Polar Capital Technology Trust plc

Trust Fact Sheet
31 March 2017

Trust Facts

Ordinary Shares

Share Price	932.00p
NAV per share	943.96p
Premium	-
Discount	-1.27%
Capital	132,487,000 ordinary shares of 25p

Assets & Gearing [1]

Total Net Assets	£1,250.6m
AIC Gearing Ratio	0.00%
AIC Net Cash Ratio	1.31%

Benchmark

Dow Jones World Technology Index Total Return adjusted for withholding taxes (from 1 May 2013)

Fees [2,3]

Management	1.00%
Performance	15% over Benchmark

FX Rates

GBP/USD	1.2505
GBP/EUR	1.1691
GBP/JPY	139.3376

Risk Warning

Your capital is at risk. You may not get back the full amount you invested. Please note the Important Information at the end of this document and the Investment Policy and full Risk Warnings set out in the Prospectus, Annual Report and/or Investor Disclosure Document.

Discount Warning

The shares of investment trusts may trade at a discount or a premium to Net Asset Value for a variety of reasons including market sentiment and market conditions. On a sale you could realise less than the Net Asset Value and less than you initially invested.

Company Profile

Investment Objective

The Company aims to maximise capital growth for shareholders through investing in a diversified portfolio of technology companies around the world.

Investment Rationale

Over the last three 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 broader market, reflecting the longer-term secular uptrend in technology spending.

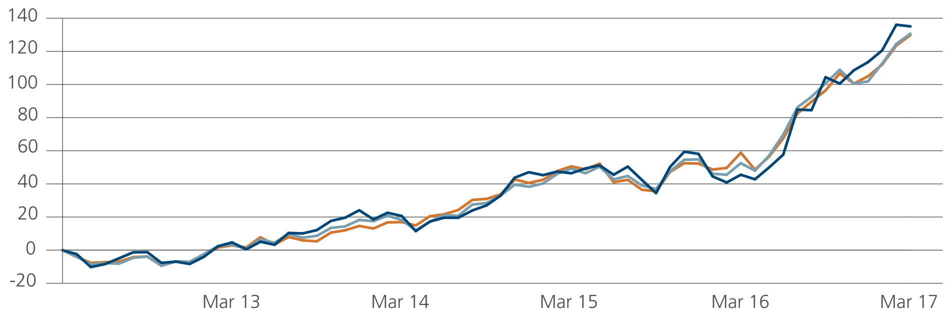
Full details of the Investment Objective, Rationale and Strategy are available on the company's website.

Investment Approach

The Polar Capital Technology team selects companies for their potential for shareholder returns, not on the basis of technology for its own sake. The team 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.

Performance

Performance over 5 years (%)



	1 Month	3 Months	6 Months	1 Year	5 Years
Ordinary Share Price	-0.43	10.10	14.99	61.53	135.06
NAV per Share	2.76	14.26	14.94	51.23	130.65
Benchmark	2.79	12.12	16.97	44.71	129.78

Discrete Performance (%)

	30/04/16 31/03/17	30/04/15 30/04/16	30/04/14 30/04/15	30/04/13 30/04/14	30/04/12 30/04/13
Ordinary Share Price	64.66	-4.39	33.94	10.92	2.97
NAV per Share	55.89	1.05	30.71	11.17	5.01
Benchmark	54.63	-0.11	29.46	13.07	5.98

Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, total return, Net of Fees in GBP terms. Past performance is not indicative or a guarantee of future results.

1. Gearing calculations are exclusive of current year Revenue/Loss.
2. Management fee is 1% of net assets up to £800m and 0.85% on assets over £800m.
3. The performance fee is subject to a highwater mark and cap. Further details can be found in the latest Report and Accounts.

Awards & Ratings

MONEY OBSERVER RATED FUND 2017

Polar Capital LLP 16 Palace Street, London, SW1E 5JD

T: +44 (0)20 7227 2721 | **E:** investor-relations@polarcapital.co.uk | **W:** www.polarcapital.co.uk

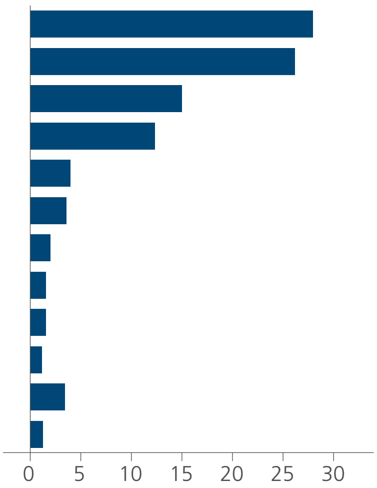
Polar Capital Technology Trust plc

Portfolio Exposure

As at 31 March 2017

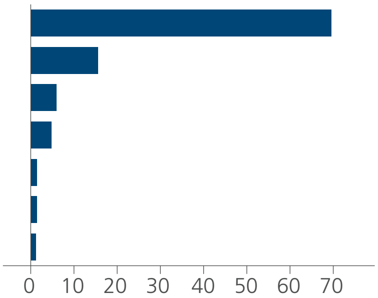
Sector Exposure (%)

Software	28.0
Internet Software & Services	26.2
Semiconductors & Semiconductor Equip.	15.0
Tech. Hardware, Storage & Peripherals	12.3
Internet & Direct Marketing Retail	4.0
Elec. Equip. Instruments & Components	3.6
IT Services	2.0
Machinery	1.6
Communications Equipment	1.6
Healthcare Technology	1.2
Other	3.4
Cash	1.2



Geographic Exposure (%)

US & Canada	69.5
Asia Pac (ex-Japan)	15.6
Japan	6.0
Europe (ex UK)	4.8
Middle East & Africa	1.5
UK	1.4
Cash	1.2



Top 15 Holdings (%)

Alphabet	8.2
Apple	7.2
Microsoft	6.1
Facebook	5.7
Samsung Electronics	3.7
Amazon	3.0
Tencent	2.4
Alibaba Group Holding	2.3
Splunk	1.7
Advanced Micro Devices^	1.6
Adobe Systems	1.5
Salesforce.com	1.4
Applied Materials	1.4
Zendesk	1.3
Intel	1.3
Total	**48.8**

Total Number of Positions **125**

Market Capitalisation Exposure (%)

Large Cap (>$10bn)	69.3
Mid Cap ($1bn - $10bn)	25.0
Small Cap (<$1bn)	5.6

^The fund holds Advanced Micro Devices Call options which represent 11bps of NAV and a delta adjusted exposure of 0.43%. The delta adjusted impact of these options is only reflected in the top 15 positions table all other exposure tables are based on MTM figures.

Investing in the Trust and Shareholder Information

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

Details of the different ways of dealing in the company's shares are given on the website. Equiniti, the company's registrars provide an internet share sale service.

Telephone 0800 876 6889

Online www.shareview.co.uk

Savings Scheme & ISA

Shares in the company may be purchased through a share saving scheme or an ISA.

Corporate Contacts

Registered Office and Website

16 Palace Street, London SW1E 5JD
www.polarcapitaltechnologytrust.co.uk

Custodian

HSBC Plc is the Depositary and provides global custody of all the company's investments

Registrar

Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
www.shareview.co.uk

Trust Characteristics

Launch Date	16 December 1996
Year End	30 April
Results Announced	Mid June
Next AGM	September 2017
Continuation Vote	2020 AGM
Listed	London Stock Exchange

Codes

Ordinary Shares

ISIN	GB0004220025
SEDOL	0422002
London Stock Exchange	PCT

The entire investment portfolio is published in the annual and half year report as well as being announced to the London Stock Exchange on a quarterly basis.

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

Note: Totals may not sum due to rounding.

Polar Capital Technology Trust plc

Fund Manager Comments

As at 31 March 2017

Market Review

Equity markets edged higher in March, extending their strong run, but local currency gains were largely offset by Sterling (GBP) strength – the FTSE World Index TR returning +0.2% (in GBP terms). European equity markets were particularly robust during the month, the main Euro Stoxx 600 Index gaining +2.8%. European politics took centre stage with UK Prime Minister Theresa May invoking Article 50, starting the two-year negotiation period of ending EU membership. Encouragingly, the election result in the Netherlands represented a setback to the populist momentum that led to Brexit in the UK and Donald Trump's election in the US. The upcoming French election will be the next big test. Meanwhile, the US market lagged in March due to 'reflation' trade doubts. A failed attempt to repeal the Affordable Care Act has highlighted existing divisions in the Republican party, raising questions over President Trump's ability to deliver on other campaign pledges such as tax reform.

Global economic data continues to portray a robust global environment supportive of risk assets. Sentiment indicators in the US continue to march upwards hitting multi-year highs in many instances. Some of the most eye-catching being the NFIB Small Business Optimism Index hitting its highest reading in 43 years and the US Conference Board Consumer Confidence Index climbing to its highest level in more than 16 years. The ISM manufacturing Index at 57.2 and ISM New Orders Index at 64.5 were both strong/expansionary. Positive data was not limited to the US – the Eurozone Composite PMI hit a multi-year high of 56.4, whilst in China the official manufacturing PMI rose to 51.8 (previous high 2012) and the non-manufacturing PMI rose to 55.1 (highest since 2014). In isolation the business and consumer surveys, known as soft data, suggest the global economy is expanding at the fastest rate since 2010 and that we are finally achieving 'escape velocity'.

Hard economic data, for now remains mixed with US Q1 2017 Real GDP expected to be below 2% for the second successive quarter – although the aforementioned surveys are suggestive of H2 strengthening. This perhaps explains why the Federal Reserve (Fed) raised short-term interest rates by 25 basis points – bringing the target range to 0.75% to 1.0% – but accompanied by dovish commentary and 'dot plot' still suggesting only three 25 basis point increases in 2017. US auto sales volumes were soft for March at US$16.5m on a seasonally adjusted annual rate (SAAR). Credit conditions also tightened, as measured by falling US bank lending growth rates. Commodity markets were the laggards in March, the WTI Oil price declining 7% as optimism seemingly faded around the effectiveness of the OPEC production deal. All in, this mixed picture explains why 10-year Treasury yields only strengthened a few basis points (bp) to 2.40%.

Technology Review

The technology sector outperformed the broader market during the month, the Dow Jones World Technology Index gaining +2.8% (in GBP terms). A significant event in the technology world that largely went unnoticed, occurred during the month when Android (developed by Google) overtook Microsoft Windows as the Internet's most frequently used operating system. Web analytics company StatCounter estimated 37.93% of usage activity on its network came from Android users versus 37.91% for Windows. This 'tipping point' is another sign of growing mobile dominance of worldwide Internet usage. The hotly anticipated launch of the Nintendo Switch console also took place in early March with initial weekend sales in the US and Europe exceeding all previous Nintendo launches (including the Wii which went on to sell over 100 million units), yet another demonstration of the growing mass market appeal of gaming.

March tends to be a quiet month for technology sector earnings but several of our holdings (and a few large incumbents) reported results during the period. Tencent* delivered an in-line quarter – the company has significant future opportunities in the payment space, surpassing 600 million mobile payment Monthly Active Users (more than two-thirds of WeChat users). In Software, Adobe* delivered once again an impressive set of quarterly results. It was Adobe's seventh consecutive quarter of 20%+ revenue growth as the company continues to demonstrate it can drive both revenue growth and cost control in a very consistent manner – justifying its premium valuation. RedHat* also delivered an impressive set of results, closing several deals that slipped in the prior quarter, with 29% billings growth (the fastest in five years) and good traction from middleware and newer products.

Even results from software and services incumbents Oracle** and Accenture** were solid – supporting our view of a strengthening economic backdrop. Oracle reported a slight beat with decent cloud metrics albeit tainted by maintenance declines and an inorganic contribution from its Netsuite acquisition. Accenture results were in-line but accompanied by upbeat commentary regarding the H2 2017 outlook (and financial services spending). The only notable soft spot within software remains a subset of the security space (particularly on-premise vendors) with Palo Alto Networks* delivering a disappointing quarter/guidance.

An area of notable strength during the month was semiconductors, the Philadelphia Semiconductor (SOX) Index rising 3.3% supported by solid results and M&A activity. Micron** reported revenues and profits which exceeded expectations driven by strong demand and limited industry capacity additions (supply) for its DRAM and NAND memory chips. Optical component suppliers had a trickier month with Ciena**, Finisar** and Neophotonics** all coming in below expectations due to slowing demand/ inventory adjustments largely from China.

The technology M&A wave continued during the month – to the benefit of the semiconductor industry – as Intel acquired Mobileye*, the leader in computer vision for autonomous driving, for US$15.3bn (a 30%+ premium). While the purchase should help Intel capture a share of the self-driving car market (which it estimates will be worth US$70bn by 2030) we reduced our position as incumbents making large M&A deals in non-core markets is often a sign of their waning confidence in their current positioning.

Elsewhere in hardware, Apple maintained its strong run and returned +3.8% in March. Anticipation continues to build for the upcoming iPhone 8 launch. Despite the recent stock performance, the valuation at less than 15x 2018E PE (or less than 13x ex net cash and sub 10x EV/FCF) still leaves the shares favourably valued when compared to the S&P500 multiple at 16x 2018E PE estimate.

Market Outlook

While doubts remain about President Trump's ability to deliver on his campaign promises, we believe the US economy has sufficient momentum without this additional stimulus. A strong/solid US economy is undoubtedly positive for many of our small/mid cap holdings, many of which by nature are over exposed to the domestic US economy. In addition, whilst our sector is unlikely to be the biggest beneficiary of proposed tax cuts or infrastructure spending policies it could be one of the biggest winners from changes to repatriation policies (on overseas cash/earnings).

Turning to technology stocks, the sector trades close to a market multiple and more importantly for us, many high growth technology sub sectors are trading around or below their five-year averages (on forward EV/sales multiples) significantly below their valuation peaks in early 2014 (the sector subsequently suffered two years of multiple compression). If valuations can hold at these levels, then growth should become the primary driver of stock

Fund Manager Comments

As at 31 March 2017

performance. 2017 also looks set to be another strong year for M&A activity with the Trust already benefiting from small positions in two high profile technology deals so far this year (Mobileye*, Nimble Storage*). We expect the combination of compressed next-generation valuations and growing Cloud disruption to fuel further activity and provide valuation support for our small/mid cap growth stocks. While clearly above their long-term averages, equity valuations look appropriate given the inflationary backdrop, low interest rates and policy that remains supportive (for now).

What gives us the most confidence is the fact that our sector is continuing to disrupt many other industries, attacking previously un-addressable profit pools. The shift to public cloud computing remains in its early stages and brings with it significant productivity benefits. Technology is clearly changing both consumer and enterprise behaviour, and next generation companies (not easily accessible via ETF's) should be the major beneficiaries of this change. If our thesis is correct, it should provide a multi-year tailwind for our growth centric investment approach at a time when technology indices may be weighed down by smartphone maturity and exposure to legacy technologies most at risk from Cloud deflation.

We expect this disruption to accelerate in the years ahead with Gartner predicting that on-premise (traditional) compute will account for only 20% of workloads by 2022 as compared to c.80% today. Having addressed key barriers to adoption such as security and vendor lock-in, the Infrastructure-as-a-Service (IaaS) market worth US$25bn today is expected to triple over the next five years. This is likely to prove highly deflationary as every US$1 spent at Amazon Web Services (AWS) is said to be equivalent to US$4 lost to traditional IT. This impact has already been felt in the US$21bn storage market which has contracted in value terms since 2014 despite >35% annual data growth. We expect this disruption to permeate well beyond storage/hardware, akin to the experience of client-server computing in the late 1980s/early 1990s that ended the dominance of the mainframe.

As in the past, this cheaper form of computing is resulting in an accelerating pace of innovation that is driving massive TAM (total addressable market) expansion. Aided and abetted by millennials that 'engage with smartphones more than humans', today's technology winners are not peddlars of productivity dreams. They are the buyers, the mass producers of IT with which they deliver products and services that change user behaviour and expectations. Massive R&D budgets create formidable entry barriers and future growth opportunities that are unavailable to embattled incumbents.

At the same time – and following the experience of 19th century electricity – utility computing has eliminated many of the adoption barriers that previously disadvantaged smaller companies. Today, SMEs have access to the same cheap compute/best of breed software and are able to bypass traditional channels dominated by incumbents by engaging directly with their customers/targets thanks to smartphones and Internet advertising. Having levelled the playing field, it should be no surprise that the Internet-fuelled disruption promised in the 1990s has finally arrived.

This is an exciting time to be a technology investor. While we acknowledge the allure of 'cheap' stocks in an increasingly expensive market, we intend to remain invested in would-be winners rather than incumbents that have more in common with 19th century gas lighting suppliers than the technology winners of today. We look to a reopening IPO market to augment/refresh our portfolio of disruptive, TAM expanding would-be winners of tomorrow.

* Held

** Not held

*** Not held, not listed

Ben Rogoff

12 April 2017

Polar Capital Technology Trust Management Team

Ben Rogoff

Director, Technology

Ben has managed the Trust since 2006, he joined Polar Capital in 2003 and has 21 years of industry experience.

Nick Evans - Senior Fund Manager

Fatima Iu - Fund Manager

Xuesong Zhao - Fund Manager

Bradley Reynolds - Investment Analyst

John Gladwyn - Investment Analyst

Paul Johnson - Investment Analyst

Important Information

Important Information This document is provided for the sole use of the intended recipient and is not a financial promotion. It shall not and does not constitute an offer or solicitation of an offer to make an investment into any fund or Company managed by Polar Capital. It may not be reproduced in any form without the express permission of Polar Capital and is not intended for private investors. This document is only made available to professional clients and eligible counterparties. The law restricts distribution of this document in certain jurisdictions; therefore, it is the responsibility of the reader to inform themselves about and observe any such restrictions. It is the responsibility of any person/s in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Polar Capital Technology Trust plc is an investment company with investment trust status and as such its ordinary shares are excluded from the FCA's (Financial Conduct Authority's) restrictions which apply to non-mainstream investment products. The Company conducts its affairs and intends to continue to do so for the foreseeable future so that the exclusion continues to apply. It is not designed to contain information material to an investor's decision to invest in Polar Capital Technology Trust plc, an Alternative Investment Fund under the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") managed by Polar Capital LLP the appointed Alternative Investment Manager. In relation to each member state of the EEA (each a "Member State") which has implemented the AIFMD, this document may only be distributed and shares may only be offered or placed in a Member State to the extent that (1) the Fund is permitted to be marketed to professional investors in the relevant Member State in accordance with AIFMD; or (2) this document may otherwise be lawfully distributed and the shares may otherwise be lawfully offered or placed in that Member State (including at the initiative of the investor). As at the date of this document, the Fund has not been approved, notified or registered in accordance with the AIFMD for marketing to professional investors in any member state of the EEA. However, such approval may be sought or such notification or registration may be made in the future. Therefore this document is only transmitted to an investor in an EEA Member State at such investor's own initiative. SUCH INFORMATION, INCLUDING RELEVANT RISK FACTORS, IS CONTAINED IN THE COMPANY'S OFFER DOCUMENT WHICH MUST BE READ BY ANY PROSPECTIVE INVESTOR.

Statements/Opinions/Views All opinions and estimates constitute the best judgment of Polar Capital as of the date hereof, but are subject to change without notice, and do not necessarily represent the views of Polar Capital. This material does not constitute legal or accounting advice; readers should contact their legal and accounting professionals for such information. All sources are Polar Capital unless otherwise stated.

Third-party Data Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved in or related to compiling, computing or creating the data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any data contained herein.

Holdings 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 Company. 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 Company's best interest to do so. It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request. This document is not a recommendation to purchase or sell any particular security. It is designed to provide updated information to professional investors to enable them to monitor the Company.

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 as benchmarks volatility and other material characteristics that may differ from the Company. Security holdings, industry weightings and asset allocation made for the Company may differ significantly from the benchmark. Accordingly, investment results and volatility of the Company may differ from those of the benchmark. The indices noted in this document are unmanaged, are unavailable for direct investment, and are not subject to management fees, transaction costs or other types of expenses that the Company may incur. The performance of the indices 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. Information regarding indices is included merely to show general trends in the periods indicated, it is not intended to imply that the Fund was similar to the indices in composition or risk.

Regulatory Status Polar Capital LLP is a limited liability partnership number OC314700. It is authorised and regulated by the UK Financial Conduct Authority ("FCA") and is registered as an investment adviser with the US Securities & Exchange Commission ("SEC"). A list of members is open to inspection at the registered office, 16 Palace Street, London, SW1E 5JD. FCA authorised and regulated Investment Managers are expected to write to investors in funds they manage with details of any side letters they have entered into. The FCA considers a side letter to be an arrangement known to the investment manager which can reasonably be expected to provide one investor with more materially favourable rights, than those afforded to other investors. These rights may, for example, include enhanced redemption rights, capacity commitments or the provision of portfolio transparency information which are not generally available. The Fund and the Investment Manager are not aware of, or party to, any such arrangement whereby an investor has any preferential redemption rights. However, in exceptional circumstances, such as where an investor seeds a new fund or expresses a wish to invest in the Fund over time, certain investors have been or may be provided with portfolio transparency information and/or capacity commitments which are not generally available. Investors who have any questions concerning side letters or related arrangements should contact the Polar Capital Desk at the Registrar on 0800 876 6889. The Fund is prepared to instruct the custodian of the Fund, upon request, to make available to investors portfolio custody position balance reports monthly in arrears.

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 estimates of actual returns Polar Capital may achieve. Forecasts contained herein are for illustrative purposes only and does not constitute advice or a recommendation. Forecasts are based upon subjective estimates and assumptions about circumstances and events that have not and may not take place.

Performance/Investment Process/Risk Performance is shown net of fees and expenses and includes the reinvestment of dividends and capital gain distributions. Factors affecting the Company's performance may include changes in market conditions (including currency risk) and interest rates and in response to other economic, political, or financial developments. The Company's investment policy allows for it to enter into derivatives contracts. Leverage may be generated through the use of such financial instruments and investors must be aware that the use of derivatives may expose the Company to greater risks, including, but not limited to, unanticipated market developments and risks of illiquidity, and is not suitable for all investors. Those in possession of this document must read the Company's Investment Policy and Annual Report for further information on the use of derivatives. Past performance is not a guide to or indicative of future results. Future returns are not guaranteed and a loss of principal may occur. Investments are not insured by the FDIC (or any other state or federal agency), or guaranteed by any bank, and may lose value. 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.

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 or prospectus for a description of the investment allocations as well as the risks associated therewith. Please note that the Company may elect to invest assets in different investment sectors from those depicted herein, which may entail additional and/or different risks. Performance of the Company is dependent on the Investment Manager's ability to identify and access appropriate investments, and balance assets to maximize return to the Company while minimizing its risk. The actual investments in the Company may or may not be the same or in the same proportion as those shown herein.

Country Specific Disclaimers The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") and the holders of its shares will not be entitled to the benefits of the Investment Company Act. In addition, the offer and sale of the Securities have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). No Securities may be offered or sold or otherwise transacted within the United States or to, or for the account or benefit of U.S. Persons (as defined in Regulation S of the Securities Act). In connection with the transaction referred to in this document the shares of the Fund will be offered and sold only outside the United States to, and for the account or benefit of non U.S. Persons in "offshore- transactions" within the meaning of, and in reliance on the exemption from registration provided by Regulation S under the Securities Act. No money, securities or other consideration is being solicited and, if sent in response to the information contained herein, will not be accepted. Any failure to comply with the above restrictions may constitute a violation of such securities laws.