

Fund Manager Comment

Market Performance

Markets were weak during the month, with global equities falling 3.3%, in Sterling terms, as measured by the FTSE World Index. The source of this weakness lay squarely with further deterioration in credit markets due to CDO-related write-offs, rating agency downgrades and funding issues at a number of US mortgage lenders. Spiking LIBOR reflected capital hoarding whilst sharply lower US bond yields pointed to a flight to quality and growing concerns over economic growth as oil neared US\$100. Large capitalisation stocks continued to outperform as small and mid cap issues suffered from relatively indiscriminate selling.

Technology Performance

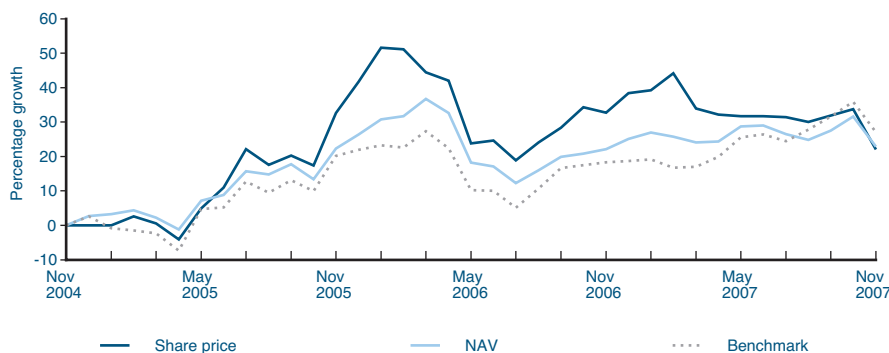
Despite a solid third quarter reporting season, lackadaisical commentary from John Chambers (CEO of Cisco Systems) that referenced softness in financial services spending led to a sharp and sustained sell-off in technology stocks. These concerns were seemingly reinforced by commentary from Cognizant, Symantec and IBM, all of whom cited somewhat weaker US enterprise demand. Unsurprisingly the technology sector gave back some of its recent relative gains, the Dow Jones World Technology Index ending the month down -6.6% in Sterling terms, with mid caps hit disproportionately. Other notable underperformance came from companies with high exposure to financial services and from semiconductor manufacturers due to the weakening Dollar and concerns over slowing global growth.

Outlook

Despite recent weakness, we believe the investment case for technology remains intact. Although we recognise that the probability of US recession has increased modestly, we remain hopeful that a "hard landing" can be avoided principally because benign inflation affords the Federal Reserve significant monetary policy scope. Against anything other than a recessionary backdrop, equities appear good value. Whilst we are mindful that that current macroeconomic uncertainty may modestly impact Q4 spending (and possibly make 2008 budgets more skewed to the second half of the year), technology leadership is likely to endure, driven by a superior growth profile. Current demand remains robust, whilst supply conditions are supportive. With current investor sentiment at unusually negative levels, we have used recent market weakness to deploy cash, ending the month modestly geared.

Ben Rogoff, 7th December 2007

Performance



Cumulative Performance (%) to 30/11/2007

| | 1 Month | 3 Months | 6 Months | 1 Year | 3 Years |
|---------------|---------|----------|----------|--------|---------|
| Share Price | -8.78 | -6.13 | -7.37 | -8.08 | 22.03 |
| NAV per Share | -6.65 | -1.53 | -4.54 | 0.63 | 22.91 |
| Benchmark | -6.51 | -0.62 | 1.20 | 7.36 | 27.05 |

Discrete Annual Performance (%)

| | 29/09/06 28/09/07 | 30/09/05 29/09/06 | 30/09/04 30/09/05 | 30/09/03 30/09/04 | 30/09/02 30/09/03 |
|---------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Share Price | 2.71 | 6.75 | 33.01 | -0.79 | 65.53 |
| NAV per Share | 6.37 | 1.86 | 24.46 | 3.57 | 44.83 |
| Benchmark | 12.86 | 3.05 | 18.70 | -6.99 | 52.66 |

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

30 November 2007

Fact sheet

Trust Facts

| | |
|---------------------------------|--------|
| Share Price (p) | 210.50 |
| NAV per Share (p) | 236.56 |
| Discount (%) | -12.38 |
| Total Assets - Investments (£m) | 331 |
| Borrowing (£m) | -22 |
| Net Assets (£m) | 327 |
| Gearing (%)* | 101.27 |

** The gearing ratio is calculated by dividing total assets by net assets. 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 2008 |
| Continuation Vote | 2010 AGM; every 5 years |
| Listed | London Stock Exchange |
| Capital Structure | 137,738,914 Ordinary shares of 25p |

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

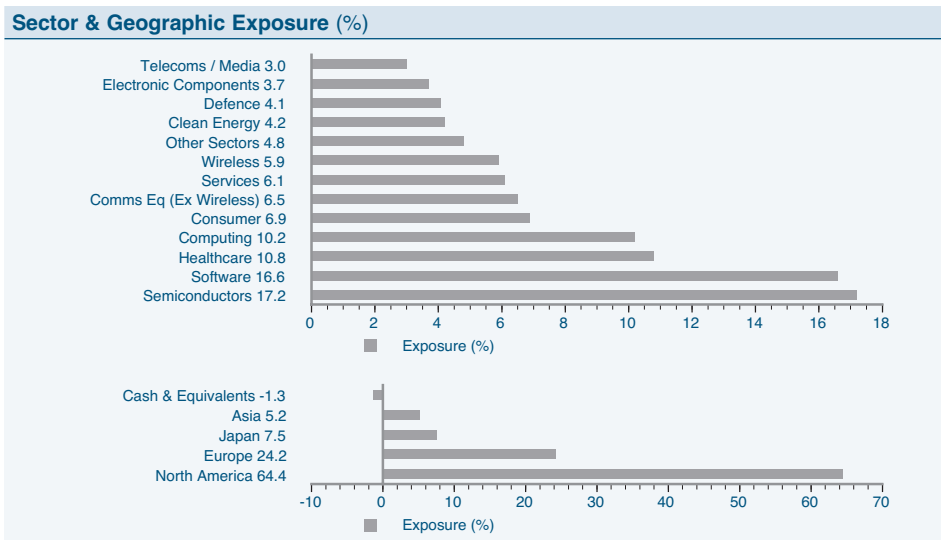
The investment objective is to maximize capital growth for our shareholders through investing in a diversified portfolio of technology companies around the world.

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.

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.



| | |
|---------------------------------|-----|
| Total Number of Holdings | 132 |
|---------------------------------|-----|

Top Ten Holdings (%)

| | |
|-------------------|-------------|
| Apple | 3.6 |
| Google | 2.6 |
| Cisco Systems | 2.4 |
| Qualcomm | 2.3 |
| Applied Materials | 2.1 |
| Hewlett-Packard | 2.0 |
| Adobe Systems | 2.0 |
| Nokia | 1.7 |
| Oracle | 1.6 |
| LAM Research | 1.5 |
| Total | 22.0 |

Market Capitalisation Exposure (%)

| | |
|--------------------------------|------|
| Large (greater than US\$ 10bn) | 51.2 |
| Medium (US\$ 1bn to 10bn) | 35.3 |
| Small (less than US\$ 1bn) | 13.5 |

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 ten 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 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 Capital 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

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 Partners

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 Partners in 2001.

Nick Evans - Fund Manager

Nick recently joined Polar Capital and has 8 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.

Emma Parkinson - Fund Manager

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 a US small cap specialist with Touche Remnant and Charterhouse Bank.

Fatima Iu - 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.

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

All data as at 30 November 2007 unless otherwise stated. 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