

#### 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.

#### Monthly Returns (%)

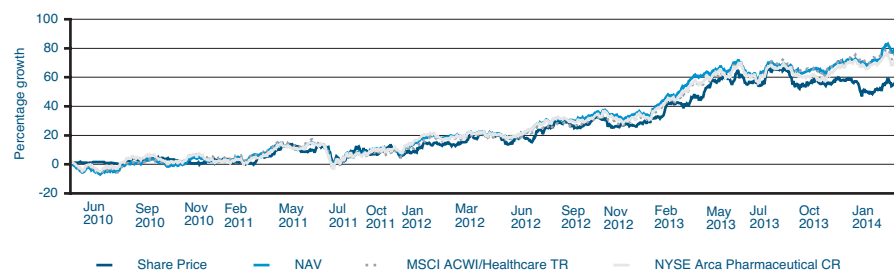
	1 Month	3 Months	6 Months	1 Year	Since Launch
Ordinary Share Price	3.41	-0.65	-4.55	10.63	56.87
NAV (undiluted) per Share	4.65	5.85	6.30	22.59	79.79
MSCI ACWI / Healthcare	1.33	3.00	1.84	23.04	75.20
NYSE Arca Pharmaceutical	0.83	2.78	1.36	18.46	70.70

#### Discrete Annual Performance (%)

	30/09/13 31/12/13	28/09/12 30/09/13	30/09/11 28/09/12	30/09/10 30/09/11	30/09/09 30/09/10
Ordinary Share Price	0.55	19.57	19.20	6.53	-
NAV (undiluted) per Share	9.43	23.23	23.55	6.79	-
MSCI ACWI / Healthcare	7.84	25.38	21.45	5.65	-
NYSE Arca Pharmaceutical	8.58	19.53	22.38	3.28	-

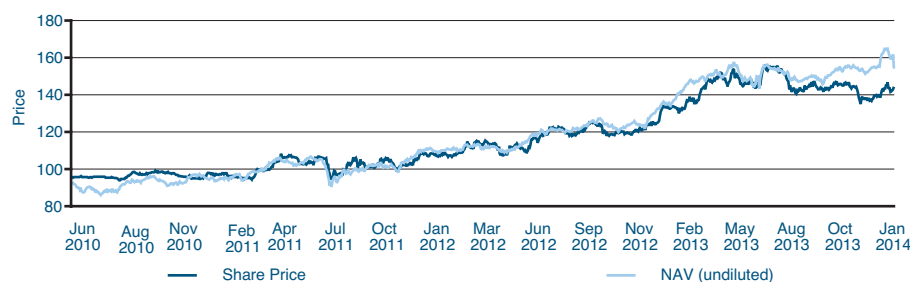
Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, NET total return in GBP. The Net Asset Value (NAV) as at 15 June 2010 was 98.0p per ordinary share based on the subscription price of 100.0p per ordinary share and launch costs of 2.0p per ordinary share.

#### Ordinary Share Performance Since Launch



Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, NET total return in GBP. The Net Asset Value (NAV) as at 15 June 2010 was 98.0p per ordinary share based on the subscription price of 100.0p per ordinary share and launch costs of 2.0p per ordinary share.

#### Ordinary Share Price & NAV per Share Since Launch



Source: Lipper & HSBC Securities Services (UK) Limited

Sector Exposure (%)	Geographic Exposure (%)
Pharmaceuticals 60.3	United States 41.2
Healthcare Equipment 6.9	United Kingdom 16.7
Specialised REITs 4.8	Switzerland 11.6
Biotechnology 4.3	Japan 6.6
Healthcare Facilities 4.1	France 4.2
Healthcare Services 2.5	Australia 2.0
Healthcare Supplies 2.2	Canada 1.9
Healthcare Technology 1.2	Ireland 1.2
Life Sciences Tools & Services 1.1	Italy 1.1
Healthcare Distributors 0.9	Belgium 1.0
Life & Health Insurance 0.4	Singapore 0.6
Other 0.2	Other 0.8
Cash 11.1	Cash 11.1

#### Trust Facts

##### Ordinary Shares

Share Price (p)	144.25
NAV (undiluted) per Share (p)	154.16
NAV (diluted) per Share (p)	153.02
Premium (%)	-
Discount (%)	6.43
Capital Structure	120,056,136 shares of 25p

Total Net Assets (£m)	185
AIC Gearing Ratio (%)*	0.00
AIC Net Cash Ratio (%)*	11.10

\*Gearing calculations are exclusive of current year Revenue/Loss

##### Historic Yield (%)

Historic Yield (%)	2.4
--------------------	-----

##### Dividends Declared

February 2013	0.50p
May 2013	0.50p
August 2013	1.80p
November 2013	0.55p

##### Benchmark

MSCI All Country World Index / Healthcare (Sterling)

##### Total Number of Holdings

Total Number of Holdings	73
--------------------------	----

##### Top Ten Holdings (%)

AstraZeneca	6.3
Novartis	6.3
Eli Lilly	6.2
Merck & Co	6.1
Roche	5.0
Pfizer	4.8
GlaxoSmithKline	4.8
Sanofi	3.9
Astellas Pharma	3.5
Abbvie	3.4
<b>Total</b>	<b>50.3</b>

##### Market Capitalisation Exposure (%)

Large (greater than US\$ 5bn)	71.3
Medium (US\$ 1bn to 5bn)	12.1
Small (less than US\$ 1bn)	16.5

Note: Totals may not sum due to rounding.

**It should not be assumed that recommendations made in the 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.**

## Fund Manager Comments

Despite the poor start to the year for global stock markets, the healthcare sector delivered a positive return in January. The Trust had a particularly good month with the NAV up 4.7%, well ahead of the 1.3% reported for the benchmark (Morgan Stanley Global Healthcare Index). The outperformance was driven in large part by Intercept Pharmaceuticals, but the positions in some of the large pharmaceutical names – especially AstraZeneca and Eli Lilly – were also important contributors.

Intercept Pharmaceuticals really was the story of the month for the Trust, and probably the sector. This US-based biotechnology company has been held in the portfolio since its IPO in 2012. The main driver for the stock had been the expected release of data from the Phase III study in 2014, with obeticholic acid (OCA) in primary biliary cirrhosis, a liver disease. Due to the mechanism of action, this drug was also being investigated in mid-stage clinical studies to treat other liver diseases such as portal hypertension, non-alcoholic steatohepatitis (NASH) and bile acid diarrhoea.

At the beginning of the month, Intercept announced very positive data from the trial investigating the use of the compound in NASH. While only half of the patients in the clinical trial had completed treatment, an independent review body stopped the trial early on the basis of efficacy. If a drug candidate shows overwhelming efficacy in an ongoing clinical trial, it is considered unethical to continue treating patients with a placebo. In our experience this is a very rare event as the data have to reach a very high level of statistical significance. For those with an interest, the reported p value was 0.0024 – this means that there was an estimated 0.24% probability that the positive results happened by chance.

NASH is a serious chronic liver disease caused by excessive fat accumulation in the liver that induces chronic inflammation, which leads to progressive fibrosis (scarring) that can lead to cirrhosis, eventual liver failure and death. There are currently no approved drugs for this indication and it is estimated that approximately 6 million people in the US adult population have an advanced form of NASH. Given the strong move in the shares, the stock moved from US\$72 to US\$445 in two days, the position was completely sold from the Trust.

We made only one minor change to the income portfolio in January. We added to our position in Religare Health Trust, a Singapore-based REIT that owns a chain of Indian hospitals. We made a number of changes to the growth portfolio. As noted above, we sold our position in Intercept and replaced this with Receptos, a US biotechnology company that is developing a novel compound to treat multiple sclerosis. We also finished selling our position in Five Star Quality Care and sold most of our position in Wellcare. A new addition to the portfolio was Sorin, an Italian medical device company, that has built a franchise in cardiac rhythm management and the heart valve replacement markets. Given the recent inflow of cash from the exercise of subscription shares, we would expect to add to our positions in the large pharmaceutical names over the next month and re-balance the portfolio back towards 80:20 ratio of income to growth.

As we noted last month, US healthcare reform will be important for healthcare sector performance this year. We continue to believe that the US will see an increase in patient volumes this year and that this will have a positive impact on healthcare stocks, especially healthcare providers and facilities.

31 January 2014

Fact sheet

## Polar Capital Healthcare Investment Management Team

### Dan Mahony - Co-Manager



Daniel joined Polar Capital to set up the healthcare team in 2007. He has more than 14 years' investment experience in the healthcare sector, with over five years as a Portfolio Manager and nine years as a sell-side analyst. Prior to joining Polar Capital, he was head of the European healthcare research team at Morgan Stanley, covering the European biotechnology, medical technology and healthcare services sectors. He also previously worked in New York for ING Barings Furman Selz following the US biotechnology sector. Before working in the investment field, Daniel worked as a research scientist for seven years with the majority of his time at Schering Plough Corporation in California. Daniel received his PhD from Cambridge University in 1995 and a first class honours degree in biochemistry from Oxford University in 1991.

### Gareth Powell - Co-Manager



Gareth joined Polar Capital in 2007 to set up the healthcare team. He has over 13 years' investment experience in the healthcare sector, with 11 years as a portfolio manager. He joined Framlington in 1999 becoming a portfolio manager on the Framlington health fund. In 2002, he helped launch and then run the Framlington biotech fund. Gareth became a CFA charterholder in 2003. Gareth studied biochemistry at Oxford from 1995 to 1999 and during that time worked at Astellas, the Sir William Dunn School of Pathology, the Wolfson Institute for Biomedical Research and the Oxford Business School.

### David Pinniger - Fund Manager

David joined Polar Capital in August 2013 as a fund manager within the healthcare team. He has over 13 years' investment experience in the healthcare sector. Prior to joining Polar Capital, David was a portfolio manager of the International Biotechnology Trust at SV Life Sciences. He also previously spent three years working at venture capital firm Abingworth as an analyst managing biotechnology investments held across the firm's venture and specialist funds, and four years at Morgan Stanley as an analyst covering the European pharmaceuticals and biotechnology sector. He is a CFA Charterholder.

### Anna Sizova - Analyst

Anna joined Polar Capital in February 2008 as an analyst for the healthcare team. She has over 5 years' investment experience in the healthcare sector that started with her time at Morgan Stanley as a healthcare analyst covering the European medical technology sector. Prior to working in investment, she spent 5 years at Johnson & Johnson, working in both the marketing and finance departments. Anna holds an MBA degree from the London Business School and a degree in Theoretical and Applied Linguistics from Moscow State University.

### Deane Donnigan - Analyst

Deane joined Polar Capital in June 2013 as an analyst for the healthcare team. She trained as a clinical pharmacist having graduated with a post baccalaureate Doctor of Pharmacy from the University of Georgia. In 1990, she accepted a position with Emory University Hospital in Atlanta, Georgia as a clinical specialist in Drug Information and Adult Internal Medicine. In 1997, Deane left the US to begin her career in fund management at Framlington in the UK, working on the healthcare unit trust there led by Antony Milford. Having started as an analyst, she spent 14 years at Framlington, eventually becoming lead portfolio manager on both the Framlington Healthcare and Biotechnology funds. She is both a US and UK citizen.

## Trust Characteristics

Launch Date	15 June 2010
Co-Manager	Dan Mahony
Co-Manager	Gareth Powell
Portfolio Characteristics	80/20 (Income/Capital)
Year End	30 September
Results Announced	Mid December
Next AGM	January 2015
Trust Term	Fixed life to 7th AGM
Listed	London Stock Exchange

## Fees\*

Management Fee	0.85% of Market Cap
Performance Fee**	10% over performance hurdle

\* Further details can be found in the annual report. All fees are allocated 80% to capital and 20% to income.

\*\* Subject to high watermark

## How to Invest

### Market Purchases

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

### Registered Office

4 Matthew Parker Street, London SW1H 9NP

### Custodian

HSBC PLC acts as global custodian for all the company's investments.

### Registrar

Equiniti  
The Causeway, Worthing, West Sussex BN99 6DA  
www.shareview.co.uk

## Codes

### Ordinary Shares

ISIN	GB00B6832P16
SEDOL	B6832P1
Ticker	PCGH

## 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.

## Important Information

The information provided in this document is for the sole use of the intended recipient and it shall not and does not constitute an offer or solicitation of an offer to make an investment into any fund 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. Notwithstanding anything to the contrary herein, such person (and each employee, representative or other agent of such person) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the fund and (ii) any of its transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to the recipient relating to such tax treatment and tax structure.

This document is only made available to professional clients and eligible counterparties. Shares in the fund should only be purchased by professional investors. Any other person who receives this document should not rely upon it. The law restricts distribution of this document in certain jurisdictions, therefore, persons into whose possession this document comes should inform themselves about and observe any such restrictions. It is the responsibility of any person or persons in possession of this document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction.

Polar Capital Global Healthcare Growth and Income Trust is an investment trust and as such its ordinary and subscription shares are excluded from the FCA's restrictions which apply to non-mainstream investment products. The Company conducts its affairs and intends to continue to do so for the foreseeable so that the exclusion continues to apply.

This document does not provide all information material to an investor's decision to invest in the Polar Capital Funds Plc – Healthcare Opportunities Fund or Polar Capital Global Healthcare Growth and Income Trust, including, but not limited to, risk factors. PROSPECTIVE INVESTORS SHOULD REVIEW THE FUND'S OFFER DOCUMENT, INCLUDING THE RISK FACTORS, BEFORE MAKING A DECISION TO INVEST.

The Funds have 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 Funds 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.

## Statements/Opinions/Views

All opinions and estimates in this report 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. Polar Capital is not rendering legal or accounting advice through this material; readers should contact their legal and accounting professionals for such information.

## Third-party Data

Some information contained herein has been obtained from other third party sources and has not been independently verified by Polar Capital. Polar Capital makes no representations as to the accuracy or the completeness of any of the information herein. 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 of such data.

## Holdings

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 funds. 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 may be made 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: MSCI All Country World Index/Healthcare. These benchmarks are generally considered to be representative of the Global Healthcare market 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 funds. For example, investments made for the funds 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 funds 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 funds may incur. In addition, 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 are included merely to show the general trends in the periods indicated and is not intended to imply that the funds are similar to any of 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, 4 Matthew Parker Street, London SW1H 9NP.

Investment managers which are authorised and regulated by the FCA 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 favourable rights, which are material, 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 Administrator on (+353) 1 434 5007 for the Polar Capital Healthcare Opportunities Fund or 0800 3134922 for the Polar Capital Global Healthcare Growth and Income Trust. 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 even estimates of actual returns Polar Capital may achieve, and should not be relied upon. The forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. In addition, the forecasts are based upon subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never do so.

## 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. 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 maximize return to the fund while minimizing its risk. The actual investments in the fund may or may not be the same or in the same proportion as those shown herein.