Polar Capital Global Financials Trust plc

Trust Fact Sheet
31 March 2015

Trust Facts

Ordinary Shares	
Share Price	101.50p
NAV (undiluted) per share	113.83p
Premium	-
Discount	-10.83%
Capital	173,800,000 shares of 25p
Subscription Shares [1]	
Share Price	8.50p
Exercise Price	115.00p
Capital	30,600,000 shares of 1p
Assets & Gearing [2]	
Total Net Assets	£197.8m
AIC Gearing Ratio	4.32%
AIC Net Cash Ratio	0.00%

Historic Yield (%) 3.05

Dividends (p/share)

February 2015 (paid)	1.35
July 2014 (paid)	1.75
March 2014 (paid)	0.68

Benchmark

MSCI World Financials Index

Fees [3]

Management	0.85%
Performance	10%

Risk Warning

Your capital is at risk. You may not get back the full amount you invested. Please note the Important Information on Page 4 and the Investment Policy and full Risk Warnings set out in the Prospectus, Annual Report and/or Investor Disclosure Document.

Discount Warning

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

Company Profile

Investment Objective

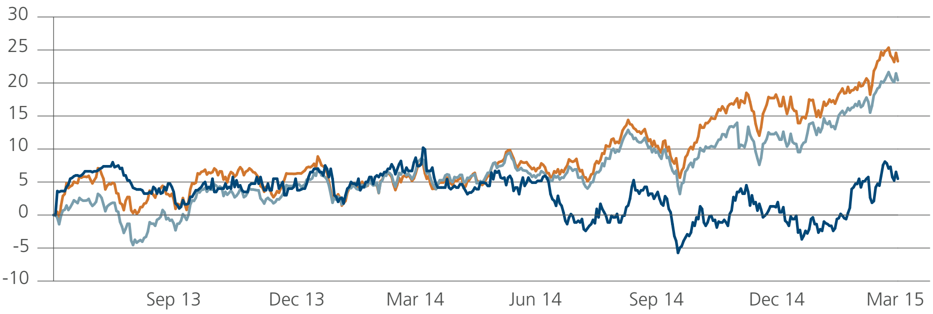
The investment objective is to generate for investors a growing dividend income together with capital appreciation.

Investment Policy

The Company will seek to achieve its objective by investing primarily in a global portfolio consisting of listed or quoted securities issued by companies in the financials sector operating in the banking, insurance, property and other sub-sectors.

Performance

Performance Since Launch (%)



	1 Month	3 Months	6 Months	1 Year	Since Launch
Ordinary Share Price	0.74	5.06	1.93	-2.94	5.49
NAV (undiluted per Share)	3.34	8.08	9.80	12.85	20.42
MSCI World Financials Index	3.64	5.83	11.61	15.97	23.29

Discrete Performance (%)

	28/11/14 31/03/15	29/11/13 28/11/14	30/11/12 29/11/13	30/11/11 30/11/12	30/11/10 30/11/11
Ordinary Share Price	1.93	-2.14	-	-	-
NAV per Share	5.64	9.86	-	-	-
MSCI World Financials Index	4.78	10.98	-	-	-

Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, NET total return in GBP. The Net Asset Value (NAV) as at 1 July 2013 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. Past performance is not indicative or a guarantee of future results. The share price performance is adjusted for dividends paid out.

1. For full details of the subscription shares and their exercise terms please refer to the Prospectus and the notes of the Company's website. Each share confers the right to subscribe for 1 Ordinary share at 115p on 31 July 2017.

2. Gearing calculations are exclusive of current year revenue.

3. The performance fee is on any outperformance over a hurdle of the index +1.25% per annum. Further details can be found in the Report and Accounts and Prospectus.

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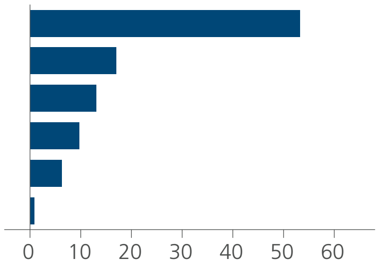
Polar Capital Global Financials Trust plc

Portfolio Exposure

As at 31 March 2015

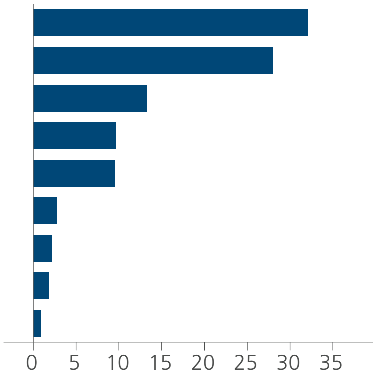
Sector Exposure (%)

Banks	53.3
Diversified Financials	17.0
Insurance	13.0
Fixed Income	9.7
Real Estate	6.2
Cash	0.8



Geographic Exposure (%)

Europe	32.0
North America	28.0
Asia Pac (ex-Japan)	13.3
Fixed Income	9.7
UK	9.5
Eastern Europe	2.7
Japan	2.1
Latin America	1.8
Cash	0.8



Top 15 Holdings (%)

JPMorgan	2.8
Wells Fargo	2.8
PNC	2.7
ACE	2.5
ING Groep	2.5
Sampo	2.3
Intesa Sanpaolo SpA	2.3
Azimut Holding	2.1
Sumitomo Mitsui Financial	2.1
Discover Financial Services	2.1
KBC Groep	2.1
UBS Group AG	2.1
Société Générale	2.0
Citigroup	2.0
US Bancorp	1.9
Total	**34.3**
Total Number of Positions	**68**

Market Capitalisation Exposure (%)

Large (greater than US$ 5bn)	70.6
Medium (US$ 0.5bn - 5bn)	27.6
Small (less than US$ 0.5bn)	1.9

Investing in the Trust and Shareholder Information

Trust Characteristics

Launch Date	01 July 2013
Year End	30 November
Half Year End	31 May
Results Announced	Late Jan/Feb
Next AGM	April 2015
Trust Term	Fixed life to May 2020
Listed	London Stock Exchange

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.

Corporate Contacts

Registered Office and Website

4 Matthew Parker Street, London SW1H 9NP
www.polarcapitalglobalfinancialstrust.co.uk

Custodian

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

Registrar

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

Codes

Ordinary Shares

ISIN	GB00B9XQT119
SEDOL	B9XQT11
London Stock Exchange	PCFT

Subscription Shares[1]

ISIN	GB00B9XQV370
SEDOL	B9XQV37
London Stock Exchange	PCFS

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

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

Note: Totals may not sum due to rounding.

Fund Manager Comments

As at 31 March 2015

Financials had a second consecutive month of outperformance in March on the back of global equity markets hitting new all-time highs. Our benchmark index, the MSCI World Financials Index, rose by 3.6% versus the MSCI World Index, which rose by 2.4%. Banking stocks were mostly strong across the board, with US and European banks rising 3.8% and 3.4% respectively, although Japanese banks were marginally lower. Insurance stocks also continued to perform well with US and European insurers up 4.4% and 3.7%. Against this background, the Trust's net asset value rose by 3.3%.

Our best-performing stock over the month was our holding in One Savings Bank (better known as the former Kent Reliance Building Society), a specialist property lender. Its shares rose over 25% over the month on the back of much better than expected results with earnings up over 60% and a return on equity above 30%. Although competition is expected to pick up in due course, new lending is currently being originated at a 40% plus return on equity. By comparison, the average return on equity last year for large UK banks was a fraction of this.

In the last month two more so-called 'challenger' banks, Aldermore and Shawbrook (in which we have bought shares), have floated. Over the next few years as the private equity owners of these banks sell more stock, along with the government continuing to sell down its stakes in Lloyds Bank (and in due course Royal Bank of Scotland, when it is released from intensive care), there could well be more flotations. The three mostly likely candidates to make an appearance will be Cooperative Bank, Metro Bank and Williams & Glyn, but as the acquisition of TSB by Banco Sabadell has highlighted, a listing will not be the only route to exit.

Arguably the bigger challenge to the sector is in the impact from technology, with new entrants clearly trying to disrupt both the origination and the distribution of financial services. It remains to be seen how successful they will be, but, with peer-to-peer lending being seen as the latest 'secret sauce' to overnight riches, we suspect that some of the high valuations attached to recent IPOs, such as Lending Club, are excessive (short interest has risen to nearly 30%). It has been suggested to us that a significant proportion of Lending Club's new business is from mail shot which, if true, would seem to be at odds with what the technology is trying to achieve.

Nevertheless, some trends have clearly accelerated; for example, the shift to e-commerce payment transactions on the back of changes in retailing or the use of the mobile phone for banking transactions; but customers appear reluctant to make greater use of e-wallets and incumbents continue to dominate customer relationships. Ultimately, our view is that the changes currently underway will provide benefits to both sides, with technology companies seeing a new fee-generating business (e.g. ApplePay), but equally banks seeing clear cost benefits if this results in less branch and cash transactions.

Our only exposure to the peer-to peer lending sector is through two investment trusts that 'buy' loans from the platforms and, in the case of the latest we have bought, VPC Specialty Lending Investments, which also lends to some of the companies operating the platforms via a secured lending facility. Both have the ability to take equity or warrants for providing funding to the platforms, but this will represent a very small percentage of their assets. The attraction is to gain exposure to a large number of very small loans to mostly good-quality borrowers at yields that are far more attractive than that currently offered in the fixed-income market.

Another strong performer during the month was our holding in Azimut, an Italian asset manager. As a consequence of the continuing low interest rate environment, Azimut, along with other Italian asset managers, has continued to see strong inflows into its funds as the fall in yields on Italian government bonds and interest on bank deposits is resulting in investors increasingly being prepared to consider other alternatives.

The announcement of new management at Credit Suisse (which we hold in the Trust) and Standard Chartered (which we do not) led to jump in the share prices of both during the month. The appointments of Tidjane Thiam and Bill Winters respectively is seen as a big positive as both are perceived as having freedom to make more radical changes than their predecessors could have. Both are well regarded. Credit Suisse, for example, has notably underperformed its peer UBS by around 40% over the last three years as the latter has made much deeper cuts to its investment banking operations with the focus on improving profitability.

Investment activity in March included adding to our holdings in Banca IFIS, a small very profitable Italian bank; EastWest Bancorp, a Los Angeles headquartered US regional bank with a market capitalisation of US$5.9bn; and Sumitmo Mitsui Financial, following a visit to Japan. We reduced holdings in PNC, a large US regional bank, and Marsh & McLennan and sold our holding in TSKB, a Turkish bank. We also reduced our exposure to fixed-income securities, disposing of holdings in bonds issued by Societe Generale and Zurich Insurance Group, both of which have delivered solid returns.

Fund Managers

Nick Brind

Fund Manager

Nick has managed the Trust since launch, he joined Polar Capital in 2010 and has 21 years of industry experience.

John Yakas

Fund Manager

John has managed the Trust since launch, he joined Polar Capital in 2010 and has 27 years of industry experience.

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Benchmarks The following benchmark index is used: MSCI World Financials Index. This benchmark is generally considered to be representative of the Financial Equity universe. The benchmark is a broad-based index which is used for comparative/illustrative purposes only and has been selected as it is well known and is easily recognizable by investors. Please refer to www.msci.com for further information on this index. Comparisons to benchmarks have limitations as benchmarks volatility and other material characteristics may differ from the Company. Security holdings, industry weightings and asset allocation made for the Company may differ significantly from the benchmark. Accordingly, investment results and volatility of the fund may differ from those of the benchmark. The indices noted in this document are unmanaged, are unavailable for direct investment, and are not subject to management fees, transaction costs or other types of expenses that the fund may incur. The performance of the indices reflects reinvestment of dividends and, where applicable, capital gain distributions. Therefore, investors should carefully consider these limitations and differences when evaluating the comparative benchmark data performance. Information regarding indices is included merely to show general trends in the periods indicated, it is not intended to imply that the fund is similar to indices in composition or risk.

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