

Technology investing from the heart of the industry

Allianz Technology Trust PLC

Factsheet

31 July 2017

Aim

The Trust's objective is to achieve long-term capital growth by investing principally in the equity securities of quoted technology companies on a worldwide basis.

Trust Benefits

The award-winning Allianz Technology Trust PLC offers investors access to the fast moving world of technology with the reassurance that investment decisions are made by Walter Price who has 40 years of experience of investing in technology. He is Co-Head of the AllianzGI Global Technology Team which currently manages \$4bn in assets under management.

Awards & Ratings



Morningstar Rating™



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A ranking, a rating or an award provides no indicator of future performance and is not constant over time.

At the Heart of the Industry

Allianz Technology Trust is managed by the highly experienced AllianzGI Global Technology team based in San Francisco. The team benefits from its close proximity to Silicon Valley where many of the world's key technology companies are headquartered.

Location of the 10 Largest Technology Companies in the US



Total Assets £275.0m **Shares in Issue** 25,959,427 (Ordinary 25p)

Share Price

1022.0p

Source: Lipper

NAV per Share

1062.2p

Premium/-Discount

-3.8%

Share Price is the price of a single ordinary share, as determined by the stock market. The price shown above is the mid-market price.

Net Asset Value (NAV) per Share is calculated as available shareholders' funds divided by the number of shares in issue, with shareholders' funds taken to be the net value of all the company's

assets after deducting liabilities. An undiluted, cum-income NAV is shown.

Premium/Discount. Since investment company shares are traded on a stock market, the share price that you get may be higher or lower than the NAV. The difference is known as a discount or premium.

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Fund Manager's Review

Portfolio Overview

The Trust's NAV returned 3.5% in July, outperforming the Dow Jones World Technology Index return of 2.7%. During the month, stock selection contributed to relative performance, and industry allocation detracted from relative performance.

Our position in non-benchmark holding Netflix was the top relative contributor after the company reported new subscriber growth well above consensus expectations, driven primarily by international subscriptions. For the first time, the company has more international than domestic subscribers. Shares have risen impressively this year as the company has exceeded subscriber growth expectations while simultaneously demonstrating reasonably good long-term profitability metrics. Netflix's original programming seems to have had a significant factor in its ability to attract new subscriptions beyond simple geographic expansion. That said, this original programming is coming at a significant cost as the company has committed substantial resources to produce new programming.

Our position in non-benchmark holding Square was also a top relative contributor in July. The company develops business management software for small & medium-sized businesses (SMB) and monetises many of these products through transaction processing. The stock rose during the month as investors anticipated a positive quarterly earnings announcement in early August. Shares also increased on analyst speculation that PayPal might acquire Square at a premium. We believe Square is unique in the payments processing space in its employment of deep

“ **The growth in technology is coming from the creation of new markets, rather than simply GDP (Gross Domestic Product) growth... Sectors such as automobiles, advertising, security, retail, and manufacturing are all being shaped and transformed by advances in technology.**

analytics and artificial intelligence, which help it onboard and score transaction risks in segments of the merchant market that other processors have been unable to access economically.

Other top active contributors included overweight positions in Teradyne and JD.com and not owning IBM.

Our overweight position in Micron was the top detractor in July. At the end of June, the company announced quarterly earnings that exceeded analysts' expectations driven by solid growth across all end-market applications. Management's commentary suggested that the strength in both the DRAM and NAND (Dynamic Random Access Memory and Not AND) businesses would likely remain quite steady heading into the second half of 2017 due to continued supply discipline. However, shares pulled back in late July on news that a competitor was planning to add additional DRAM capacity, which investors fear could increase supply leading to lower prices. Over the course of several years, consolidation in the memory chip industry has helped Micron and others rationalise supply and more effectively preserve profitability through the ups-and-downs of the demand environment. We see these reported and forecasted results as evidence of the improvement in this industry structure.

Our overweight position in Proofpoint was also a top detractor in July. The company delivered strong earnings results that exceeded expectations and raised guidance for the current quarter and fiscal year. Proofpoint is benefiting from several growth drivers, and the power of its software-as-a-service model is beginning to generate leverage and produce solid free cash flow growth. Email security is a mature market, but we think Proofpoint should continue capturing



Walter Price CFA, Portfolio Manager

Allianz Technology Trust PLC is managed by Walter Price who is a Managing Director and Co-Head of the AllianzGI Technology Team in San Francisco, having joined in 1974. Walter is a current Director and past president of the M.I.T. Club of Northern California. He also heads the Educational Council for M.I.T. in the Bay Area and is a past Chairman of the AIMR Committee on Corporate Reporting for the computer and electronics industries.

market share as enterprises shift to cloud-based infrastructure and adopt more of the company's products, including broader data security, advanced malware protection, and security analytics. We believe the company is well-positioned to deliver strong earnings and free cash flow growth over the next few years.

Other top active detractors included overweight positions in Amazon.com and Twitter and an underweight position in Tencent.

Market Outlook

We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets – especially for bottom-up stock pickers. The growth in technology is coming from the creation of new markets, rather than simply GDP (Gross Domestic Product) growth. Investors need to find companies generating organic growth by creating new markets or effecting significant change on old markets. Sectors such as automobiles, advertising, security, retail, and manufacturing are all being shaped and transformed by advances in technology.

At present, we are seeing a wave of innovation in the sector that we believe has the potential to produce attractive returns for companies with best-in-class solutions. We also see a number of companies with present valuations that, in our view, do not fully reflect positive company- and/or industry-specific tailwinds.

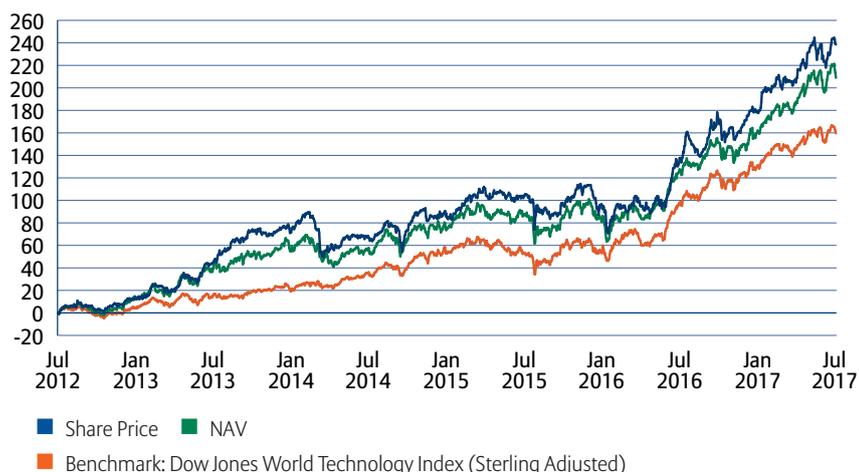
Lastly, we believe the Augmented/Virtual Reality (AR and VR) theme is poised to accelerate throughout the remainder of 2017. This theme has been slow to take off due to insufficient and expensive hardware and relatively new software applications. However, declining hardware costs, more gaming software availability, new mobile phones from Apple and Google, and ongoing AR work by Microsoft and Tesla with productivity applications should pave the way for this theme to deliver attractive growth.

Walter Price
10 August 2017

This is no recommendation or solicitation to buy or sell any particular security. Any security mentioned above will not necessarily be comprised in the portfolio by the time this document is disclosed or at any other subsequent date.

Performance Track Record

Five Year Performance (%)



Risk & Features

Investment trusts are quoted companies listed on the London Stock Exchange. Their share prices are determined by factors including the balance of supply and demand in the market.

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.

Derivatives can be used to manage the Trust efficiently.

Cumulative Returns (%)

	3M	6M	1Y	3Y	5Y
Share Price	9.6	21.1	42.3	103.7	239.3
NAV	7.8	19.1	37.1	101.4	208.9
Benchmark	5.7	13.7	32.2	94.3	159.6

Discrete 12 Month Returns (%) to 31 July

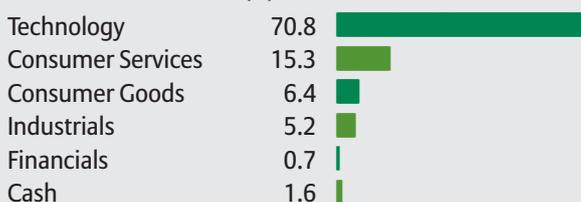
	2013	2014	2015	2016	2017
Share Price	45.2	14.7	23.6	15.8	42.3
NAV	41.7	8.2	22.3	20.1	37.1
Benchmark	16.0	15.2	14.6	28.2	32.2

Source: Lipper, percentage growth, mid to mid, total return to 31.07.17. Copyright 2017 © Lipper, a Thomson Reuters company. All rights reserved. Lipper shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon.

Past performance is not a reliable indicator of future returns. 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.

Portfolio Breakdown

Sector Breakdown (%)

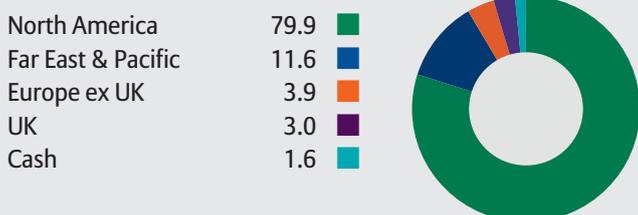


Top Ten Holdings (%)

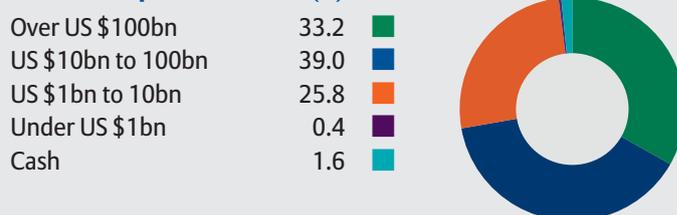
Amazon	6.6
Apple	6.2
Facebook	4.3
Samsung Electronics	4.0
Micron Technology	3.7
Workday	3.7
Square	3.2
Proofpoint	3.0
DXC Technology	2.8
Microsoft	2.8

Total number of holdings 58

Geographic Breakdown (%)



Market Cap Breakdown (%)



Key Information

Launch Date	December 1995
AllianzGI Appointment	April 2007
Continuation Vote	2021 AGM
AIC Sector	Specialist Sector: Technology, Media & Telecoms
Benchmark	Dow Jones World Technology Index (Sterling Adjusted)
Annual Management Charge	0.8% plus £55,000 p.a. (Admin Fee)
Performance Fee ¹	Yes
Ongoing Charges ²	1.0%
Year End	30 November
Annual Financial Report	Final posted in March, Half-yearly posted in July
AGM	April
NAV Frequency	Daily
Price Information	Financial Times, The Daily Telegraph, www.allianztechnologytrust.com
Company Secretary	Eleanor Emuss
Investment Manager	Walter Price
Codes	RIC: ATT.L SEDOL: 0339072

1. Calculated as 12.5% of the outperformance of the NAV compared to the indexed NAV over the performance period. The fee is capped at a maximum of 2.25% of the Trust's NAV at the year-end.

2. Source: AIC, as at the Trust's Financial Year End (30.11.2016). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses including Annual Management Fee.

Board of Directors

Robert Jeens (Chairman), Humphrey van der Klugt (Chairman of the Audit Committee and Senior Independent Director), Richard Holway MBE, Elisabeth Scott

How to invest

You can buy shares in the Trust through:

- A third party provider - see 'How to Invest' on our website, where you will find links to a range of these platforms, many of which allow you to hold the shares within an ISA, Junior ISA, SIPP and/or savings scheme.
- A stockbroker.
- A financial adviser.

Contact us

If you have any queries regarding our investment trusts our Investor Services team can be contacted on:

0800 389 4696

www.allianztechnologytrust.com

E-mail: investment-trusts@allianzgi.com

You will find much more information about Allianz Technology Trust on our website.

Please note that we can only offer information and are unable to provide investment advice. You should contact your financial adviser before making any investment decision.



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All data source Allianz Global Investors as at 31.07.17 unless otherwise stated.

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