

## Trust Fact Sheet

30 September 2014



### Trust Facts

#### Ordinary Shares

Share Price	155.50p
NAV per share	164.37p
Premium	-
Discount	-5.40%
Capital	121,620,000 shares of 25p

#### Assets & Gearing<sup>2</sup>

Total Net Assets	£199.9m
AIC Gearing Ratio	0.00%
AIC Net Cash Ratio	0.11%

**Historic Yield (%) 2.22**

#### Dividends Declared (p/share)

August 2014	1.80
May 2014	0.55
February 2014	0.55
November 2013	0.55

#### Benchmark

MSCI All Country World Index / Healthcare (Sterling)

#### Fees<sup>3, 4</sup>

Management	0.85%
Performance	10% over performance hurdle

#### Risk Warning

Your capital is at risk. You may not get back the full amount you invested. Please note the Important Information on Page 4 and the full Risk Warnings in the Prospectus.

#### 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's investment objective is to generate capital growth and income by investing in a global portfolio of healthcare stocks.

### Investment Policy

The Company seeks to achieve this objective by investing in a diversified global portfolio consisting primarily of listed equities issued by healthcare companies involved in pharmaceuticals, medical services, medical devices and biotechnology. The portfolio is diversified by geographic location and size of investee companies.

### Dividends

The Company pays four dividends a year and has a policy to increase the dividend on an annual basis progressively but there is no guarantee this will be achieved.

## Performance

### Performance Since Launch (%)



	1 Month	3 Months	6 Months	1 Year	Since Launch
Ordinary Share Price (TR) <sup>1</sup>	3.84	3.84	7.32	10.56	72.47
NAV per Share (TR) <sup>5</sup>	1.21	4.80	5.47	19.69	96.70
Total Return for Shareholders <sup>6</sup>	-	-	-	-	82.20
MSCI ACWI / Healthcare TR	2.90	9.25	11.64	24.76	102.69
NYSE Arca Pharmaceutical CR	4.32	8.06	10.22	27.73	100.81

### Discrete Annual Performance (%)

	30/09/13	28/09/12	30/09/11	30/09/10	30/09/09
	30/09/14	30/09/13	28/09/12	30/09/11	30/09/10
Ordinary Share Price (TR) <sup>1</sup>	10.56	19.57	19.20	6.53	-
NAV per Share (TR) <sup>5</sup>	19.69	23.28	23.58	6.75	-
MSCI ACWI / Healthcare TR	24.76	25.38	21.45	5.65	-
NYSE Arca Pharmaceutical CR	27.73	19.53	22.38	3.28	-

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

- The ordinary share price has been adjusted for dividends paid in the period in GBP.
- Gearing calculations are exclusive of current year Revenue/Loss.
- All fees are allocated 80% to capital and 20% to income. Further details can be found in the Report and Accounts.
- The management fee is based on the lower of the market cap or NAV. The performance fee is subject to a cap.
- The NAV per share is adjusted to show dividends reinvested on the payment date in ordinary shares at their Net Asset Value; to remove the dilution of the exercise of the subscription rights and, to remove any effects from any issuance or repurchase of ordinary shares. This is the metric used by the company when assessing the investment manager's performance. For Full details please refer to the Annual Report.
- The Total Return for Shareholders since Inception calculation is adjusted for any dividends to have been reinvested on the payment date in ordinary shares at the prevailing share price and assumes that all investors have exercised their subscription rights.

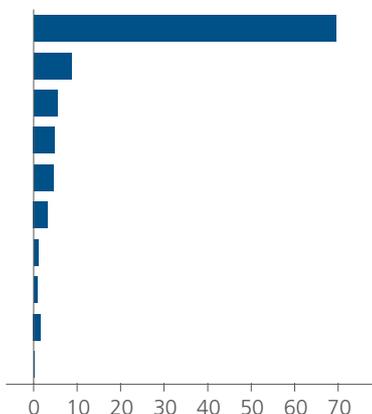
# Polar Capital Global Healthcare Growth and Income Trust plc

## Portfolio Exposure

As at 30 September 2014

### Sector Exposure (%)

Pharmaceuticals	69.4
Healthcare Equipment	8.6
Healthcare Facilities	5.4
Biotechnology	4.9
Healthcare REITs	4.5
Healthcare Services	3.2
Healthcare Supplies	1.1
Healthcare Distributors	0.9
Other	1.7
Cash	0.2



### Top 10 Holdings (% of net assets)

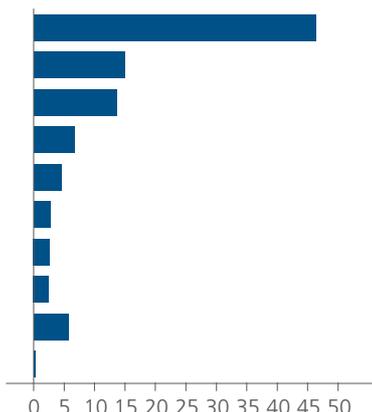
Merck & Co	8.0
Roche	8.0
Eli Lilly & Co	6.5
AstraZeneca	6.0
Novartis	5.2
Pfizer	4.6
Abbvie	4.5
Sanofi	4.4
Astellas Pharma	3.9
GlaxoSmithKline	3.3

**Total** **54.4**

**Total Number of Positions** **79**

### Geographic Exposure (%)

United States	46.3
United Kingdom	15.0
Switzerland	13.7
Japan	6.7
France	4.6
Germany	2.7
Denmark	2.7
Australia	2.5
Other	5.7
Cash	0.2



### Market Capitalisation Exposure (%)

Large Cap (>\$5bn)	75.4
Mid Cap (>\$1bn - \$5bn)	10.2
Small Cap (<\$1bn)	14.4

## Investing in the Trust and Shareholder Information

### Trust Characteristics

Launch Date	15 June 2010
Year End	30 September
Results Announced	Mid December
Next AGM (4th)	January 2015
Trust Term	Fixed life to 7th AGM (Expected Jan 2018)
Listed	London Stock Exchange

### Market Purchases

The ordinary shares are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker,

The entire investment portfolio is published in the annual and semi annual reports and as part of the interim management statement.

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.

Note: Totals may not sum due to rounding.

### Corporate Contacts

#### Registered Office and Website

4 Matthew Parker Street, London SW1H 9NP  
www.polarcapitalhealthcaretrust.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

### Codes

#### Ordinary Shares

ISIN	GB00B6832P16
SEDOL	B6832P1
London Stock Exchange	PCGH

# Polar Capital Global Healthcare Growth and Income Trust plc

## Fund Manager Comments

As at 30 September 2014

Following a strong August, performance of global stock markets was more muted in September, but the healthcare sector was once again an outperformer. The NAV for the Trust was up 1.2% for the month but this lagged behind the 2.9% gain reported for the benchmark (Morgan Stanley Global Healthcare Index). The strengthening US dollar was a significant headwind on a relative basis given that the benchmark has a much higher US weighting than the Trust.

The enthusiasm for consolidation in the healthcare sector was slightly dented during the month as the US Treasury Department announced new rules related to tax inversions – an inversion is where a US company acquires a target company located in a low tax geography in order to move its tax domicile out of the US. President Obama has been vocal in his opposition to the flurry of tax inversion deals in 2014 but an outright ban requires legislation by the Congress. However, the new rules close certain loopholes that have made such deals attractive – such as allowing a US company to access profits held overseas to fund a transaction without any US tax penalty.

In our view, many of the recent deals – such as Medtronic/Covidien and AbbVie/Shire – have been driven primarily by long-term strategic motives with tax inversion providing a near-term financial benefit. These stocks initially reacted negatively to the new Treasury rules but management teams from both Medtronic and AbbVie publicly expressed their commitment to completing their respective deals, which led to a modest share price recovery.

The major clinical news flow in the month came from the European Society of Molecular Oncology (ESMO) meeting, where a number of the major companies – including Roche, Merck, Bristol-Myers and AstraZeneca – in the emerging immune-oncology field presented clinical data from a series of early studies. We continue to believe that while this area of medicine is very exciting, it is still far too early to determine which companies will dominate the field – data from ESMO did nothing to dispel this idea.

We made only small changes to the portfolio in September. In the income portfolio, we reduced our weightings in both GlaxoSmithKline (GSK) and AstraZeneca. We continue to be reasonably cautious on GSK given the recent disappointments and the lack of near-term earnings growth. During September, the company announced that Sir Philip Hampton will join the board in January and take over as Chairman in September next year. While there has been some expectation that this could prove to be a catalyst for some kind of strategic reorganisation at GSK, we think it is unlikely that anything would happen before the end of next year at the earliest.

In the growth portfolio, we initiated new positions in Medtronic and Merck KGaA. Both of these companies have announced significant acquisitions in the last few months – Medtronic is set to buy Covidien and Merck KGaA has entered into a definitive agreement to acquire Sigma-Aldrich. We think both deals are consistent with our view on consolidation in the sector – with greater scale there is the opportunity to reduce costs and take market share.

Healthcare has been a strong performer over the course of 2014 and we would not be surprised to see some investors tempted to take profits as we approach the final quarter. However, we think that fundamentals remain good as the impact of Obamacare begins to drive an improvement in patient volumes and utilisation over the coming quarters. Importantly, we do not think that valuations are stretched – stocks across healthcare are back to long-term historical averages. We see a number of interesting investment opportunities across the sector and remain positive on an improving growth environment as we move into 2015.

**Daniel Mahony**

11 October 2014

### Fund Managers



**Daniel Mahony**  
Fund Manager

Daniel has managed the Trust since launch, he joined Polar Capital in 2007 and has 23 years of industry experience.



**Gareth Powell**  
Fund Manager

Gareth has managed the Trust since launch, he joined Polar Capital in 2007 and has 16 years of industry experience.

# Polar Capital Global Healthcare Growth and Income Trust plc

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**Benchmarks** The following benchmark indices are used: MSCI All Country World Index/Healthcare. These benchmarks are generally considered to be representative of the healthcare equity universe. These benchmarks are broad-based indices which are used for comparative/illustrative purposes only and have been selected as they are well known and are easily recognizable by investors. Please refer to [www.msibarra.com](http://www.msibarra.com) for further information on these indices. Comparisons to benchmarks have limitations because benchmarks have volatility and other material characteristics that may differ from the fund. 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 indices noted in this document are unmanaged, are not available for direct investment, and are not subject to management fees, transaction costs or other types of expenses that the fund 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. The information regarding the indices is included merely to show the general trends in the periods indicated and is not intended to imply that the fund was similar to any of the indices in composition or risk.

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