

RCM Technology Trust PLC

Key Information	
Total Assets[†]	£66.4m
Gearing[†] (net)	nil
No. of Shares[†] (Ordinary Shares)	23,860,312
No. of Shares** (Subscription Shares)	4,772,062
Share price*(Ordinary Shares)	254.75p
Share price*(Subscription Shares)	57.5p
Premium/-discount to NAV[†]	-7.8%
Package value[†]	266.3p
Package premium/ -discount[†]	-3.7%
Net asset value[†](Ordinary Shares)	276.5p
Benchmark	Dow Jones World Technology Index (Sterling adjusted, total returns basis)
AIC Sector	Tech Media & Telecomm
RIC	RTT
Year end	30th November
Reports and Accounts	Final posted in March, Interim posted in July
AGM	April
Dividends	None
Price Information	Financial Times and The Daily Telegraph
Board of Directors	David Quysner (Chairman), John Cornish FCA, Paul Gaunt, Anthony Townsend, Dr Chris Martin, Richard Holway
Investor services	020 7065 1407
Brochure request	0800 317 573

[†] Source: Allianz Global Investors as at 31.10.07

Investment trusts are quoted companies listed on the London Stock Exchange. Their share price is determined by factors including demand, or lack of, which means that the shares may trade below (at a discount to) or above (at a premium to) the underlying net asset value. The package value is the value of one Ordinary Share and 1/5th of a Subscription Share.

The Trust may also seek to enhance returns for its shareholders through gearing, in the form of bank borrowings. Gearing can boost the Trust's returns when investments perform well, though losses can be magnified when investments do badly.

* Source: Lipper as at 31.10.07

** Following the approval of special resolutions at an extraordinary general meeting in August 2007, 4,770,568 RCM Technology Trust Subscription Shares have been listed. Qualifying shareholders received one Subscription Share for every five Ordinary Shares held by them on the 17.08.07. These are qualifying investments for existing PEPs and the stocks and shares component of an ISA. Each Subscription Share is capable of conversion, on notification to the Company in the thirty days preceding the annual general meeting in any of the years 2008 to 2012 (inclusive), into one Ordinary Share on the date of the relevant annual general meeting. The Conversion Price of the Subscription Shares will be 267p, which represented a 10% premium to the Net Asset Value per Share (calculated on an undiluted basis and in accordance with the basis set out in the prospectus dated 18.07.07) as at the close of business on 14.08.07. The Subscription shares may be traded separately from the ordinary shares.

Trust aim & characteristics

The investment objective of the Company is to invest principally in the equity securities of quoted technology companies on a worldwide basis with the aim of achieving long-term capital growth.

Fund Manager's Review



Walter Price

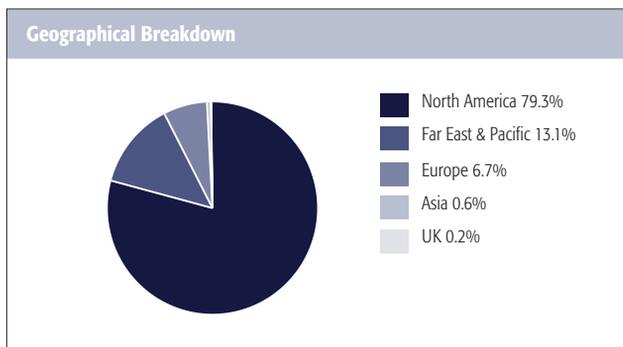
The market for technology stocks was strong in October, and the Trust participated in this strength. We outperformed our index in the month, with a gain of 8.2% vs. 6.7%.

Strength in our favoured sectors

Winning stocks included those in our favoured themes, including the mobile internet (RIMM, Apple, Google), consumer gaming (Nintendo, Activision), and solar energy (SunPower, First Solar, and Suntech). The success of the offering for Alibaba, a commercial portal that had an IPO which was 100 times over-subscribed and will trade in Hong Kong, led to strength in other Chinese media and internet stocks. Most of the semiconductor stocks continued to underperform, and our holdings in On, Sandisk, and NVIDIA were not spared. We did sell our holdings in Infineon and Intersil during the month, but we have kept the other stocks because we think the issues that are pressuring them will be resolved quickly.

Corporate technology spending in the US under pressure

There is growing concern about slowing growth in the technology sector, particularly in the US enterprise, or corporate, area. This is an area that we have been underweighted in and we think has slow growth in general. We believe this reduction in expectations, though painful, is healthy and necessary. As we go forward, we think the US economy will have slow growth but avoid a recession, and that growth outside the US, particularly in dollars, will remain strong. Since most companies in the technology sector have a large and growing part of their business outside of US enterprise, this should lead to an acceleration of growth for those companies as we go through 2008, which makes them unusual in that timeframe. That should lead to continued good performance for these stocks, if our assumptions prove correct that there will be no global recession in 2008, so we are watching valuations in this area closely.



Source: Allianz Global Investors as at 31.10.07.
Changes in rates of exchange may cause the value of investments and the income from them to go down or up.

Standardised Past Performance

From to	30/09/2002 to 30/09/2003	30/09/2003 to 30/09/2004	30/09/2004 to 30/09/2005	30/09/2005 to 29/09/2006	29/09/2006 to 28/09/2007
Share Price	97.6%	-12.8%	24.6%	-4.8%	18.6%

Source: Allianz Global Investors/Lipper Hindsight. Discrete years, mid to mid, basic rate tax, based in UK sterling. Standardised past performance figures comply with the Financial Services Authority's regulations to enable investors to compare different products from different providers.

Please note that RCM were appointed managers of this Trust on 30th April 2007.

Past performance is not a reliable indicator of future performance. You should not make any assumptions on the future on the basis of performance information. The value of an investment and the income from it can fall as well as rise as a result of market fluctuations and you may not get back the amount originally invested.

Top 10 holdings

Name	%
Microsoft	5.1
Intel	4.4
Apple	4.3
Google	3.9
Nvidia	3.7
Cisco Systems	3.6
EMC Corp	3.5
Research in Motion	3.4
US Treasury 2008	3.3
Tencent	3.3
Total	38.5

Source: Allianz Global Investors as at 31.10.07. Competition among technology companies may result in aggressive pricing of their products and services, which may affect the profitability of the companies in which the Trust invests. In addition, because of the rapid pace of technological development, products or services developed by these companies may become rapidly obsolete or have relatively short product cycles. This may have the effect of making the Trust's returns more volatile than the returns of a fund that does not invest in similarly related companies.

History

The Trust was launched in December 1995 as a way for investors to gain exposure to quoted technology companies on a worldwide basis with the aim of achieving long-term capital growth. The Board appointed RCM to manage the fund's assets from April 2007. The decision was based on the performance of RCM's US-based technology team, their experience and the manager's depth of expertise in the management of investment trusts.

Launch Date: December 1995 **Wind-up Date:** None (continuation vote in 2011)

Share buybacks

The Company has adopted a discount management policy whereby consideration is given to buying back shares, for cancellation and into treasury, at prices representing a discount greater than 7.0% to net asset value per share, if there is demand for it to do so. 73,500 shares have been repurchased for cancellation since RCM assumed management of the Company, and no shares are currently held in treasury.