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.

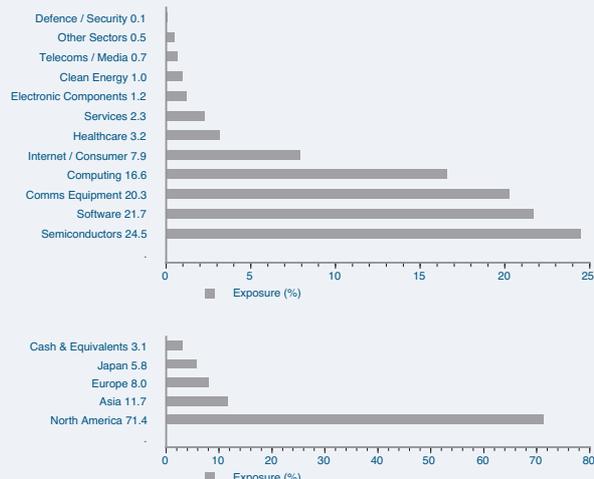
Approach

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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Sector & Geographic Exposure (%)



Total Number of Holdings 117

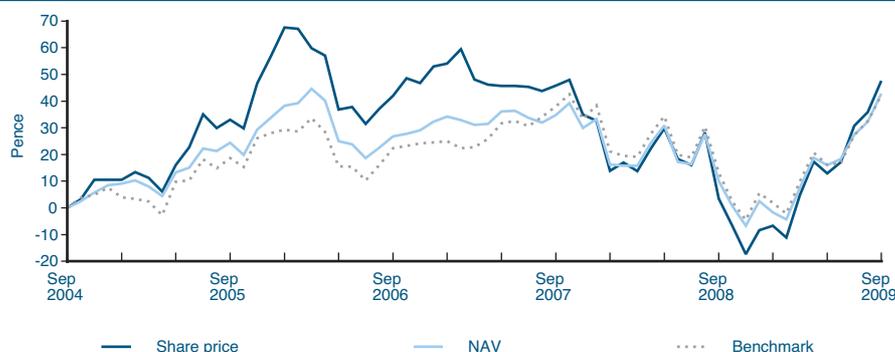
Top Ten Holdings (%)

Company	Exposure (%)
Apple	5.8
Google	4.7
Microsoft	4.3
Cisco Systems	3.8
Samsung Electronics	3.3
Intel	2.9
International Business Machines	2.9
Qualcomm	2.8
Hewlett-Packard	2.7
Oracle	2.1
Total	35.3

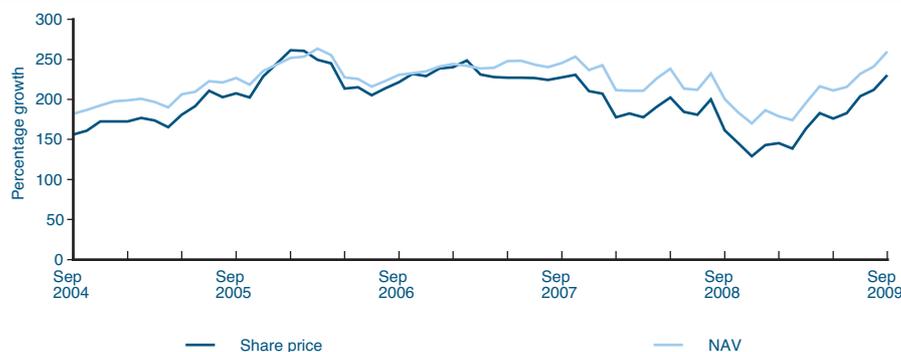
Market Capitalisation Exposure (%)

Market Capitalisation	Exposure (%)
Large (greater than US\$ 10bn)	61.8
Medium (US\$ 1bn to 10bn)	26.2
Small (less than US\$ 1bn)	12.0

Performance Over 5 Years



Share Price & NAV per Share Over 5 Years



Cumulative Performance (%) to 30/09/2009

	1 Month	3 Months	6 Months	1 Year	5 Years
Share Price	8.63	26.02	40.86	42.60	47.63
NAV per Share	7.89	20.68	32.83	29.79	42.77**
Benchmark	7.33	21.89	29.42	25.73	42.28

Discrete Annual Performance (%)

	30/09/08 30/09/09	28/09/07 30/09/08	29/09/06 28/09/07	30/09/05 29/09/06	30/09/04 30/09/05
Share Price	42.60	-29.01	2.71	6.75	33.01
NAV per Share	29.79	-18.43	6.37	1.86	24.46
Benchmark	25.73	-18.03	12.86	3.05	18.70

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

**Not Adjusted for warrant exercise in September 2005. NAV per share performance is calculated on the basis of diluted NAV for the entire period.

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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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



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 twelve years, having begun his career in at CMI as a global tech analyst. He moved to Aberdeen Fund Managers in 1998 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 twelve 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 Capital he focuses on Japanese technology stocks.

Technology Investment Management Team:

Nick Evans - Fund Manager

Nick recently joined Polar Capital and has eleven years experience as a technology specialist. He was previously Head of Technology at AXA Framlington where, since August 2001, he had been lead manager of the AXA Framlington Global Technology Fund and the AXA World Fund (AWF) - Framlington Global Technology. Prior to this he spent three years as a Pan European Investment Manager and Technology Analyst at Hill Samuel Asset Management. He started his career as an IT graduate trainee at Lloyds TSB. He graduated from Hull University with a degree in Economics with Business Economics in 1994.

Fatima lu - Analyst

Fatima joined Polar Capital in April 2006 after working as an analyst with Citigroup Asset Management for 18 months. She graduated from Imperial College London in 2002.

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.

Tim Woolley - Founder/Director of Polar Capital

Tim began his career as a systems analyst for two leading financial service companies. He then joined Prolific as a trainee US fund manager in 1987 and was promoted to lead manager of the technology fund in 1993. He joined Henderson's technology team in 1996 and launched the Henderson Horizon fund that focused on small and mid cap companies. Tim left with Brian to establish Polar Capital in 2001.

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 are 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

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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, and 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 maximise return to the fund while minimising its risk. The actual investments in the fund may or may not be the same or in the same proportion as those shown herein.