

Polar Capital Funds plc
(Investment Company with Variable Capital)

Annual Report and
Audited Financial Statements

For the year ended 31 January 2004

Polar Capital Funds plc
(Investment Company with Variable Capital)

Annual Report and Audited Financial Statements

For the year ended 31 January 2004

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Polar Capital Funds plc
(Investment Company with Variable Capital)

Management and Administration

Directors:	James Cayzer-Colvin (GB) Neil Taylor (GB) David Hammond (IRL)* Jonathan Quigley (IRL)* Ronan Daly (GB)*
Registered Office:	IFSC House International Financial Services Centre Dublin 1
Investment Manager:	Polar Capital Partners Limited 30 Buckingham Gate London SW1E 6NN
Custodian:	Barings (Ireland) Limited IFSC House International Financial Services Centre Dublin 1
Administrator, Registrar and Transfer Agent and Secretary	International Fund Managers (Ireland) Limited IFSC House International Financial Services Centre Dublin 1
Independent Auditors:	KPMG Chartered Accountants & Registered Auditors 1 Harbourmaster Place International Financial Services Centre Dublin 1
Legal Advisers:	<i>as to English law</i> Slaughter and May 1 Bunhill Row London EC1Y 8YY United Kingdom <i>as to Irish law</i> William Fry Solicitors Fitzwilton House Wilton Place Dublin 2
Sponsoring Broker:	J & E Davy Davy House 49 Dawson Street Dublin 2
German Paying and Information Agent:	Deutsche Bank AG Taunusanlage 12 D-60325 Frankfurt am Main Germany

* Directors independent of the Investment Manager.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Management and Administration
(continued)

Dutch Paying Agent:	Dexia Bank Nederland NV Beethovenstraat 300 1077 WZ Amsterdam The Netherlands
Austrian Paying Agent:	Meinl Bank Aktiengesellschaft Bauernmarkt 2 1014 Wien Austria
Company Registration Number:	348391

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Japan Fund **Investment Manager's Report** *For the year ended 31 January 2004*

The Polar Capital Japan Fund ended January 2004 +43% (in USD). The Japanese market closed the year higher for the first time since 1999, and TOPIX rose 37% (in USD). In the earlier part of the year the threat and launch of war in Iraq dragged down global equity markets while Japan suffered in particular from additional selling caused by corporates cashing up their government pension fund components, or 'daiko henjo'. This combined with the usual seasonal cross-shareholding unwinds and terrible first half of the year 2003 guidance from Sony pushed the market to a post bubble low of below 8000 on the Nikkei 225 for the first time in 21 years. It was the government's decision to inject public funds into Resona Bank which served as the catalyst for the bottoming out of the market in May, and bank shares led a steady rally through until October. Against a backdrop of a recovering US economy helped by the end of the war in Iraq, huge tax cuts and super-low interest rates, investors in the Japanese market gained confidence that Mr Fukui the new Bank of Japan governor was going to ensure ample liquidity in the Japanese markets. The last quarter of the year was somewhat volatile as the yen sharply strengthened against the dollar and the Ashikaga Bank was forced into administration. Economic data from Japan, including industrial production figures and gross domestic products as well as steady upward revisions to earnings helped the market to rally in the last days of the year and technology performed particularly well mirroring NASDAQ.

The best performing sector in 2003 was iron and steel (+84% in USD), followed by marine transport (+78% in USD), a reflection of the bullish sentiment towards economic recovery in Japan and Asia. Chinese related demand which held firm throughout the year and rising prices easily offset any concerns about the strong yen. Brokers (+59% in USD) and insurance (+50% in USD) were the next best performing sectors and our holding in Sompo Japan performed particularly well. We felt more comfortable with the balance sheets and valuations of these two financial sectors than we did with the heavily geared cyclicals. The year's worst performers were mainly defensive stocks including pharmaceuticals (+1% in USD) and electric gas utilities (+5% in USD). Our winning mid-cap holdings in 2003 included Sankyo Seiki, Benesse, and FT Communications. Sankyo Seiki we bought for its potential massive restructuring and it was subsequently acquired by Nidec, one of the top component makers in Japan. Benesse we bought because of the new management (ex-Sony) and again a very aggressive restructuring plan. The valuations remain low on Benesse and we continue to own the stock. FT Communications was a cheap entry into the VOIP related business of telecommunications.

One of the most interesting trends in Japan last year was a conspicuous pick up in M&A activity as well as more shareholder friendly moves from Japanese corporates including raising the dividend, and increasing share buybacks. Although not all the M&A announcements went ahead, eg Mitsui Chemical cancelled plans to merge with Sumitomo Chemical and Kyorin cancelled plans to merge with Teijin, the trend was overall quite encouraging and we expect further such activity in 2004.

As we enter 2004 the Japanese market is faced with a number of risks. These include a continuous supply of stock in the shape of some large scale IPO's, government privatizations (JR West, Japan Tobacco, and later in the year NTT) and in first quarter of the calendar year the usual seasonal cross-shareholding unwinds which heavily impacted in 2003. Additionally interest rates have bottomed in the US, even if the rate rise does not take place until after the elections, so this could destabilize global financial markets as well as currencies. However, the positives for Japan include a booming China on its doorstep which is serving both as a massive site for low cost Japanese plants and as a source of demand for Japanese products which can then be exported to the US and back into Japan or consumed within China. The banking system in Japan, though far from a picture of good health, at least seems to be over the worst; non-performing loans have most probably peaked and the Japanese government seems determined to ensure the major city banks at least are fully capitalized and will be 'supported' if necessary through any further financial crisis. Interest rates in Japan do not look set to rise any time soon, but the deflationary pressures which plagued the country through the late nineties appear to be seeing some respite. Given that valuations are not too stretched in the Japanese market, and assuming another year of corporate profit growth (perhaps 10% or so) as Japanese companies continue their cost-cutting, the outlook could be for another rising year.

Polar Capital Partners Limited
March 2004

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Global Technology Fund **Investment Manager's Report** *For the year ended 31 January 2004*

After a difficult start with the onset of the Iraq war, the year just ended ultimately proved a very good one for the Fund with a return of 114.95%. This compares favourably to a return on the FTA World Index of 37.93% and the more heavily weighted technology index the NASDAQ Composite of 56.42%.

The swift resolution of the war in Iraq helped business confidence recover. The Federal Reserve kept monetary stimulus high and this together with a highly expansionary fiscal policy ensured a recovery in the all important US economy. Corporate profitability improved significantly and with the global consumer remaining in relatively good shape, the outlook for technology spending gradually improved as the year went on.

Our long term focus on medium and smaller companies served us well last year, somewhat in contrast to the previous year!

After several years of retrenchment and severe cost cutting many of our companies were well leveraged to an eventual recovery in demand. We had particularly heavy exposure to the semiconductor sector which was an early leader in the recovery. Towards the end of the period we increased our exposure to the communications equipment sector which after a particularly nasty downturn started to show signs of improvement.

Geographically we maintained our heavy bias towards the US market. All three geographies made good contributions to overall performance with small cap Europe having a particularly good year.

Our two private companies continued to make progress over the period. Xantrex has filed to come public and the offering is expected to close by the end of March.

As to the outlook it is unlikely we will repeat the returns of last year. Much hinges on the global economy given the heavy cyclical component of technology spending. However, the signs are encouraging that a sustained recovery in information technology spending may be underway.

The consumer market still looks strong with the move to 3G mobile phones and wireless data, flat panel televisions and digital recorders and cameras. The key corporate sector should see a steady recovery in spending with the rebound in corporate profitability and through technological change driving system and network upgrades. Finally, the telecommunications sector is showing signs of improvement with the roll out of 3G and wireless data networks and with the deployment of broadband to the home by both cable and telephone companies around the globe.

This said valuations are no longer the bargains they were at the end of 2002. Interest rates may have to rise as we progress through the year although we think any rise will prove quite modest. In the second half political worries may surface in the US with the approach of the presidential elections. We think reasonable gains may be possible this year as we remain excited at the micro level with the companies we are invested in but it is likely to be volatile and any faltering of the global recovery would be unwelcome.

Polar Capital Partners Limited
March 2004

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Report of the Directors *For the year ended 31 January 2004*

The Directors of Polar Capital Funds plc (the “Company”) present herewith their Annual Report and Audited Financial Statements for the year ended 31 January 2004.

Statement of Directors’ Responsibilities

Irish company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2001 and all Regulations to be construed as one with those Acts. They are also responsible for safeguarding the assets of the Company and in fulfilment of this responsibility, they have entrusted assets of the Company to a Custodian for safekeeping in accordance with the Memorandum and Articles of Association. The Directors are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Basis of presentation

The format and certain wording of the financial statements have been adapted from those contained in the Companies (Amendment) Act, 1986, so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company’s business as an investment fund.

Directors’ statement on proper books of account

The Directors believe that they have complied with the requirements of section 202 of the Companies Act, 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to finance this function. The books of account of the Company are maintained by International Fund Managers (Ireland) Limited, at IFSC House, IFSC, Dublin 1.

Activities and Business Review

Polar Capital Funds plc is an open-ended investment company with variable capital organised under the laws of Ireland. The Company was incorporated on 28 September 2001. A detailed review of the Company’s activities for the year ended 31 January 2004 is included in the Investment Manager’s Report on pages 4 and 5.

Directors

There were no appointments or resignations during the year.

Directors’ Interests in Shares of the Company

Neither the Directors nor the Secretary have an interest in the share capital of the Company.

Polar Capital Funds plc
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Report of the Directors
For the year ended 31 January 2004

Transactions involving Directors

Other than as disclosed in Note 11 to the financial statements, there were no contracts or agreements of any significance in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act, 1990, at any time during the year.

Revenue

The results of operations for the year are set out in the Profit and Loss Account on page 16.

Subsequent Events

There have been no events subsequent to the year end, which, in the opinion of the Directors of the Company, may have had an impact on the financial statements for the year ended 31 January 2004.

Auditors

In accordance with Section 160 (2) of the Companies Act, 1963, KPMG, Chartered Accountants, have indicated their willingness to continue in office.

James Cayzer-Colvin }

Directors

David Hammond }

14 May 2004

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Statement of Custodian's Responsibilities

The Custodian is responsible for controlling the assets of the Company and must take reasonable care to ensure and report that the Company complies with the provisions of the Prospectus and the Companies Acts, 1963 to 2001. In particular the Custodian must:

- take into its custody or under its control, all the assets of the Company and hold them in trust for the shareholders in accordance with Companies Acts, 1963 to 2001.
- satisfy itself that the valuation of the shares of the Company and that the sale, issue, repurchase, redemption and cancellation of shares of the Company are being carried out in accordance with the Companies Acts, 1963 to 2001.

Custodian's Report to the Shareholders

For the year ended 31 January 2004

In our opinion, the affairs of the Company have been conducted in all material respects for the year ended 31 January 2004 in accordance with the provisions of the Companies Acts, 1963 to 2001 and in accordance with the limitations imposed on the investment and borrowing powers of the scheme by the Memorandum and Articles of Association, and by the Irish Financial Services Regulatory Authority ("IFSRA") under the powers granted to IFSRA by the European Communities (Undertaking for Collective Investments in Transferable Securities) Regulations, 2003.

Barings (Ireland) Limited
Dublin

14 May 2004

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Independent Auditors' Report to the Shareholders of **Polar Capital Funds plc**

We have audited the financial statements set out on pages 10 to 24.

This report is made solely to the Company's members, as a body, in accordance with section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Independent Auditors

The Directors are responsible for preparing the annual report. As described on page 6, this includes responsibility for preparing the financial statements in accordance with applicable Irish law and accounting standards. Our responsibilities, as independent auditors, are established in Ireland by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003. As also required by the Acts, we state whether we have obtained all the information and explanations we require for our audit, whether the financial statements agree with the books of account and report to you our opinion as to whether the Company has kept proper books of account and whether the Directors' report is consistent with the financial statements.

We also report to you if, in our opinion, information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements we have audited give a true and fair view of the state of affairs of the Company at 31 January 2004, and of the result of operations for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2001, all Regulations to be construed as one with those Acts and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003.

We have obtained all the information and explanations we considered necessary for the purpose of our audit. In our opinion, proper books of account have been kept by the Company. The financial statements are in agreement with the books of account.

In our opinion, the information contained in the Directors' Report on pages 6 and 7 is consistent with the financial statements.

KPMG
Chartered Accountants & Registered Auditors
Dublin
14 May 2004

Polar Capital Funds plc
(Investment Company with Variable Capital)

Portfolio Statement Japan Fund

As at 31 January 2004

Equities	Currency	Nominal Holding	Market Value US\$	% of NAV
Basic Materials				
Asahi Kasei Corporation	JPY	2,652,000	13,680,033	3.13
Nippon Paint Company	JPY	1,193,000	4,035,008	0.92
Nissan Chemical Industry	JPY	778,000	6,718,105	1.54
Oji Paper Company	JPY	720,000	4,584,726	1.05
Sakai Chemical Industry	JPY	550,000	2,333,082	0.53
Shin-Etsu Chemical	JPY	220,000	8,999,773	2.06
SK Kaken Company Limited	JPY	68,000	1,830,943	0.42
Tokyo Ohka Kogyo	JPY	9,800	190,728	0.04
Yodogawa Steel Works	JPY	1,426,000	4,607,513	1.05
			46,979,911	10.74
Communications				
Fuji Television	JPY	1,880	8,614,311	1.97
Kadokawa Holdings	JPY	112,000	2,835,788	0.65
Oki Electric Industry	JPY	2,000,000	9,164,161	2.10
			20,614,260	4.72
Consumer, Cyclical				
Advan Company Limited	JPY	184,700	1,746,715	0.40
D&M Holdings	JPY	1,181,000	4,061,367	0.93
Daidoh Limited	JPY	441,000	2,928,970	0.67
Gunze Limited	JPY	965,000	4,357,889	1.00
H.I.S. Company Limited	JPY	24,300	498,181	0.11
Inabata & Company	JPY	130,000	749,194	0.17
Kuraray Company	JPY	572,000	4,636,650	1.06
Lawson	JPY	243,700	8,541,820	1.95
Mitsubishi Corporation	JPY	1,140,000	11,513,399	2.63
Mitsui & Company	JPY	927,000	7,041,364	1.61
Nafco Company Limited	JPY	342,000	8,336,174	1.91
NHK Spring Company Limited	JPY	1,203,000	6,171,439	1.41
Nifco	JPY	409,000	5,127,613	1.17
Nissin Healthcare	JPY	235,600	4,985,908	1.14
Noritz Corporation	JPY	345,800	4,740,382	1.08
Ohashi Technica	JPY	33,100	900,620	0.21
Okamura Corporation	JPY	190,000	1,215,243	0.28
Onward Kashiya	JPY	553,000	7,199,384	1.65
Ryohin Keikaku Company	JPY	397,700	13,300,863	3.04
Ryoyo Electron Corporation	JPY	138,500	1,583,274	0.36
Sankyo Company Limited	JPY	146,000	5,062,207	1.16
Sanyo Shokai	JPY	184,000	1,142,100	0.26
Toyota Motor Corporation	JPY	557,000	18,207,582	4.17
Toys R Us	JPY	342,300	6,597,176	1.51
Xebio Company Limited	JPY	124,000	2,835,032	0.65
			133,480,546	30.53

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Portfolio Statement Japan Fund

As at 31 January 2004

(continued)

Equities (continued)	Currency	Nominal Holding	Market Value US\$	% of NAV
Consumer, non-cyclical				
Alfresa Holdings	JPY	116,200	4,731,560	1.08
Bellsystem24	JPY	29,620	6,234,781	1.43
Benesse Corporation	JPY	426,300	10,129,180	2.32
Dydo Drinco	JPY	103,200	2,573,977	0.59
Mani	JPY	29,000	602,756	0.14
Nissha Printing Company	JPY	317,000	4,186,850	0.96
Takeda Chemical Industries	JPY	212,000	8,812,711	2.01
Toppan Printing Company	JPY	780,000	8,695,561	1.99
			45,967,376	10.52
Energy				
Showa Shell Sekiyu	JPY	808,000	6,305,396	1.44
Financial				
Aioi Insurance Company	JPY	2,696,000	10,774,106	2.47
Daibiru Corporation	JPY	774,000	4,343,586	0.99
Daido Life Insurance	JPY	3,077	8,779,210	2.01
Daiwa Kosho Lease	JPY	613,000	2,513,455	0.57
Daiwa Securities Group	JPY	1,225,000	8,610,532	1.97
Diamond Lease Company	JPY	199,500	5,710,926	1.31
Goldcrest Company Limited	JPY	129,700	6,126,761	1.40
Mitsui Fudosan Company	JPY	887,000	9,042,032	2.07
Nomura Holdings	JPY	358,000	5,858,034	1.34
Sompo Japan Institute	JPY	120,000	928,509	0.21
Tachihi Enterprise	JPY	20,000	479,938	0.11
Toho Real Estate	JPY	137,000	524,199	0.12
			63,691,288	14.57
Industrial				
Amada Company Limited	JPY	971,000	5,247,304	1.20
Amano Corporation	JPY	328,000	2,482,146	0.57
Arrk Corporation	JPY	77,800	5,387,714	1.23
Asahi Glass Company	JPY	998,000	8,910,115	2.04
Funai Electric Company	JPY	74,500	9,762,335	2.23
Hitachi Koki Company	JPY	887,000	5,371,587	1.23
Hosiden Corporation	JPY	350,000	4,282,120	0.98
Ibiden Company	JPY	370,000	4,684,115	1.07
Komori Corporation	JPY	368,000	5,399,335	1.24
Miura Company Limited	JPY	123,800	1,590,672	0.36
NGK Insulators	JPY	727,000	5,522,191	1.26
Nichiha Corporation	JPY	314,100	3,976,433	0.91
Nihon Dempa Kogyo	JPY	230,800	4,448,227	1.02
Nippon Thompson Company	JPY	628,000	4,218,424	0.97
Omron Corporation	JPY	309,000	6,656,015	1.52
Sankyo-Tateyama	JPY	2,401,000	6,986,568	1.60
			84,925,301	19.43

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Portfolio Statement Japan Fund

As at 31 January 2004

(continued)

Equities (continued)	Currency	Nominal Holding	Market Value US\$	% of NAV
Technology				
Megachips Corporation	JPY	365,000	3,796,655	0.87
Nippon System Development	JPY	240,400	4,063,177	0.93
Nomura Research Institute	JPY	83,400	8,391,443	1.92
Rohm Company Limited	JPY	105,000	13,243,158	3.03
Shinkawa Limited	JPY	173,800	4,408,746	1.01
			33,903,179	7.76
Total Investments at Market Value			435,867,257	99.71
Other Net Assets			1,258,103	0.29
Total Net Assets			437,125,360	100.00

All investments are transferable securities admitted to an official Stock Exchange listing.

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
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Portfolio Statement Global Technology Fund

As at 31 January 2004

Equities	Currency	Nominal Holding	Market Value US\$	% of NAV
Canada				
Cellex Power Products *	CAD	600,000	473,547	1.26
Xantrex Technologies *	USD	873,000	1,353,150	3.60
			1,826,697	4.86
France				
Devoteam	EUR	30,000	374,943	1.00
Iliad	EUR	15,000	302,468	0.80
Infovista	EUR	141,000	742,730	1.98
Riber	EUR	133,000	267,678	0.71
			1,687,819	4.49
Germany				
Epcos	EUR	20,000	534,213	1.42
Fresenius Medical Care	EUR	6,000	394,995	1.05
Infineon Technologies	EUR	20,000	295,681	0.79
Software	EUR	17,000	379,105	1.01
Suess Microtec	EUR	45,500	626,887	1.67
			2,230,881	5.94
Japan				
Ibiden Company Limited	JPY	27,000	341,814	0.91
Icom	JPY	28,000	513,458	1.37
Japan Electronic Materials Corporation	JPY	21,600	344,875	0.92
Lasertec Corporation	JPY	20,000	566,855	1.51
Megachips Corporation	JPY	51,800	538,813	1.43
NEC	JPY	52,000	403,336	1.07
Nippon System Development	JPY	11,500	194,370	0.52
Sankyo Seiki Manufacturing	JPY	65,000	524,436	1.39
			3,427,957	9.12
Netherlands				
ASM International	EUR	15,000	371,775	0.99
Exact Holding	EUR	21,000	612,320	1.63
Ordina	EUR	48,500	631,465	1.68
			1,615,560	4.30
Sweden				
Getinge	SEK	42,000	399,540	1.06
Intentia International	SEK	300,000	506,002	1.35
Scribona	SEK	200,000	434,487	1.16
			1,340,029	3.57
United Kingdom				
Biocompatibles International	GBP	100,000	329,474	0.88
Spirent	GBP	210,000	301,032	0.80
Wolfson Microelectronics	GBP	77,000	427,497	1.14
			1,058,003	2.82

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
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Portfolio Statement Global Technology Fund

As at 31 January 2004

(continued)

Equities (continued)	Currency	Nominal Holding	Market Value US\$	% of NAV
United States				
Agere Systems	USD	229,162	882,274	2.35
Alliance Data Systems	USD	30,000	954,000	2.54
American Superconductor	USD	40,000	664,400	1.77
aQuantive	USD	50,000	565,000	1.51
Artisan Components	USD	49,800	902,376	2.40
Aspen Technology	USD	100,000	896,000	2.38
Borland Software	USD	50,000	511,500	1.36
California Micro Devices CP	USD	50,000	568,000	1.51
Corillian Corporation	USD	50,000	378,000	1.01
Corvis Corporation	USD	400,000	964,000	2.57
CoStar Group	USD	20,000	825,800	2.20
DSP Group	USD	20,000	529,600	1.41
Extreme Networks	USD	50,000	424,500	1.13
F5 Networks	USD	20,000	680,000	1.81
FEI	USD	27,500	687,225	1.83
Foundry Networks	USD	50,000	1,215,290	3.23
Genesis Microchip	USD	52,000	1,022,320	2.72
Hifn	USD	20,000	319,800	0.85
Intevac	USD	50,000	804,000	2.14
Juniper Networks	USD	25,000	720,750	1.92
KVH Industries	USD	45,000	879,300	2.34
Lantronix	USD	400,000	680,000	1.81
Mindspeed Technologies	USD	140,000	1,351,000	3.60
Nuance Communications	USD	60,000	456,600	1.22
Opsware	USD	50,000	400,000	1.06
PEC Solutions	USD	40,000	576,000	1.53
PTEK Holdings	USD	40,000	388,000	1.03
Quanta Services	USD	60,000	490,800	1.31
RADWARE	USD	10,000	321,700	0.86
SAFLINK	USD	110,000	421,300	1.12
Sciclone Pharmaceuticals	USD	70,000	448,700	1.19
Sensytech	USD	35,000	518,700	1.38
Sigma Designs	USD	60,000	474,600	1.26
Tegal Corporation	USD	200,000	670,000	1.78
Tegal Corporation Warrants *	USD	537,500	365,500	0.97
Therma-Wave	USD	90,000	446,400	1.19
UNOVA	USD	37,279	913,708	2.43
Zarlink Semiconductor	USD	375,000	1,518,750	4.04
			25,835,893	68.76
Total Investments at Market Value			39,022,839	103.86
Other Net Liabilities			(1,448,797)	(3.86)
Total Net Assets			37,574,042	100.00

* Unquoted and illiquid securities.

All other investments are transferable securities admitted to an official Stock Exchange listing.

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Balance Sheet
As at 31 January 2004

		Japan	Global		
		Fund	Technology	Total	Total
		2004	2004	2004	2003
	Notes	US\$	US\$	US\$	US\$
Assets					
Investments at market value	2,4	435,867,257	39,022,839	474,890,096	169,967,759
Debtors: Amounts falling due within one year	5	26,535,140	1,156,771	27,691,911	4,154,957
Cash		4,505,986	966,220	5,472,206	2,933,218
		<u>466,908,383</u>	<u>41,145,830</u>	<u>508,054,213</u>	<u>177,055,934</u>
Liabilities					
Creditors: Amounts falling due within one year	6	(29,783,023)	(3,571,788)	(33,354,811)	(5,056,555)
Net Assets		<u>437,125,360</u>	<u>37,574,042</u>	<u>474,699,402</u>	<u>171,999,379</u>
Shareholders' funds - non equity		<u>437,125,360</u>	<u>37,574,042</u>	<u>474,699,402</u>	<u>171,999,379</u>
Number of shares outstanding	10	<u>36,877,209</u>	<u>2,722,323</u>		
Net Asset Value per share		<u>11.85</u>	<u>13.80</u>		

The financial statements on pages 10 to 24 were approved by the Board of Directors of Polar Capital Funds plc on 14 May 2004 and signed on its behalf by:

James Cayzer-Colvin }

Directors

David Hammond }

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Profit and Loss Account
For the year ended 31 January 2004

	Notes	Japan Fund 2004 US\$	Global Technology Fund 2004 US\$	Total 2004 US\$	Total 2003 US\$
Income	2				
Investment income		2,281,456	50,737	2,332,193	1,043,820
Non reclaimable withholding tax		(195,985)	(9,698)	(205,683)	(206,219)
Deposit interest		964	3,040	4,004	17,164
		<u>2,086,435</u>	<u>44,079</u>	<u>2,130,514</u>	<u>854,765</u>
Expenses	2				
Performance fees		10,099,438	0	10,099,438	0
Management fees	3	3,610,417	460,948	4,071,365	2,353,299
Administration fees	3	516,525	76,230	592,755	363,187
General expenses		207,265	89,210	296,475	162,725
Legal fees		141,845	146,603	288,448	196,191
Custodian's fees	3	240,833	30,493	271,326	156,872
Bank interest		38,849	11,644	50,493	27,844
Directors' remuneration		23,131	19,435	42,566	21,762
Auditors' remuneration		12,000	12,500	24,500	27,963
		<u>14,890,303</u>	<u>847,063</u>	<u>15,737,366</u>	<u>3,309,843</u>
Deficit from operations		(12,803,868)	(802,984)	(13,606,852)	(2,455,078)
Income equalisation		(3,762)	0	(3,762)	18,884
Net operating expense		<u>(12,807,630)</u>	<u>(802,984)</u>	<u>(13,610,614)</u>	<u>(2,436,194)</u>
Net realised gain/(loss) on marketable securities		34,952,720	12,136,540	47,089,260	(34,307,574)
Movement in net unrealised gain/(loss) on investments		48,960,126	12,532,888	61,493,014	(19,914,854)
Net (loss)/gain on currencies		(155,617)	18,630	(136,987)	(266,167)
Net gain/(loss) on investment activity		<u>83,757,229</u>	<u>24,688,058</u>	<u>108,445,287</u>	<u>(54,488,595)</u>
Surplus/(deficit) from operations for the year		<u><u>70,949,599</u></u>	<u><u>23,885,074</u></u>	<u><u>94,834,673</u></u>	<u><u>(56,924,789)</u></u>

The financial statements on pages 10 to 24 were approved by the Board of Directors of Polar Capital Funds plc on 14 May 2004 and signed on its behalf by:

James Cayzer-Colvin }

Directors

David Hammond }

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Statement of Changes in Net Assets

For the year ended 31 January 2004

	Japan Fund 2004 US\$	Global Technology Fund 2004 US\$	Total 2004 US\$	Total 2003 US\$
Shareholders' funds at beginning of year	146,903,629	25,095,750	171,999,379	85,819,752
Net operating expense	(12,807,630)	(802,984)	(13,610,614)	(2,436,194)
Net gain/(loss) on investment activity	83,757,229	24,688,058	108,445,287	(54,488,595)
Movement in Net Assets resulting from Operations	70,949,599	23,885,074	94,834,673	(56,924,789)
Subscriptions during the year	315,184,979	3,627,429	318,812,408	123,043,152
In specie transfer from Polar Capital Japan Growth	0	0	0	80,823,622
Redemptions during the year	(95,912,847)	(15,034,211)	(110,947,058)	(60,762,358)
Movement in Net Assets resulting from financing	219,272,132	(11,406,782)	207,865,350	143,104,416
Shareholders' funds at end of year	437,125,360	37,574,042	474,699,402	171,999,379

The accompanying notes form an integral part of these financial statements.

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Notes to the Financial Statements

For the year ended 31 January 2004

1. Organisation and nature of business

Polar Capital Funds plc (the “Company”) is an open-ended investment company with variable capital organised under the laws of Ireland. The Company has been authorised by the Irish Financial Services Regulatory Authority (IFSRA) as a UCITS within the meaning of the Regulations. The Company is listed on the Irish Stock Exchange. The Company is structured as an umbrella fund in that different Funds thereof may be established with the prior approval of IFSRA. Initially, the sub-funds of the Company are the Japan Fund and the Global Technology Fund. The base currency of both sub-funds is the US dollar (US\$). The Japan Fund currently has three share classes, the US dollar Share Class, the Sterling Share Class and the Japanese yen Share Class and the Global Technology Fund currently has two share classes, the US dollar Share Class and the Sterling Share Class.

2. Principal Accounting Policies

Accounting Convention

These financial statements have been prepared under the historical cost convention, adjusted to take account of the revaluation of investments, and in accordance with accounting standards generally accepted in Ireland and Irish statutes comprising the Companies Acts, 1963 to 2001. Accounting standards generally accepted in Ireland in preparing these financial statements are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board. The reporting currency of the Company is the US dollar (US\$).

Income

Investment income is reported gross of non-reclaimable withholding tax. Income arising from investments is accounted for on an ex-dividend basis. Deposit interest is accounted for on an accrual basis.

Valuation of Investments

Investments in securities which are quoted on a recognised exchange are valued at the last trade date price or, if no last trade price is available, at the middle price between the last bid and offer price, or if no bid or offer price is available, at the last available closing bid or offer price. The value of an investment which is not quoted on a recognised exchange shall be the probable realisable value estimated with care and in good faith by a competent person, firm or association making a market in such investment. The unquoted securities, Xantrex Technology, Tegal Corporation Warrants and Cellex Power Products were stated at a valuation determined by the Directors.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into the reporting currency at the rates prevailing at the year end date. Transactions, which occurred during the year, are translated into the reporting currency at the rate prevailing on the transaction date.

Forward Foreign Currency Transactions

Forward foreign currency transactions are valued based on the closing forward contract rates on the relevant foreign exchange contract on a daily basis. Realised and unrealised gains and losses are reported in the Profit & Loss Account.

Distribution Policy

The Funds will aim to seek capital growth rather than a significant income return. However, the Company intends to declare, when necessary for the Company to obtain certification as a “distributing fund” for the purposes of sections 757-764 of the UK Income and Corporation Taxes Act 1988, a dividend in respect of the funds and any other relevant funds. Dividends, if declared, will only be paid out of the Fund’s net investment income return (i.e. income from dividends, interest or otherwise, less the Fund’s accrued expenses to be certified for the accounting period), realised and unrealised profits on the disposal/revaluation of investments and other assets less realised and unrealised losses of the Funds and will normally be paid in May of each year.

Polar Capital Funds plc

(Investment Company with Variable Capital)

Notes to the Financial Statements

31 January 2004

(continued)

2. Principal Accounting Policies (continued)

Cash Flow Statement

No cash flow statement has been prepared as in the opinion of the Directors of the Company, similar information is contained in the Statement of Changes in Net Assets on page 17.

Operating Expenses

The Company is responsible for all normal operating expenses including audit fees, stamp and other duties and charges incurred on the acquisition and realisation of investments. The Manager, Polar Capital Partners Limited meets all other operating expenses incurred by it in connection with its services.

Reporting Financial Performance

The information to be included in a Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders' Funds is, in the opinion of the Directors, contained in the Statement of Changes in Net Assets on page 17. In arriving at the result for the year, all amounts in the Profit and Loss on page 16 relate to continuing activities.

3. Fees and Expenses

The Investment Manager, Polar Capital Partners Limited, is entitled to receive a management fee and a performance fee together with any extraordinary out of pocket expenses. The management fee is accrued daily and is payable monthly in arrears, and is equivalent to 1.5% per annum of the Net Asset Value of each Fund (before deduction for any accrued performance fees) as at the Valuation Day. An initial payment of the management fee based on the most recently published Net Asset Value, will be made on the last day of each month, with an adjustment being made where necessary, on the last day of the next month.

The Investment Manager, in addition to the management fee, is entitled to receive out of the assets of each Fund a performance fee equal to 20% of the amount by which the increase in the Net Asset Value (prior to the provision for a performance fee) during the relevant performance period exceeds the increase in the Indexed Net Asset Value over the same period.

The Administrator, International Fund Managers (Ireland) Limited, is entitled to receive a fee of 0.25% per annum of the first US\$70 million of each Fund (adjusted so as to not include any deduction for performance fees deemed to have accrued) and 0.20% of all amounts in excess of US\$70 million of the Net Asset Value of each Fund subject to a monthly minimum fee of US\$3,500 per fund. The Administrator shall also be entitled to be repaid out of the assets of the Fund all its reasonable out-of-pocket expenses.

The Custodian, Barings (Ireland) Limited, is entitled to an annual fee of 0.10% of the Net Asset Value of the Company payable monthly in arrears, subject to a minimum monthly fee of US\$1,200 per fund. In addition, the Custodian shall be entitled to a transaction fee of GBP£35 for each transaction conducted.

The Austrian Paying Agent, Meindl Bank, is entitled to receive an annual fee of €3,000 and is entitled to receive reimbursement of agreed costs incurred in transmitting dividends, redemption proceeds and documentation to Shareholders in Austria.

The German Paying and Information Agent, Deutsche Bank AG, is entitled to receive an annual fee of €8,000, a proportional handling fee per new fund and agreed costs in transmitting dividends, redemption proceeds and documentation to Shareholders in Germany.

The Dutch Paying Agent, Dexia Bank Nederland NV, is entitled to receive an annual fee of €4,000, payable quarterly in arrears.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Notes to the Financial Statements

31 January 2004

(continued)

3. Fees and Expenses (continued)

The Austrian, German and Dutch paying agents are also entitled to receive reimbursement of any reasonable out of pocket expenses incurred by them in the performance of their duties.

4. Investments at Market Value

	Japan	Global		
	Fund	Technology	Total	Total
	2004	2004	2004	2003
	US\$	US\$	US\$	US\$
At cost	396,648,113	33,813,872	430,461,985	187,032,662
Net surplus/(deficit) on revaluation	39,219,144	5,208,967	44,428,111	(17,064,903)
Market value of investments	<u>435,867,257</u>	<u>39,022,839</u>	<u>474,890,096</u>	<u>169,967,759</u>

5. Debtors: falling due within one year

	Japan	Global		
	Fund	Technology	Total	Total
	2004	2004	2004	2003
	US\$	US\$	US\$	US\$
Due from broker	12,415,165	788,879	13,204,044	3,526,331
Subscriptions receivable	13,779,920	367,892	14,147,812	552,840
Dividends receivable	340,055	0	340,055	75,114
Bank interest receivable	0	0	0	672
	<u>26,535,140</u>	<u>1,156,771</u>	<u>27,691,911</u>	<u>4,154,957</u>

6. Creditors: falling due within one year

	Japan	Global		
	Fund	Technology	Total	Total
	2004	2004	2004	2003
	US\$	US\$	US\$	US\$
Due to broker	15,527,682	1,122,084	16,649,766	3,932,401
Performance fee payable	10,099,438	0	10,099,438	0
Bank overdraft *	2,752,540	689,503	3,442,043	121,036
Redemptions payable	561,531	1,621,545	2,183,076	383,317
Management fee accrual	522,108	54,138	576,246	260,096
Sundry creditors	319,724	84,518	404,242	359,705
	<u>29,783,023</u>	<u>3,571,788</u>	<u>33,354,811</u>	<u>5,056,555</u>

* Held with Barings (Guernsey) Limited and secured over the Fund's assets.

7. Soft Commission

There were no soft commission transactions during the year.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Notes to the Financial Statements

31 January 2004

(continued)

8. Exchange Rates

	Exchange Rate to US\$
The exchange rates used at 31 January 2004 were as follows:	
Canadian dollars	1.3304
European Union euro	0.8049
Japanese yen	105.8471
New Taiwan dollar	33.3491
Sterling	0.5494
Swedish krone	7.4110
Swiss franc	1.2604

9. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. It is not chargeable to Irish tax on its income or gains. However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders or any encashment, redemption or transfer of shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of: -

- (i) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company and;
- (ii) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

10. Shareholders' Funds

On incorporation, the authorised share capital of the Company was US\$40,000 divided into 40,000 Subscriber Shares of a par value of US\$1 each and 500,000,000,000 participating shares of no par value. There are 7 Subscriber Shares currently in issue which are held by the Investment Manager and nominees of the Investment Manager. These subscriber shares are not included as part of the net asset value of the Company as the Directors consider this treatment is most appropriate, given the nature of the Company as an investment fund.

	2004 Shares Number	2004 Shares Number	2004 Shares Number
Japan Fund	USD Class	GBP Class	JPY Class
Shares in issue 1 February 2003	9,708,861	4,735,634	3,242,448
Shares issued during the year	15,820,492	3,731,598	9,854,384
Shares redeemed during the year	(4,755,124)	(1,705,896)	(3,755,188)
Shares in issue 31 January 2004	<u>20,774,229</u>	<u>6,761,336</u>	<u>9,341,644</u>
Global Technology Fund		2004 Shares Number	2004 Shares Number
		USD Class	GBP Class
Shares in issue 1 February 2003		3,837,227	69,537
Shares issued during the year		319,189	8,301
Shares redeemed during the year		(1,453,439)	(58,492)
Shares in issue 31 January 2004		<u>2,702,977</u>	<u>19,346</u>

Polar Capital Funds plc **(Investment Company with Variable Capital)**

Notes to the Financial Statements

31 January 2004

(continued)

11. Related party disclosure

The Company operates under an investment management agreement with Polar Capital Partners Limited. All fees in relation to the Investment Manager are disclosed separately in the Profit and Loss Account on page 16. US\$576,246 (2003: US\$260,096) was due to the Investment Manager at 31 January 2004. Certain Directors hold shares in the ultimate holding company of the Investment Manager or exert significant influence over the holders of such shares.

12. Financial Instruments and Derivatives

In accordance with its investment objectives and policies, the Company holds financial instruments, which at any one time may comprise the following:

- securities held in accordance with the investment objectives and policies
- cash and short-term debtors and creditors arising directly from operations
- derivative trading including financial futures contracts

A more detailed review of the portfolio activity for the year is available in the Investment Manager's Reports on pages 4 and 5. A more detailed analysis of the investments is shown in the Portfolio Statement on pages 10 to 14. Investments listed on the Portfolio Statement are stated at fair value as described in Note 2 on page 18. Disclosures exclude short-term debtors and creditors.

The Company's exposure to foreign exchange risk at 31 January 2004 was as follows:

	2004	2003
Japan Fund (US\$'000)		
Japanese yen	435,867	147,203
Global Technology Fund (US\$'000)		
Canadian dollar	474	588
European Union euro	5,534	1,676
Pound sterling	1,058	247
Japanese yen	3,428	1,535
Swedish krone	1,340	229
Swiss franc	0	134

A detailed analysis of the risks associated with the Company is described below:

RISKS

The following summary is not intended to be a comprehensive summary of all the risks inherent in investing in the Company and investors should refer to the prospectus for a more detailed discussion of these risks.

Investment objective and policies

The investment objective of the Japan Fund is to achieve long term capital growth by investing primarily in securities of issuers that have their principal activities in Japan or are organised under the laws of Japan or derive a significant portion of their earnings from Japan. The Fund intends to invest up to 100% of its assets in securities listed on the Tokyo and regional Japanese exchanges. The Fund will seek to outperform the Topix Index while striving to limit the volatility of the Fund's returns.

The investment objective of the Global Technology Fund is long term capital appreciation by way of investing in a globally diversified portfolio of technology companies. Although the Fund may receive income in the form of dividends, interest and from other sources, income is not a primary consideration. The Fund will seek to invest at least two thirds of its Net Asset Value in technology-related companies. The Fund will take a geographically diversified approach and operate within broad asset allocation ranges, but there are no specified limits on investing in any geographical region or single country.

Polar Capital Funds plc (Investment Company with Variable Capital)

Notes to the Financial Statements

31 January 2004

(continued)

12. Financial Instruments and Derivatives (continued)

Market price risk

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. It is intended to control market risk via the use of derivatives.

Liquidity risk

The Company's assets mainly comprise readily realisable securities. The Investment Manager will normally keep an allocation of cash to meet pending liabilities that may arise from time to time.

Foreign exchange risk

The Net Asset Value per share in the Company is computed in US\$, whereas the investments of the Company may be acquired in a wide range of currencies which may be subject to exchange rate fluctuations.

13. Efficient portfolio management

Currency hedging strategies for the purpose of efficient portfolio management were employed in the management of the Company. Forwards and/or other hedging instruments are also used for efficient portfolio management purposes to manage the interest rate risk on the portfolio of securities held by the Company and to enhance the overall return thereon. Any such instruments are used under the conditions and within the limits laid down by the Irish Financial Services Regulatory Authority. The gains and losses from these transactions are reported in the Profit and Loss Account.

14. Net Asset Value

The Net Asset Value per share for the Company at the year end date is determined by dividing the value of the net assets of the Company by the total number of Shares in issue at the year end. The Net Asset Value per share at which shareholders may subscribe to or redeem from the fund differs slightly from that presented in these financial statements. This difference is due to the difference in valuation principles appropriate for the purpose of preliminary expenses. In accordance with the Company's principal documentation, the net asset value reported daily, reflects these preliminary expenses being written off over the first five financial years of the Company. In the financial statements, preliminary expenses have been written off in full.

	Japan Fund 2004 US\$	Global Technology Fund 2004 US\$
Net asset value per share for shareholder dealing per valuation	11.86	13.83
Unamortised preliminary expenses	(0.01)	(0.03)
Net asset value per share per financial statements	11.85	13.80

15. Cross Liability

Although the activities attributable to each Sub-Fund will be accounted for separately, in the event of the insolvency of any one Sub-Fund resulting in the assets attributable to that Sub-Fund being insufficient to meet the liabilities attributable to that Sub-Fund, all of the assets of the Company regardless of the Sub-Fund to which they are attributable may be applied against such excess liabilities. As at 31 January 2004 the Directors are not aware of any such existing or contingent liability.

Polar Capital Funds plc (Investment Company with Variable Capital)

Notes to the Financial Statements

31 January 2004

(continued)

16. Distributor Status

The United Kingdom Board of Inland Revenue have certified Polar Capital Funds plc as a distributing Company in respect of the year ended 31 January 2003. The Company intends to apply for distributor status for each future accounting period.

17. Comparative Figures

Japan Fund	Net Asset Value Audited 2004	Net Asset Value Audited 2003	Net Asset Value Audited 2002
USD Class	\$246,382,356	\$80,680,635	\$4,728,804
GBP Class	£44,083,913	£23,962,308	£2,781,404
JPY Class	Yen 11,727,032,795	Yen 3,231,747,922	Yen 1,696,367,226
	NAV per Share	NAV per Share	NAV per Share
USD Class	\$11.85	\$8.31	\$8.52
GBP Class	£6.52	£5.06	£6.03
JPY Class	Yen 1,254.29	Yen 996.70	Yen 1,139.72
Global Technology Fund	Net Asset Value Audited 2004	Net Asset Value Audited 2003	Net Asset Value Audited 2002
USD Class	\$37,382,172	\$24,634,997	\$68,398,825
GBP Class	£147,030	£271,890	£231,512
	NAV per Share	NAV per Share	NAV per Share
USD Class	\$13.80	\$6.42	\$11.98
GBP Class	£7.58	£3.91	£8.48

18. Cash

The Company has an overdraft facility with Barings (Guernsey) Limited for liquidity purposes. The assets of the Company are held as collateral for the overdraft when it is utilised.

19. Closure for New Subscriptions – Japan Fund

On 21 October 2003 the Directors of the Company announced the soft closure of the Japan Fund since the size of the sub-fund had exceeded the maximum threshold of US\$400 million mentioned in the prospectus. The rights in existing shares of the sub-fund are not affected by the non-acceptance of new subscriptions for shares.

20. Subsequent Events

On 26 March 2004 the Directors of the Company further announced that based on prevailing conditions in the Japanese market they believe it is in the best interests of investors in the Japan Fund to maintain the Fund at or around an optimal size of US\$600 million. Accordingly, it is intended to manage the inflows and outflows of monies to ensure that the Japan Fund does not exceed US\$600 million.

There have been no other material events subsequent to the year end which impact on the financial statements for the year ended 31 January 2004.

21. Approval of the Financial Statements

The Financial Statements were approved by the Board on 14 May 2004.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Statement of Significant Portfolio Movements

Japan Fund

Purchases	Cost	Sales	Proceeds
	US\$'000		US\$'000
Rohm Company Limited	27,111	NTT DoCoMo	28,501
Toyota Motor Corporation	24,850	East Japan Railway	20,462
NTT DoCoMo	21,018	Sony Corporation	19,162
Nomura Holdings	19,893	Mitsubishi Tokyo	16,850
Takeda Chemical Industries	18,549	Konica Minolta	16,802
Mitsubishi Tokyo	15,573	Rohm Company	16,455
Secom Company	15,131	Secom Company	15,003
Sony Corporation	15,067	Nomura Holdings	13,535
East Japan Railway	14,939	Takeda Chemical Industries	13,219
Konica Minolta	12,759	Nikko Cordial Corporation	11,239
Asahi Kasei Corporation	12,645	Sompo Japan Institute	11,227
Benesse Corporation	12,286	Fuji Photo Film	10,935
Fuji Photo Film	11,580	Daiwa House Industries	10,898
Sompo Japan Institute	11,180	Ricoh Company	10,777
Ryohin Keikaku Company	11,130	Toyota Motor Corporation	10,351
Ricoh Company	10,406	NEC Corporation	9,621
Mitsubishi Corporation	10,317	Alps Electric Company	9,323
Funai Electric Company	9,797	Marui Company	9,071
Daido Life Insurance	9,505	Yamanouchi Pharmaceuticals	8,463
Mitsui Fudosan Company	9,485	Sankyo Seiki Manufacturing	8,116

Global Technology Fund

Purchases	Cost	Sales	Proceeds
	US\$'000		US\$'000
Foundry Networks	1,437	Tegal Corporation	2,542
Dot Hill Systems	1,424	Dot Hill Systems	1,927
Amgen	1,265	Amdocs	1,521
Genesis Microchip	1,239	Omnivision Technologies	1,506
Zarlink Semiconductor	1,125	Verisign	1,273
Mindspeed Technologies	1,117	Amgen	1,271
Amdocs	1,092	Brooks Automation	1,253
Artisan Components	1,029	Applied Films Corporation	1,237
Corvis Corporation	932	Sonus Networks	1,229
Borland Software	932	J2 Global Communications	972
PEC Solutions	931	Power Integrations	919
Agere Systems	880	United Global	865
Maxtor Corporation	879	Sipex Corporation	836
Opware	844	Maxtor Corporation	831
J2 Global Communications	825	Aspen Technology	827
Alliance Data Systems	822	Mips Technologies	807
Sigma Designs	767	Spirent	794
Power Integrations	766	Furukawa Electric	791
Intevac	760	Zebra Technologies	784
UnitedGlobalCom	747	Bea Systems	781

