

30 September 2013

Fact sheet

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	1.41	1.18	2.24	19.57	56.00
NAV (undiluted) per Share	0.95	0.56	0.69	23.23	64.29
MSCI ACWI / Healthcare	-0.96	-0.21	2.61	25.38	62.46
NYSE Arca Pharmaceutical	-1.89	-2.05	-1.12	19.53	57.21

Discrete Annual Performance (%)

	28/09/12 30/08/13	30/09/11 28/09/12	30/09/10 30/09/11	30/09/09 30/09/10	30/09/08 30/09/09
Ordinary Share Price	19.57	19.20	6.53	-	-
NAV (undiluted) per Share	23.23	23.55	6.79	-	-
MSCI ACWI / Healthcare	25.38	21.45	5.65	-	-
NYSE Arca Pharmaceutical	19.53	22.38	3.28	-	-

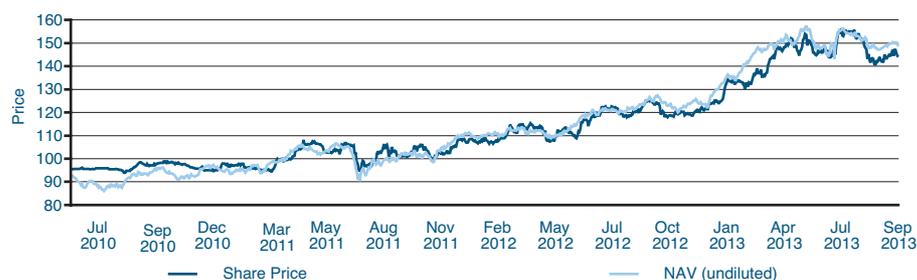
Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, NET total return in GBP. The Net Asset Value (NAV) as at 15 June 2010 was 98.0p per ordinary share based on the subscription price of 100.0p per ordinary share and launch costs of 2.0p per ordinary share.

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 68.6	United States 45.2
Healthcare Equipment 6.2	United Kingdom 18.5
Specialised REITs 5.6	Switzerland 13.7
Biotechnology 4.7	Japan 7.0
Healthcare Facilities 4.3	France 5.2
Healthcare Services 3.1	Australia 2.5
Healthcare Supplies 2.0	Canada 2.2
Healthcare Technology 1.5	Israel 1.5
Life Sciences Tools & Services 1.3	Ireland 1.3
Healthcare Distributors 1.0	Singapore 0.8
Managed Healthcare 0.6	Belgium 0.7
Other 1.0	Other 1.2
Cash 0.3	Cash 0.3

Trust Facts

Ordinary Shares

Share Price (p)	144.00
NAV (undiluted) per Share (p)	148.56
NAV (diluted) per Share (p)	141.51
Premium (%)	-
Discount (%)	3.07
Capital Structure	104,850,000 shares of 25p

Subscription Shares[†]

Share Price (p)	40.38
Exercise Price [†] (p)	100.00
Capital Structure	17,800,000 shares of 1p

Total Net Assets (£m)	156
AIC Gearing Ratio (%) [*]	0.00
AIC Net Cash Ratio (%) [*]	0.29

^{*}Gearing calculations are exclusive of current year Revenue/Loss

Historic Yield (%)

2.3

Dividends Declared

November 2012	0.50p
February 2013	0.50p
May 2103	0.50p
August 2013	1.80p

Benchmark

MSCI All Country World Index / Healthcare (Sterling)

Total Number of Holdings

75

Top Ten Holdings (%)

Novartis	7.3
Eli Lilly	7.0
Merck & Co	6.6
AstraZeneca	6.2
Roche Holding	5.9
Pfizer	5.7
GlaxoSmithKline	5.6
Sanofi	4.9
Johnson & Johnson	3.4
Astellas Pharma	3.4
Total	56.0

Market Capitalisation Exposure (%)

Large (greater than US\$ 5bn)	72.4
Medium (US\$ 1bn to 5bn)	11.0
Small (less than US\$ 1bn)	16.6

Note: Totals may not sum due to rounding.

†Subscription shares - each share confers the right to subscribe for 1 Ordinary share at 100p on 31st January 2014.

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

Given the volatility over the last year, September was a reasonably quiet period for equity markets around the world. The healthcare sector outperformed the US market but lagged behind global markets. The NAV for the Trust was up 1.0 % and was ahead of the 1.0% decline reported for the benchmark (Morgan Stanley Global Healthcare Index). As we describe below, the portfolio benefited from a strong move in one of the small-cap stocks in the portfolio.

The major political event in September was the lack of agreement in Congress on the US budget that has led, at the time of writing, to a shutdown of the US government. President Obama's healthcare reform plans are yet again the target for the Republicans as they make one last effort to de-rail the implementation of the Affordable Care Act.

While the Affordable Care Act is a massive piece of legislation, the key element is that the President is trying to extend health coverage to poorer members of society. In simple terms, this will be achieved in two ways: (1) through the expansion of Medicaid – the programme for the poor that is run by individual US states; and (2) by the government providing access to subsidised commercial insurance – via the so-called healthcare exchanges. Enrolment into the healthcare exchange programme began on 1 October.

There are currently 40-45 million people in the US with no health coverage, we think these two schemes will mean nearly half of these people will have some type of coverage by the end of 2014. This is one of the reasons why we remain positive on the sector – expanding healthcare coverage should result in volume growth across the sector in the mid-term. Over the next few months we expect a lot of noise, not least from politicians, but we think this provides an opportunity to invest in potential winners before any negative perception turns into a positive reality. The success, or failure, of President Obama's healthcare reform should become clearer by the end of March next year when the enrolment period into the healthcare exchanges ends.

For the pharmaceutical sector, the spotlight has fallen back on whether there is still growth in emerging markets. With companies such as Adidas and Unilever warning that emerging market growth is beginning to slow, there is a concern that pharmaceutical companies will also see a major revenue growth driver dissipate. Emerging markets have been one of the few growth areas for the pharmaceutical sector over the last 3 years – but reported top-line growth has declined over the last few quarters.

Certainly, the corruption probe by the Chinese authorities has not helped matters, as companies have come under greater scrutiny and some Chinese hospitals have limited the amount of promotional activity that they allow. It is also worth noting that Sanofi reported a slow-down in its Brazil business in the second quarter and Eli Lilly tried to temper expectations on emerging market growth at its analyst day at the beginning of October. However, our view is that the emerging market story is still intact – in the mid-term, a growing middle class in emerging markets will want more healthcare. However, as this region becomes a larger part of the business, drug companies are likely to see top-line growth in the high single digits rather than mid-teens in the mid-term.

As we have mentioned previously, biotechnology has been the best performing sub-sector in healthcare for the last two years. In our view, this move is probably justified as we see the biotechnology sector as the engine of innovative drug discovery and, more importantly, recent innovation seems to have been a catalyst for the beginning of a new wave of drug development.

The portfolio remains underweight biotechnology – the original investment mandate was to focus on the pharmaceutical sector and manage the portfolio conservatively. However, we have made a series of investments in small companies – with market capitalisation below US\$200 million – that was limited to less than 5% of the portfolio at the time of investment. One of these small companies, a biotechnology company called Summit Corporation, more than doubled in September following a 50%-plus move in August – this stock added just over 1% of performance in the month.

Summit is developing a novel treatment for Duchenne's Muscular Dystrophy (DMD) – a muscle-wasting disease that affects mainly young boys. Over the summer, two companies with DMD drug candidates have IPO'ed in the United States and US investors have become much more focused on the commercial opportunity in this disease area. Summit has developed a product candidate that is not directly competitive with its US competitors, its compound could potentially be used in combination, and is probably a year or two behind its US peer group. However, investors seem to have noticed the significant discrepancy in relative valuation and the stock has had a dramatic rise over the summer. We continue to believe that Summit is undervalued – its market capitalisation of ca. US\$100 million is still dwarfed by its peers: Sarepta Therapeutics (US\$1.8 billion), PTC Therapeutics (US\$474 million) and Prosensa (US\$230 million).

We have made some minor adjustments to the income portfolio in September by adding to our positions in Merck and Novartis. In the growth portfolio, we have sold our positions in the Advisory Board and United Health. We have replaced these with positions in Wellcare and Dexcom. Wellcare is a health insurance company that focuses on managing Medicaid programmes. As part of the Affordable Care Act, the Federal government has agreed to subsidise the expansion of Medicaid so that individuals earning up to 133% of the federal poverty level will be eligible for coverage – previously the cut-off was 100% of federal poverty level. While there is a lot of political noise around the healthcare exchanges, we think this element of healthcare reform is somewhat unaffected by the current political wrangling.

Dexcom is one of the leaders in continuous glucose monitoring technology for diabetics. We had been holders of the stock but sold it earlier in the year on the basis of valuation. However, we have re-assessed our view on the sustainability of the growth profile – we expect 30% top-line growth this year and next – and have decided to buy the stock back.

The key issue from the top-down perspective remains the US political situation with the Government shut-down and the debt ceiling. We hope that common sense will prevail and that eventually a deal will be reached. Although the Republicans are pushing for a one year delay to Obamacare, we see little chance that this can happen now. The healthcare sector in terms of reimbursement under Medicare, Medicaid and the insurance expansion will not be affected by the shut-down, which is a positive for the sector. Our core thesis on the healthcare sector remains largely unchanged and we continue to see a significant number of investment opportunities.

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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 12 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 year's 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 2014
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 and subscription 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

Subscription Shares

ISIN	GB00B68VXC96
SEDOL	B68VXC9
Ticker	PCGS

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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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.

In the United States the fund shall only be available to or for the account of U.S. persons (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act")) who are "qualified purchasers" (as defined in the United States Investment Company Act of 1940, as amended (the "Company Act")) and "accredited investors" (as defined in Rule 501(a) under the Securities Act). The fund is not, and will not be, registered under the Securities Act or the securities laws of any of the states of the United States and interests therein may not be offered, sold or delivered directly or indirectly into the United States, or to or for the account or benefit of any US person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of such securities laws. The securities will be subject to restrictions on transferability and resale. The Fund will not be registered under the Company Act.

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.

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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 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 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.msicibarra.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. 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 indices noted in this presentation 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. 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 fund was 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.