

Polar Capital Funds plc
(Investment Company with Variable Capital)

Annual Report and Audited Financial Statements

For the year ended 31 January 2003

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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 5 George's Dock 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 Agent and Information Agent:	Deutsche Bank AG Taunusanlage D-60325 Frankfurt am Main Germany

Polar Capital Funds plc
(Investment Company with Variable Capital)

* 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 2003

The Fund closed the period ending 31st January 2003 down by 2.5%. This compares to a fall of 5.4% for the TSE First Section Index.

The Japanese market ultimately disappointed in 2002 having got off to a very solid start in the first half of the year. The initial trigger for the market's strong performance in the earlier part of 2002 was the tightening of the short-selling rule. This, combined with various other deflationary policies announced by the Government in February, including the promotion of bad debt disposal, caused a sharp change in sentiment and the net short margin position in the market was reversed. Investors gained a bit more hope from the boost to consumption brought about by the soccer World Cup in Japan and Korea. Bank cross-shareholding unwinds eased into the new fiscal year while freshly allocated public pension funds helped to push the market to a peak on May 23rd.

The Government's announcement of a bottoming in the Japanese economy coincided with a peak for the market. For the rest of the year, investors succumbed to fears about the banking system, ETF-related futures selling, a glut of new IPOs and continued economic and corporate worries in the USA. Individuals became substantial net sellers towards the end of the year ahead of revisions to capital gains tax treatment. In November, the appointment of Takenaka to head the FSA and replace Yanagisawa initially led to a positive reaction from the market because Yanagisawa was universally perceived as being "too soft" on the banking sector. However, shortly afterwards, the fear of a hard landing for the banking sector i.e. nationalisation and a huge surge of corporate bankruptcies soon led investors to sell. Even the Bank of Japan's landmark decision to buy Japanese shares to offset bank cross-shareholding sales was not enough to stabilise the market.

The best performing sectors over the period included marine transport, precisions, and metal products, while the worst included services and other finance companies. Some of the best performing individual shares in 2002, were companies that embarked on major restructuring such as Minolta and Kenwood.

The outlook is poor. The appointment of Takenaka as head of the FSA has disappointed. Japan's economy will remain sub-par as long as there is no fix to the banking problem. The private placement of ¥1 trillion by the Mizuho Financial Group typifies a last desperate attempt to avoid nationalisation, as do most of the LDP's emergency package measures such as postponing the implementation of a cap on the banks' equity holdings (in proportion to tier one capital). The economy in the USA is slowing rapidly and this in turn will lead to a weaker outlook for Japanese exports, the mainstay of the economy last year. Recent economic data is flattening out and we would expect a mild recession rather than a more severe outcome.

The demand / supply situation also remains poor with banks continuing to sell shares and the situation is further compounded by the return of the Government portion of the employees pension funds back to the Government (in the form of cash).

In addition to this, the market will need to brace itself for a switch to more "passive" type investment management by the postal savings institutions and the Government pension funds.

The Iraq situation remains far from clear. However, whilst a quick solution will no doubt lead to a sharp rally in global markets, the global economic picture is much more precarious than in 1991 during the last Gulf War and valuations in Japan, whilst cheap by historical standards, are not especially cheap against international markets. In the light of this, we remain quite defensive and will continue to concentrate on quality issues which produce excellent free cash flow and which stand on discounts to the market on most valuation measures.

Polar Capital Partners Limited
March 2003

Polar Capital Funds plc
(Investment Company with Variable Capital)

Global Technology Fund
Investment Manager's Report
For the year ended to 31 January 2003

This was an extremely difficult year for global stockmarkets in general and technology stocks in particular. The technology rich NASDAQ index was down 32% over the period. The Fund fared less well being down 46%. In part this reflected a too optimistic view for a recovery in technology spending during the latter half of 2002 which largely failed to materialise. It also reflects our focus on mid and smaller capitalisation stocks, which underperformed their larger brethren. The Russell 3000 Technology Index in the US which is representative of these stocks fell 43% over the period. In Europe the picture was even more grim with the CSFB European Technology Index down 59% and the German Neuer market down 64%.

The overall geopolitical environment with the fallout from 9/11 and lately the tensions over Iraq and North Korea has made investors extremely risk averse. There has been a tremendous move from equities to bonds as a result. The accounting scandals emanating out of the US from once major companies like Enron and Worldcom have undermined confidence further within equities. Not that the scandals have been confined to the US: Ahold (the large Dutch supermarket company) being a recent casualty from Europe to add to the likes of Marconi. The smaller capitalisation stocks have been particularly punished in this environment being perceived as more risky although in many fundamental respects this perception has proved false.

The overall economic backcloth has also proved unhelpful with a muted recovery in the US, virtual stagnation in Europe and ongoing problems in Japan. In the OECD economies the US consumer has been carrying much of the burden for what growth there has been with business investment remaining anaemic. In part this reflects on the excessive capital spending at the end of the nineties but there is no doubt the geopolitical uncertainties in the world today are having a major impact on corporate confidence and their willingness to invest for an uncertain future.

As we look ahead geopolitical events again already dominate the outlook with the invasion of Iraq underway and a high level of uncertainty on the timing and shape of the eventual outcome. Markets are likely to remain highly volatile with the range of possible outcomes producing extremely different market levels.

If investors remain extremely risk averse then it will be difficult for the Fund to make headway despite the fact that we are able to find a good number of interesting and attractive companies at depressed valuations. Should the environment brighten somewhat then we think our stocks could post some good gains and should outperform the larger companies which are on less attractive valuations.

Polar Capital Partners Limited
March 2003

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

Report of the Directors

For the year ended 31 January 2003

The Directors of Polar Capital Funds plc (the “Company”) present herewith their Annual Report and Audited Financial Statements for the year ended 31 January 2003.

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 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 hence 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 2003 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.

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.

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Report of the Directors
For the year ended 31 January 2003

Revenue

The results of operations for the year are set out in the Profit and Loss Account on page 19.

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 2003.

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 }

1 May 2003

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 2003

In our opinion, the affairs of the Company have been conducted in all material respects for the year ended 31 January 2003 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 Central Bank of Ireland (the "Bank") under the powers granted to the Bank by the European Communities (Undertaking for Collective Investments in Transferable Securities) Regulations, 1989.

Barings (Ireland) Limited
Dublin

1 May 2003

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, 1989 (as amended). 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 2003, 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, 1989 (as amended).

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 to 7 is consistent with the financial statements.

KPMG
Chartered Accountants
Registered Auditors

Polar Capital Funds plc
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Dublin
1 May 2003

Polar Capital Funds plc
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Portfolio Statement Japan Fund

As at 31 January 2003

Equities	Currency	Nominal Holding	Market Value US\$	% of NAV
Basic Industrial				
Amada Company Limited	JPY	650,000	1,815,491	1.24
Arisawa Manufacturing	JPY	50,600	902,818	0.61
Dai Nippon Printing	JPY	512,000	5,357,345	3.65
Daiwa House Industries	JPY	400,000	2,231,115	1.52
Fujitec	JPY	553,000	2,743,330	1.87
Hokuetsu Paper Mill	JPY	602,000	3,026,563	2.06
Honda Motor Company	JPY	113,000	3,759,129	2.56
Inabata	JPY	207,000	750,750	0.51
Japan Cash Machine	JPY	81,600	1,155,898	0.79
Kuraray Company	JPY	343,000	1,898,883	1.29
Mirai Industry	JPY	20,500	109,901	0.07
Mitsui & Company	JPY	552,000	2,715,357	1.85
Nifco	JPY	290,000	3,017,508	2.05
Nippon Broadcasting	JPY	74,500	1,975,237	1.34
Nippon Pillar Packing Company Limited	JPY	49,000	213,665	0.15
Nissha Printing Company	JPY	267,000	1,709,655	1.16
Park 24 Company Limited	JPY	167,700	2,726,488	1.86
Showa Corporation	JPY	205,000	1,558,779	1.06
SK Kaken Company Limited	JPY	18,000	532,766	0.36
Suzuken Company	JPY	170,400	4,084,542	2.78
Taikisha Limited	JPY	55,000	438,386	0.30
Tostem Inax Holdings	JPY	174,000	2,369,034	1.61
Tsubaki Nakashima Company	JPY	89,000	480,098	0.33
USS Company	JPY	54,400	2,576,221	1.75
Wakita and Company	JPY	326,000	948,591	0.65
			<u>49,097,550</u>	<u>33.42</u>
Consumers				
C Two Network Company	JPY	103,200	2,245,723	1.53
Chiyoda Company Limited	JPY	226,200	1,736,953	1.18
Daibiru Corporation	JPY	422,000	1,643,105	1.12
Dydo Drinco	JPY	64,500	1,064,245	0.72
Ito-Yokado Company	JPY	165,000	4,415,958	3.01
Marui Company	JPY	240,000	2,099,049	1.43
Mitsubishi Corporation	JPY	578,000	3,710,688	2.53
Nippon Tel and Tel	JPY	1,131	3,790,745	2.58
NTT DoCoMo	JPY	3,880	7,472,736	5.09
Onward Kashiyama	JPY	281,000	2,146,039	1.46
Parco Company	JPY	453,000	1,442,771	0.98
Shimachu	JPY	97,700	1,771,698	1.21
TAC Company Limited	JPY	18,000	217,759	0.15
TOC Company Limited	JPY	38,000	160,630	0.11
Toho Real Estate Company Limited	JPY	137,000	434,050	0.30
Xebio Company	JPY	99,600	1,552,876	1.06
			<u>35,905,025</u>	<u>24.46</u>

Polar Capital Funds plc
(Investment Company with Variable Capital)

Portfolio Statement Japan Fund

As at 31 January 2003

(continued)

	Currency	Nominal Holding	Market Value US\$	% of NAV
Finance				
Credit Saison	JPY	167,000	2,783,333	1.90
Daido Life Insurance	JPY	992	2,233,116	1.52
Millea	JPY	378	2,688,294	1.83
Mitsui Fudosan	JPY	250,000	1,607,053	1.09
Nikko Cordial Corporation	JPY	841,000	3,029,114	2.06
			12,340,910	8.40
Healthcare				
Mani	JPY	29,000	417,083	0.28
N.I.C. Corporation	JPY	3,100	33,600	0.02
Nissin Healthcare	JPY	101,700	1,653,452	1.13
Takeda Chemical Industries	JPY	77,000	2,927,463	1.99
Tanabe Seiyaku	JPY	106,000	852,843	0.58
			5,884,441	4.00
Human Resources				
Goodwill Group	JPY	605	2,143,780	1.46
Technology				
Dai-Dan Company	JPY	31,000	104,419	0.07
Daiwabo Information Systems	JPY	85,000	428,756	0.29
Dodwell BMS Ltd	JPY	164,100	863,324	0.59
Hitachi Koki Company	JPY	617,000	1,862,214	1.27
Koa Corporation	JPY	3,500	19,114	0.01
Konica Corporation	JPY	644,000	4,531,732	3.08
Kyocera Corporation	JPY	72,200	4,003,084	2.72
Matsushita Electric Works Information	JPY	238	629,031	0.43
Namco Limited	JPY	147,000	2,309,054	1.57
Rohm Company Limited	JPY	25,900	2,951,917	2.01
Sony Corporation	JPY	96,000	3,769,885	2.57
Taito Corporation	JPY	2,518	1,839,059	1.25
			23,311,589	15.86
Transport				
Daidoh Limited	JPY	353,000	1,810,030	1.23
East Japan Railway	JPY	1,220	5,604,635	3.82
Kamigumi Company	JPY	603,000	2,664,582	1.81
Toyota Motor Corporation	JPY	61,400	1,461,539	0.99
Yamato Transport	JPY	217,000	2,992,479	2.04
			14,533,265	9.89

Polar Capital Funds plc
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Portfolio Statement Japan Fund

As at 31 January 2003

(continued)

	Currency	Nominal Holding	Market Value US\$	% of NAV
Utilities				
Fuji Soft	JPY	151,600	2,525,402	1.72
Rinnai Corporation	JPY	73,300	<u>1,460,622</u>	<u>0.99</u>
			3,986,024	2.71
Total Investments at Market Value			147,202,584	100.20
Other Net Liabilities			(298,955)	(0.20)
Total Net Assets			<u>146,903,629</u>	<u>100.00</u>

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

Polar Capital Funds plc
(Investment Company with Variable Capital)

Portfolio Statement Global Technology Fund

As at 31 January 2003

Equities	Currency	Nominal Holding	Market Value US\$	% of NAV
Austria				
Plaut	EUR	23,150	20,875	0.08
Canada				
Cellex Power Products*	CAD	600,000	587,618	2.34
France				
Infovista	EUR	225,000	352,635	1.41
Riber	EUR	210,805	<u>187,823</u>	<u>0.75</u>
			540,458	2.16
Japan				
Fuji Photo Film	JPY	11,000	331,082	1.32
Nifco	JPY	45,000	468,234	1.87
Rohm	JPY	3,500	<u>398,908</u>	<u>1.59</u>
			1,198,224	4.78
Netherlands				
BE Semiconductor	EUR	70,440	255,580	1.02
Exact Holdings	EUR	13,800	207,395	0.83
Ordina	EUR	53,500	240,635	0.96
Scala Business Solutions	EUR	150,000	<u>410,603</u>	<u>1.64</u>
			1,114,213	4.45
Switzerland				
Logitech International	CHF	1,500	50,125	0.20
Logitech International ADS	CHF	2,500	<u>83,750</u>	<u>0.33</u>
			133,875	0.53
Taiwan				
Novatek Microelectronics	TWD	65,000	105,361	0.42
Princeton Technology	TWD	65,000	123,624	0.49
Sunplus Technology	USD	15,362	<u>48,237</u>	<u>0.19</u>
			277,222	1.10
United Kingdom				
Spirent	GBP	690,000	246,678	0.98
United States				
ADC Telecom	USD	200,000	460,000	1.83
Applied Films	USD	50,000	810,000	3.23
Art Technology	USD	250,000	250,000	1.00
Aspen Technology	USD	125,000	370,000	1.47
Autodesk	USD	30,000	448,200	1.79

Polar Capital Funds plc
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Portfolio Statement Global Technology Fund

As at 31 January 2003

(continued)

	Currency	Nominal Holding	Market Value US\$	% of NAV
United States (continued)				
BEA Systems	USD	40,000	458,400	1.83
Cadence Design Systems	USD	60,000	595,200	2.37
Cognex Corporation	USD	20,000	425,400	1.70
Costar Corporation	USD	12,500	251,875	1.00
Cree	USD	25,000	449,000	1.79
DST Systems	USD	10,000	329,200	1.31
FEI	USD	25,000	397,750	1.58
First Data Corporation	USD	15,000	516,000	2.06
Harris Corporation	USD	15,000	468,000	1.86
Icos Vision	USD	54,000	274,050	1.09
Interwoven	USD	200,000	516,000	2.06
Jabil Circuit	USD	40,000	624,400	2.49
KVH Industries	USD	30,000	330,000	1.32
Lantronix	USD	500,000	450,000	1.79
Linear Technology	USD	20,000	522,600	2.08
Lockheed Martin	USD	10,000	510,500	2.03
Mercury Interactive	USD	10,000	355,500	1.42
Microchip Technology	USD	20,000	441,800	1.76
Microsemi	USD	60,000	477,000	1.90
NDS Group	USD	40,000	300,000	1.20
Netiq Corporation	USD	40,000	478,000	1.90
Nuance Communication	USD	100,000	255,000	1.02
Omnivision Technology	USD	40,000	545,200	2.17
Packeteer	USD	40,000	319,600	1.27
Peoplesoft	USD	25,000	484,750	1.93
Sungard Data System	USD	15,000	291,600	1.16
Tegal Corporation	USD	1,075,000	741,750	2.96
Tegal Corporation Warrant	USD	537,500	0	0.00
Teradyne	USD	30,000	311,700	1.24
Three-Five Systems	USD	50,000	229,000	0.91
Veeco Instruments	USD	40,000	560,000	2.23
Verisign	USD	50,000	412,500	1.64
Xantrex Technology*	USD	1,273,000	2,036,800	8.12
Yahoo	USD	20,000	364,000	1.45
Zeon Corporation	JPY	89,000	336,885	1.34
Zygo Corporation	USD	39,800	248,352	0.99
			<u>18,646,012</u>	<u>74.29</u>
Total Investments at Market Value			22,765,175	90.71
Other Net Assets			2,330,575	9.29
Total Net Assets			<u>25,095,750</u>	<u>100.00</u>

* Unquoted and illiquid securities

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

Polar Capital Funds plc
(Investment Company with Variable Capital)

Balance Sheet

As at 31 January 2003

	Notes	Japan Fund 2003 US\$	Global Technology Fund 2003 US\$	Total 2003 US\$	Total 2002 US\$
Assets					
Investments at market value	2,4	147,202,584	22,765,175	169,967,759	86,162,976
Debtors: Amounts falling due within one year	5	4,153,585	1,372	4,154,957	6,527,350
Cash		496,944	2,436,274	2,933,218	0
		<u>151,853,113</u>	<u>25,202,821</u>	<u>177,055,934</u>	<u>92,690,326</u>
Liabilities					
Creditors: Amounts falling due within one year	6	(4,949,484)	(107,071)	(5,056,555)	(6,870,574)
Net Assets		<u>146,903,629</u>	<u>25,095,750</u>	<u>171,999,379</u>	<u>85,819,752</u>
Shareholders' funds - non equity		<u>146,903,629</u>	<u>25,095,750</u>	<u>171,999,379</u>	<u>85,819,752</u>
Number of shares outstanding	10	<u>17,686,943</u>	<u>3,906,764</u>		
Net Asset Value per share		<u>8.31</u>	<u>6.42</u>		

The financial statements on pages 10 to 24 were approved by the Board of Directors of Polar Capital Funds plc on 1 May 2003 and signed on its behalf by:

James Cayzer-Colvin }

Directors

David Hammond }

The notes on pages 18 to 24 form part of these financial statements

Polar Capital Funds plc
(Investment Company with Variable Capital)

Profit and Loss Account
For the year ended 31 January 2003

	Notes	Japan Fund 2003 US\$	Global Technology Fund 2003 US\$	Total 2003 US\$	Total 2002 US\$
Income	2				
Investment income		987,548	56,272	1,043,820	18,376
Non reclaimable withholding tax		(193,305)	(12,914)	(206,219)	(2,988)
Deposit interest		1,978	15,186	17,164	4,635
		<u>796,221</u>	<u>58,544</u>	<u>854,765</u>	<u>20,023</u>
Expenses	2				
Management fees	3	1,749,081	604,218	2,353,299	266,293
Administration fees	3	262,411	100,776	363,187	45,063
Legal fees		101,291	94,900	196,191	0
General expenses		97,114	65,611	162,725	48,756
Custodian's fees	3	116,559	40,313	156,872	17,856
Auditors' remuneration		9,970	17,993	27,963	14,000
Bank interest		20,192	7,652	27,844	11,223
Directors' remuneration		11,705	10,057	21,762	5,044
Performance fee		0	0	0	1,363,525
Preliminary expenses amortisation		0	0	0	240,000
		<u>2,368,323</u>	<u>941,520</u>	<u>3,309,843</u>	<u>2,011,760</u>
Deficit from operations		(1,572,102)	(882,976)	(2,455,078)	(1,991,737)
Income equalisation		18,884	0	18,884	0
Net operating expense		<u>(1,553,218)</u>	<u>(882,976)</u>	<u>(2,436,194)</u>	<u>(1,991,737)</u>
Net realised (loss)/gain on marketable securities		(16,850,474)	(17,457,100)	(34,307,574)	1,707,155
Movement in net unrealised (loss)/gain on investments		(7,414,707)	(12,500,147)	(19,914,854)	2,849,951
Net (loss)/gain on currencies		(276,538)	10,371	(266,167)	268,730
Net (loss)/gain on investment activity		(24,541,719)	(29,946,876)	(54,488,595)	4,825,836
(Deficit)/surplus from operations for the year/period		<u>(26,094,937)</u>	<u>(30,829,852)</u>	<u>(56,924,789)</u>	<u>2,834,099</u>

The financial statements on pages 18 to 24 were approved by the Board of Directors of Polar Capital Funds plc on 1 May 2003 and signed on its behalf by:

James Cayzer-Colvin }

Directors

David Hammond }

The notes on pages 18 to 24 form 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 2003

	Japan Fund 2003 US\$	Global Technology Fund 2003 US\$	Total 2003 US\$	Total 2002 US\$
Shareholders' funds at beginning of year/period	21,216,014	64,603,738	85,819,752	0
Net operating expense	(1,553,218)	(882,976)	(2,436,194)	(1,991,737)
Net (loss)/gain on investment activity	(24,541,719)	(29,946,876)	(54,488,595)	4,825,836
Movement in Net Assets resulting from Operations	(26,094,937)	(30,829,852)	(56,924,789)	2,834,099
Subscriptions during the year/period	106,559,133	16,484,019	123,043,152	86,817,034
In specie transfer from Polar Capital Japan Growth	80,823,622	0	80,823,622	0
Redemptions during the year/period	(35,600,203)	(25,162,155)	(60,762,358)	(3,831,381)
Movement in Net Assets resulting from financing	151,782,552	(8,678,136)	143,104,416	82,985,653
Shareholders' funds at end of year/period	146,903,629	25,095,750	171,999,379	85,819,752

The notes on pages 18 to 24 form 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 2003

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 Central Bank 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 the Central Bank. 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\$). Comparatives relate to the period of incorporation (28 September 2001) to 31 January 2002.

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 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

Polar Capital Funds plc
(Investment Company with Variable Capital)

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 2003

(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 per cent 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 2003

(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 Fund 2003 US\$	Global Technology Fund 2003 US\$	Total 2003 US\$	Total 2002 US\$
At cost	156,943,566	30,089,096	187,032,662	82,958,125
Net (deficit)/surplus on revaluation	<u>(9,740,982)</u>	<u>(7,323,921)</u>	<u>(17,064,903)</u>	<u>2,849,951</u>
Market value of investments	147,202,584	22,765,175	169,967,759	85,808,076
Net unrealised profit on open forward foreign currency transactions	<u>0</u>	<u>0</u>	<u>0</u>	<u>354,900</u>
	<u><u>147,202,584</u></u>	<u><u>22,765,175</u></u>	<u><u>169,967,759</u></u>	<u><u>86,162,976</u></u>

5. Debtors: falling due within one year

	Japan Fund 2003 US\$	Global Technology Fund 2003 US\$	Total 2003 US\$	Total 2002 US\$
Due from broker	3,526,331	0	3,526,331	5,100,757
Subscriptions receivable	552,840	0	552,840	1,416,188
Dividends receivable	74,414	700	75,114	10,405
Bank interest receivable	<u>0</u>	<u>672</u>	<u>672</u>	<u>0</u>
	<u><u>4,153,585</u></u>	<u><u>1,372</u></u>	<u><u>4,154,957</u></u>	<u><u>6,527,350</u></u>

6. Creditors: falling due within one year

	Japan Fund 2003 US\$	Global Technology Fund 2003 US\$	Total 2003 US\$	Total 2002 US\$
Bank overdraft*	121,036 *	0	121,036 *	2,275,403
Due to broker	3,932,401	0	3,932,401	2,807,945
Performance fee payable	0	0	0	1,363,525
Redemptions payable	600,399	43,014	643,413	69,717
Sundry creditors	<u>295,648</u>	<u>64,057</u>	<u>359,705</u>	<u>353,984</u>
	<u><u>4,949,484</u></u>	<u><u>107,071</u></u>	<u><u>5,056,555</u></u>	<u><u>6,870,574</u></u>

* Held with Barings (Guernsey) Limited, secured over the assets of the fund.

7. Soft Commission

Polar Capital Funds plc
(Investment Company with Variable Capital)

There were no soft commission transactions during the year.

Polar Capital Funds plc

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Notes to the Financial Statements

31 January 2003

(continued)

8. Exchange Rates

The exchange rates used at 31 January 2003 were as follows:

	Exchange Rate to US\$
Canadian dollars	1.5316
European Union euro	1.0734
Japanese yen	119.9400
New Taiwan dollar	34.7020
Sterling	0.6084
Swiss franc	1.3676

9. Taxation

The Company is not liable to tax in respect of its income and gains, other than on the occurrence of a chargeable event. A chargeable event includes any distribution to shareholders or any redemption or transfer of shares. A chargeable event will not occur in respect of shareholders who are neither resident nor ordinarily resident in Ireland and who have provided the Company with a relevant declaration to that effect. In the absence of an appropriate declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event but will be entitled to recover the tax due from the relevant shareholder. Capital gains, dividends and interest received may be subject to withholding taxes imposed by the country of origin 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.

The outstanding participating shares are as follows:

	Outstanding Shares	NAV per Share As at 31 January 2003	NAV per Share As at 31 January 2002
Japan Fund			
USD Class	9,708,861	\$8.31	\$8.52
GBP Class	4,735,634	£5.06	£6.03
JPY Class	3,242,448	Yen 996.70	Yen 1,139.72
Global Technology Fund			
USD Class	3,837,227	\$6.42	\$11.98
GBP Class	69,537	£3.91	£8.48

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 15. US\$260,096 (2002: US\$150,368) was due to the Investment Manager at 31 January 2003. Certain Directors hold shares in the ultimate holding company of the Investment Manager or exert significant influence over the holders of such shares.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Notes to the Financial Statements

31 January 2003

(continued)

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 & 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 Japan Fund's exposure to foreign exchange contracts at 31 January 2003 was as follows:

Forward Currency Contracts	2003	2002
	USD	USD
JPY	0	4,450,000
Fixed Interest	USD	USD
	2003	2002
JPY	0	126,093
Weighted Average Interest Rate	2003	2002
	USD	USD
JPY	0.00%	0.00%

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 2003

(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 Fund 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 Fund'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 Fund is computed in US\$, whereas the investments of the Fund 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 Central Bank of Ireland. 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	Global Technology Fund
Net asset value per share for shareholder dealing per valuation	8.31	6.45
Unamortised preliminary expenses	(0.00)	(0.03)
Net asset value per share per financial statements	8.31	6.42

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 2003 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 2003

(continued)

16. Distributor Status

The United Kingdom Board of Inland Revenue have certified Polar Capital Funds plc as a distributing Fund in respect of the period ended 31 January 2002. The Fund intends to apply for distributor status for each future accounting period.

17. Change of Investment Policy and Prospectus Supplements

Following an Extraordinary General Meeting of the shareholders on 22 August 2002, a decision was taken to permit the Global Technology Fund to invest in some of the larger technology companies. The Central Bank of Ireland and the Irish Stock Exchange have approved this change to the Fund's investment policy. A Prospectus supplement, dated 27 August 2002, was issued relating to the US Dollar Share Class and Sterling Share Class of the Global Technology Fund. A Prospectus supplement, dated 29 May 2002, was issued relating to the US Dollar Share Class, the Sterling Share Class and the Japanese Yen Share Class of the Japan Fund.

18. Comparative Figures

	NAV Audited 31/01/2003	NAV Audited 31/01/2002	NAV per Share Audited 31/01/2003	NAV per Share Audited 31/01/2002
Japan Fund				
USD Class	\$80,680,635	\$4,728,804	\$8.31	\$8.52
GBP Class	£23,962,308	£2,781,404	£5.06	£6.03
JPY Class	Yen 3,231,747,922	Yen 1,696,367,226	Yen 996.70	Yen 1,139.72
Global Technology Fund				
USD Class	\$24,634,997	\$64,398,825	\$6.42	\$11.98
GBP Class	£271,890	£231,512	£3.91	£8.48

The comparative figures relate to the period from inception to 31 January 2002.

19. Subsequent Events

There have been no material events subsequent to the year end, which impact on the financial statements for the year ended 31st January 2003.

20. Approval of the Financial Statements

The Financial Statements were approved by the Board on 1 May 2003.

Polar Capital Funds plc
(Investment Company with Variable Capital)

Statement of Significant Portfolio Movements

Japan Fund

Purchases	Cost US\$'000	Sales	Proceeds US\$'000
Kyocera Corporation	13,676	Tostem Inax Holdings	10,825
East Japan Railway	12,958	Kyocera Corporation	10,530
NTT DoCoMo	11,098	East Japan Railway	10,355
Ito-Yokado Company	10,654	Canon	9,992
Tostem Inax Holdings	9,755	NTT DoCoMo	7,787
Sony Corporation	9,736	Mitsui Fudosan	7,704
Mitsui & Company	9,176	Japan Telecom Holdings	7,493
Nippon Telegraph and Telephone	9,047	Nippon Telegraph and Telephone	6,428
Takeda Chemicals	8,690	Tanabe Seiyaku Company	6,178
Nikko Cordial	8,632	Shin-Etsu Chemical	6,067
Honda Motor Company	8,519	Nikko Cordial	5,932
Mitsui Fudosan	8,308	Mitsui & Company	5,927
Canon	7,849	Secom Company	5,808
Fuji Photo Film	7,743	Toppan Printing Company	5,796
Konica Corporation	7,252	Takeda Chemicals	5,788
Japan Telecom Holdings	6,799	Fuji Photo Film	5,718
Secom Company	6,302	Sekisui House Ltd	5,714
Sekisui House Ltd	5,749	Ito-Yokado Company	5,664
Suzuken Company	5,613	Honda Motor Company	5,234
Shin-Etsu Chemicals	5,551	Nomura Holdings	5,203

Global Technology Fund

Purchases	Cost US\$'000	Sales	Proceeds US\$'000
Altera Corporation	3,659	Laboratory Corporation of American Holdings	3,370
Laboratory Corporation of American Holdings	3,383	Altera Corporation	3,152
Jabil Circuit Inc	2,942	Brooks Automation	2,600
Genesis Microchip	2,546	Genesis Microchip	2,442
Maxim Integrated Products	2,225	Jabil Circuit	2,428
T-HQ	1,980	Omnivision Technologies	2,286
Atmel Corporation	1,961	Aspen Technology	2,191
Veritas Software	1,915	Packeteer	2,112
L 3 Communications Holdings	1,828	Maxim Integrated Products	2,098
Applied Films	1,765	Brocade Communications	2,096
Tech Data Corporation	1,756	Mercury Interactive	2,056
Overture Services	1,742	L 3 Communications Holdings	1,878
Cadence Design Systems	1,669	Microsemicom	1,865
FEI Company	1,522	Intrado	1,790
Q Logic Corporation	1,508	Rational Software	1,655
Yahoo	1,424	ChipPAC	1,604
Concord	1,374	ADC Telecom	1,566
Therma-Wave	1,367	T-HQ	1,554
EDO Corporation	1,338	Ballard Power	1,411
Cree	1,298	EDO Corporation	1,407

NOTICE OF ANNUAL GENERAL MEETING

To the Shareholders of Polar Capital Funds plc.

NOTICE is hereby given that the Annual General Meeting of the Shareholders of Polar Capital Funds plc will be held at IFSC House, International Financial Services Centre, Dublin 1 on Friday, 13 June 2003 at 10.00 am.

AGENDA

1. Report and Accounts

To receive the Report and Audited Financial Statements of the Company for the period for the year ended 31 January 2003.

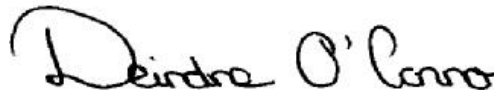
2. Re-election of Auditors

To approve the re-election of KPMG, as the Company's Auditors.

3. Auditors' Remuneration

To authorise the Directors to fix the Auditors' remuneration.

By Order of the Board



For and on behalf of
International Fund Managers (Ireland) Limited
as Secretary

Dated the 01 day of May 2003

NOTE

Every member entitled to attend, speak and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A body corporate may appoint an authorised person to attend, speak and vote on its behalf. A proxy or an authorised representative need not be a member of the company.

Polar Capital Funds plc

FORM OF PROXY

I/We,

of

being Members of the above Company hereby appoint -

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the reconvened Annual General Meeting of the Company to be held on Friday, 13 June 2003, and at any adjournment thereof.

Please indicate with an X in the spaces below how you wish your vote(s) to be cast. Unless otherwise instructed, the proxy will vote as he/she thinks fit.

RESOLUTION

1. **Report and Accounts**
To receive the Report and Audited Financial Statements of the Company for the year ended 31 January 2003.
2. **Re-election of Auditors**
To approve the re-election of KPMG, as the Company's Auditors.
3. **Auditors' Remuneration**
To authorise the Directors to fix the Auditors' remuneration.

For	Against

Signed: _____

Date: _____

Please return to:

c/o International Fund Managers (Ireland)
Limited
IFSC House
International Financial Services Centre
Dublin 1
Ireland

Attention: Deirdre O'Connor

NOTES:

1. This instrument of proxy, to be valid, must be sent by post so as to arrive, or be lodged, at the address printed below before the time appointed for holding the meeting.
2. In the case of a corporate shareholder, this instrument may be either under its Common Seal or under the hand of an officer or attorney authorised in that behalf.
3. If you wish to appoint a proxy other than the Chairman of the meeting, please insert his/her name and address and delete "the Chairman of the meeting".
4. If this instrument is signed and returned without any indication of how the person appointed proxy shall vote, he will exercise his discretion as to how he votes and whether or not he abstains from voting.
5. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority should be determined by the order in which the names stand in the register of members in respect of the joint holding.
6. The address to which the proxy forms should be returned is:-
c/o International Fund Managers (Ireland) Limited
IFSC House
International Financial Services Centre
Dublin 1
Ireland.
Attention: Deirdre O'Connor
7. Proxy forms may be returned in the first instance by fax to (353) 1 670 2735 but the original should be forwarded by mail to the address shown at 6 above.