

31 May 2015

# Allianz Technology Trust PLC

Half-Yearly Financial Report



**investors**  
CHRONICLE

**Top 100 Funds 2014**  
Allianz Technology Trust PLC

**investors**  
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**Top 100 Funds 2013**  
Allianz Technology Trust PLC

**Allianz**   
Global Investors

[www.allianztechnologytrust.com](http://www.allianztechnologytrust.com)

# Investment Policy and Overview

Allianz Technology Trust PLC invests principally in the equity securities of quoted technology companies on a worldwide basis with the aim of achieving long-term capital growth.

The Company's strategy is to have a concentrated portfolio which is benchmark aware rather than benchmark driven. Therefore, the Company has tended to have a significantly higher than benchmark allocation to high growth, mid cap companies which we consider to be the emerging leaders in the technology sector. We believe the successful identification of these companies relatively early on in their growth stages, offers the best opportunity for outperformance over the long-term.

## Asset allocation

The fund managers do not target specific country or regional weightings and aim to invest in the most attractive technology shares on a global basis. The fund managers aim to identify the leading companies in emerging technology growth sub-sectors. The majority of the portfolio will comprise mid and large cap technology shares.

## Risk Diversification

The Company aims to diversify risk and no holding in the portfolio will comprise more than 15% of the Company's assets at the time of acquisition. The Company aims to diversify the portfolio across a range of technology sub-sectors.

## Gearing

In normal market conditions gearing will not exceed 10% of net assets but may increase to 20%. The Company's Articles of Association limit borrowing to one quarter of its called up share capital and reserves.

## Liquidity

In normal market conditions the liquidity of the portfolio, that is the proportion of the Company's net assets held in cash or cash equivalents, will not exceed 15% of net assets but may be increased to a maximum of 30%.

## Derivatives

The Company may use derivatives for investment purposes within guidelines set down by the Board.

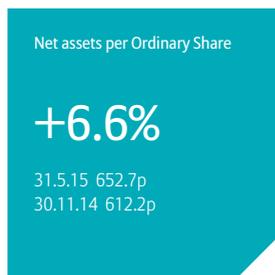
## Foreign Currency

The Company does not currently hedge foreign currency exposure.

## Benchmark

Dow Jones World Technology Index Sterling Adjusted Total Return.

# Financial Highlights and Summary



|  | 31 May 2015 | 30 November 2014 | % Change |
|--|-------------|------------------|----------|
| Net Asset Value per Ordinary Share                                     | 652.7p      | 612.2p           | 6.6      |
| Ordinary Share Price   | 624.5p      | 576.5p           | 8.3      |
| Discount on Ordinary Share Price to Net Asset Value per Ordinary Share | 4.3%        | 5.8%             | n/a      |
| Dow Jones World Technology Index (sterling adjusted total return)      | 567.4       | 531.4            | 6.8      |
| Shareholders' Funds  | £168.9m     | £157.7m          | 7.1      |

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From entertainment to manufacturing, from business to the environment, from education to energy, technology has the ability to change lives on a global scale...

# Interim Management Report

## Chairman's Statement

### Performance

I am pleased to report that positive performance continued during the half year period under review to 31 May 2015. The net asset value per share ("NAV") increased by 6.6% to 652.7p from 612.2p at the last year end and the share price also increased by 8.3%, from 576.5p to 624.5p at the period end. Consequently the discount between the share price and the NAV narrowed to 4.3% at the period end compared with 5.8% at 30 November 2014.

Over the reporting period the Company's NAV initially lagged the performance of the Company's benchmark, the Dow Jones World Technology Index, then modestly outperformed it and closed the period just behind with the index rising by 6.8% in sterling terms over the period. I would remind you that the investments selected by your Investment Manager are not intended to track the index but, the portfolio should outperform over the longer term.

Shareholders' funds closed the period at £168.9 million, an increase of £11.2 million since the year end arising from positive investments returns together with the share re-issuance referred to below.

The Company's investment objective is to achieve capital growth. No dividends have been paid in the past and no dividend is proposed in respect of the current period.

### Share buybacks and re-issue of shares from treasury

During the reporting period the Company made one purchase of 40,580 shares. These were added to the shares already held in treasury. No shares were purchased for cancellation and there have been no further share purchases since the period end.

On 6 May 2015 we were pleased to report for the first time that the Company had re-issued shares from treasury into the market via its broker. Three further tranches of shares were issued on the same basis during the remainder of the period bringing the total number of shares issued out of treasury in the period to 150,000. Since the period end a further tranche of 15,000 shares has been re-issued. The aggregate value of the shares re-issued to date is £1.0m.

At the date of writing, the issued ordinary share capital of the Company stands at 25,892,426, and 2,410,454 shares held in treasury.

Before any shares were re-issued the Board considered carefully the parameters and processes that should apply to ensure that any re-issuance was both in the interests of existing shareholders and properly controlled. Shares must only be re-issued at a lower discount than the average at which they were purchased, the Board has specified the minimum tranche size and that any discount to NAV must be modest. To date the average discount to the estimated NAV at the time of each issue is calculated to be 2.89%.

### Board

The Board refreshment programme has continued as planned. We were pleased to welcome Elisabeth Scott to the Board on 1 February 2015 and we bade farewell to Paul Gaunt at the AGM on 8 April 2015 after nearly 20 years of service.

In June we were pleased to announce that Humphrey van der Klugt would be joining the Board with effect from 1 July 2015 and that Chris Martin would retire on 15 July 2015.

### Name change

The Company's name change to Allianz Technology Trust PLC and the ticker change to ATT is now well established and we believe this has given a renewed strength of identity with the Investment Manager, Allianz Global Investors.

### Material events and transactions

In the six month period to 31 May 2015 there were no material events or transactions to report with the exception of that at the Annual General Meeting of the Company held on 8 April 2015 all resolutions put to Shareholders were passed including the appointment of Elisabeth Scott to the Board as noted above.

# Interim Management Report

## Chairman's Statement *(continued)*

### Principal risks and uncertainties for the next six months

The principal risks and uncertainties facing the Company over the next six months are broadly unchanged from those described in the Annual Financial Report for the year ended 30 November 2014. These are set out in the Strategic Report on page 32 of that Report, together with commentary on the Board's approach to mitigating the risks and uncertainties, under the following headings: Investment Strategy Risk; Technology Risk; Market and Currency Risk; and Financial and Liquidity Risk. In addition to the principal risks, the Company faces the risks associated with the provision of services by third parties and general business risks including accounting, legal and regulatory matters. The Board perform a high-level review of the principal risks at every meeting to ensure the risk assessment is current and relevant adjusting mitigating factors and procedures as appropriate.

### Going concern

The Directors believe it is appropriate to continue to adopt the going concern basis in preparing the financial statements as the assets of the Company consist mainly of securities which are readily realisable and accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future.

### Related party transactions

In accordance with the definition as provided by the Listing Rules 11.1.4, the only related party arrangement in place is the relationship between the Directors and the Company. The services provided by the Investment Manager under the Investment Management Agreement form a significant contract but are not deemed to be a related party transaction. There have been no material transactions which have affected the financial position of the Company other than fees paid in the normal course of business.

### Responsibility statement

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the half-yearly financial report has been prepared in accordance with the Accounting Standards Board's Statement: 'Half-Yearly Financial Reports';
- the interim management report includes a fair review of the information required by Disclosure and Transparency Rule 4.2.7 R, of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- the interim management report includes a fair review of the information concerning related parties transactions as required by Disclosure and Transparency Rule 4.2.8 R.

The half-yearly financial report was approved by the Board on 22 July 2015 and the above responsibility statement was signed on its behalf by the Chairman.

*Robert Jeens*  
Chairman

## Investment Managers' Review

For the period ended 31 May 2015, the Company achieved a positive absolute return of 6.6%, slightly underperforming the Dow Jones World Technology Total Return Index which returned 6.8%. The positive return was primarily due to strong performance from security and cloud computing stocks.

Security stocks in general have performed well during the period. After companies have historically underinvested in security, increasingly sophisticated security breaches continue to compromise sensitive data, proving the traditional firewall is no protection for these new threats. As a result, we are seeing a new wave of investment in security, which will likely be an ongoing required investment for companies. Security providers that create more sophisticated solutions and adapt these solutions as threats evolve should be the largest long-term beneficiaries in the security industry. Within the portfolio, Palo Alto Networks and FireEye have been among the top performers as both companies are benefiting from the increased spending towards security solutions. We believe this growth in spending will continue at a rapid pace as hackers are showing no signs of slowing down.

Similarly, cloud computing stocks have performed well during the period, as we are seeing more large companies migrate to the Cloud. The value proposition is very compelling to larger companies because cloud services can help companies increase productivity and implement improvements faster, which enables innovation to come sooner. In addition to these benefits, the Cloud offers sizeable cost savings of roughly 50%. Within the portfolio, the largest beneficiaries of the shift to the Cloud include ServiceNow, Amazon, and Microsoft.

Conversely, PC and hardware companies have struggled during the period. Coming into 2015, we expected the momentum from 2014 would carry over to this year, but this has not materialised. PC demand has been weighed down by weak international markets and currency headwinds, as well as slower corporate PC demand. Many companies that supply components to the PC have reduced estimates for 2015, resulting in a sharp sell-off in the shares of this group. We expect lacklustre growth in this space to continue as the rise in cloud computing appears to be reducing demand for hardware purchases.

As a result, we reduced our exposure to PC and hardware companies, as well as semiconductor companies that supply PC and hardware components.

As a group, semiconductors have been a mixed bag so far this year. While PC and hardware suppliers have struggled, semiconductor companies within Apple's food chain and companies benefitting from new technologies in mobile phones have performed well. Avago Technologies and Skyworks Solutions are two portfolio holdings that have performed well as they both benefit from Apple's product cycle and new technologies in mobile phones (transition to 3G/4G networks).

### Top contributors and detractors

At the holdings level, security software provider Palo Alto Networks was among the top relative contributors for the period. The company delivered earnings results and forward guidance that topped high expectations. Management cited broad-based strength across all geographies and product offerings as the security spending environment remains robust. The company continues to demonstrate an ability to produce strong revenue growth and accelerate profits ahead of expectations. Looking ahead, Palo Alto Networks has multiple drivers in place that are expected to propel significant long-term growth. Improving sales productivity, a broadening product portfolio, and a growing customer base with increasing adoption of subscription solutions should drive revenue growth. At the same time, operating margins should continue to move higher as a result of increased efficiencies and a higher percentage of sales from a more profitable renewal base. The combination of strong billings growth and improving margins are expected to produce significant free cash flow growth over the next few years.

Freescale Semiconductor was also among the top relative contributors for the period. Shares rallied after NXP Semiconductors announced plans to acquire Freescale for about \$11.8 billion in cash and stock. The merger combines two complementary businesses and should lead to significant cost synergies and drive higher growth over time. The move will expand the combined company's market share in attractive semiconductor markets such as automotive, industrial, and secured connected devices.

# Investment Managers' Review *(continued)*

Specifically within the automotive market, both companies are major suppliers of chips for use in cars and are seeking to benefit as vehicle technology becomes more advanced. We see the combined company as an increasingly strong competitor in a high growth and evolving area in secured, connected enabling technology.

Amazon.com was a top performer, as the company delivered solid results that topped expectations despite a large foreign exchange loss. Amazon is finally showing an ability to gain operating leverage after its many investments in recent years. A notable bright spot was the company's cloud business, Amazon Web Services (AWS), which is growing faster than investors expected. For the first time, Amazon broke out sales from its cloud computing division, reporting a 49 percent jump last quarter. With management's commitment to more disciplined capital allocation and the early success of AWS, we believe Amazon could produce very attractive profit growth over time.

Other top contributors during the period include our overweight positions in Netflix and security software provider, FireEye.

The key detractors to the Company's performance during the period were our holdings in Alibaba, SanDisk, and our underweight position in Microsoft. While we like the long-term prospects for Alibaba, short-term headwinds have weighed on the stock's performance. First, there was rhetoric from the Chinese government about Alibaba selling fake products on its website. Secondly, the rate of monetisation on its mobile traffic has been lower than we expected. However, we believe the company's long-term positioning and its strong business model should outweigh the negative sentiment over time.

SanDisk declined after management announced it is lowering the March quarter outlook and withdrawing their prior fiscal 2015 outlook. The company attributed the revised forecasts to product qualification delays, enterprise solid state drive (SSD) sales weakness, and lower pricing in certain products. The company appears to be suffering from the weakness in the hardware industry, and as mentioned above, we expect this headwind to persist for an extended period. As a result, we exited our position in SanDisk during the period.

Our underweight position in Microsoft detracted from relative returns for the period. In early 2015, shares fell after the company's earnings and forward guidance were weaker than expected, predominantly due to the negative impact of foreign currency and the weak PC market. We tactically reduced our weighting in Microsoft in anticipation of negative foreign exposure; however, the company surprised everyone by showing more resilience in its earnings than expected and tightly controlling costs. We have become more positive on Microsoft's position in the cloud market with Azure and Office 365, which are now over \$6 billion in revenues, and therefore we increased our position in the stock. Longer term, Microsoft continues to build its cloud business and enhance innovation. While the transition to a more innovative company may take time and could be choppy along the way, we believe this move will drive long-term growth.

Other active detractors during the six month period include our underweight in Apple and our position in Yelp (exited in April).

## Outlook

Looking forward, 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. 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.

We agree that the valuations on some cloud and internet companies appear lofty. In this sense, we think the pause in appreciation of their shares was a healthy way of purging some of the overenthusiasm that built up in the markets. That said, we continue to see massive addressable markets for these dynamic areas of technology that are much larger than the revenue today. However, we have consolidated our exposure to these areas in select companies we believe have the most compelling solutions and whose business models demonstrate a discernable path to deliver strong earnings and cash flow growth over the next few years.

## Investment Managers' Review *(continued)*

We believe that the following will be key themes during 2015:

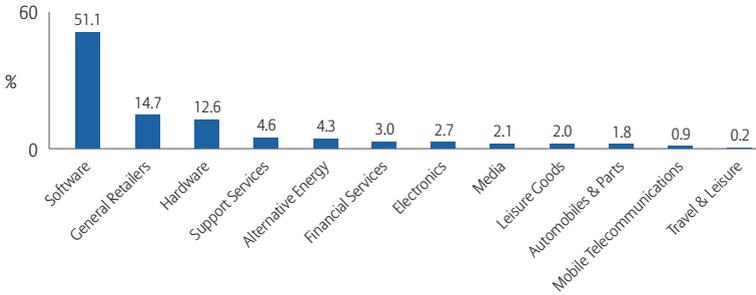
- 1** The major IPOs of this year will be in the area of 'sharing apps' – Uber, Airbnb and Lyft are moving closer to IPO and look set to command significant valuations. These are exciting technologies, but our participation will be governed by the valuations at which these companies come to market.
- 2** We are optimistic on higher growth companies at the moment. In 2014, the more 'optimistic' valuations were quashed by the market. Those companies with good revenues, but without the earnings growth to match, saw their valuations slide. Markets have preferred those companies with lower valuations, but with more clarity on earnings – Apple or Microsoft, for example. As a result, there has been a convergence in valuations, and higher growth companies look relatively more attractive.
- 3** Security will continue to be a major theme in 2015. It is just getting started and companies are still only in the early stages of adjusting to the various threats presented by a new, more sophisticated, breed of hacker. We believe this trend will persist for several years, and companies that continue to enhance security technology stand to benefit over time.
- 4** Although software as a service is well-established as a trend, it remains underpenetrated. Companies are just starting to realise the flexibility and cost-efficiency outsourcing can provide. In 2014, this trend went mainstream and in 2015 we believe it is breaking out. Additionally, components makers in the hard disk drive and memory spaces, previously thought to be casualties of languishing PC sales, are finding good demand from the expansion in data centres needed to store data and deliver cloud services, and these companies are also benefitting from more stable profitability profiles because of industry consolidation. We think these companies could see significant re-ratings of their earnings multiples.
- 5** Technology is likely to have a profound effect on the media and advertising market in 2015. The ability to measure effectively is replacing 'gut feel' advertising with clear science. TV advertising will come under greater stress, but for Internet advertising – which can be clearly measured and targeted – it could be a strong year.
- 6** And finally the resurgence of Apple was one of the biggest stories of 2014 and all eyes are on it again in 2015. The new product cycle has been extremely strong, and channel checks are showing that the cycle still has legs. While the product cycle may be moderate for the new high end iPhones in 2015, products such as the Apple Watch and a broader line of phones may offset this moderation. In addition, Apple seems to be gaining share from other manufacturers, and the company's large cash position gives it substantial control over shareholder returns in 2015. As a result, we are maintaining a large position in Apple.

*Walter Price*  
*Allianz Global Investors US LLC*

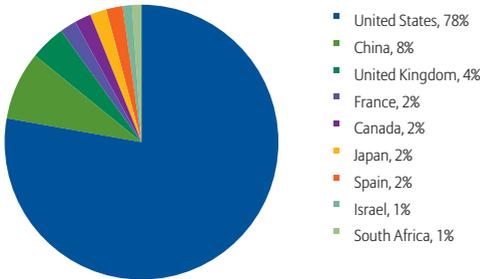
# Analysis of Portfolio

As at 31 May 2015

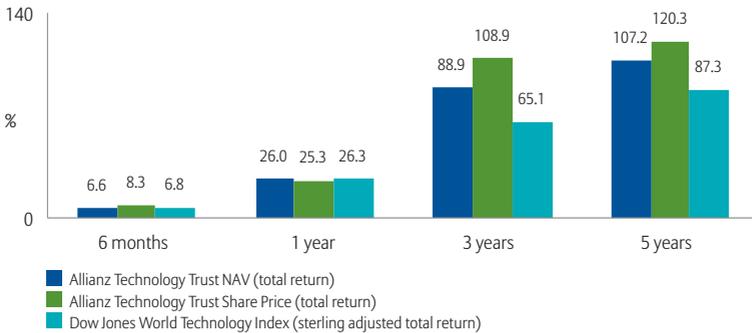
## Sector Analysis



## Geographical Analysis



## Performance Graph



Source: Datastream as at 31 May 2015

# Investment Portfolio

as at 31 May 2015

| Investment                    | Sector              | Country        | Fair Value<br>£'000 | % of<br>Portfolio | *Index<br>Weighting |
|-------------------------------|---------------------|----------------|---------------------|-------------------|---------------------|
| Microsoft                     | Software            | United States  | 13,356              | 8.0               | O                   |
| Palo Alto Networks            | Software            | United States  | 8,738               | 5.3               | O                   |
| Apple                         | Hardware            | United States  | 8,492               | 5.1               | U                   |
| Amazon                        | General Retailers   | United States  | 7,363               | 4.4               | N                   |
| Splunk                        | Software            | United States  | 6,918               | 4.2               | O                   |
| ServiceNow                    | Software            | United States  | 6,702               | 4.0               | O                   |
| Visa                          | Financial Services  | United States  | 4,966               | 3.0               | N                   |
| Netflix                       | General Retailers   | United States  | 4,889               | 2.9               | N                   |
| Western Digital               | Hardware            | United States  | 4,302               | 2.6               | O                   |
| SunPower                      | Alternative Energy  | United States  | 3,886               | 2.3               | N                   |
| <b>Top ten investments</b>    |                     |                | <b>69,612</b>       | <b>41.8</b>       |                     |
| Criteo ADR                    | Software            | France         | 3,700               | 2.2               | N                   |
| Canadian Solar                | Alternative Energy  | Canada         | 3,331               | 2.0               | N                   |
| Oracle                        | Software            | United States  | 3,322               | 2.0               | U                   |
| Nidec                         | Electronics         | Japan          | 3,261               | 2.0               | N                   |
| ARM Holdings                  | Hardware            | United Kingdom | 3,258               | 2.0               | O                   |
| Google                        | Software            | United States  | 3,238               | 2.0               | U                   |
| Qualys                        | Software            | United States  | 3,023               | 1.8               | N                   |
| Tableau                       | Software            | United States  | 2,960               | 1.8               | O                   |
| Tesla Motors                  | Automobiles & Parts | United States  | 2,929               | 1.8               | N                   |
| Cognizant Technologies        | Software            | United States  | 2,915               | 1.8               | O                   |
| <b>Top twenty investments</b> |                     |                | <b>101,549</b>      | <b>61.2</b>       |                     |
| Alibaba                       | General Retailers   | China          | 2,904               | 1.7               | O                   |
| Vipshop                       | General Retailers   | China          | 2,881               | 1.7               | N                   |
| Skyworks Solutions            | Hardware            | United States  | 2,755               | 1.7               | O                   |
| Tencent                       | Software            | China          | 2,679               | 1.6               | U                   |
| Amadeus                       | Support Services    | Spain          | 2,519               | 1.5               | N                   |
| eBay                          | General Retailers   | United States  | 2,506               | 1.5               | O                   |
| Adobe Systems                 | Software            | United States  | 2,495               | 1.5               | O                   |
| Harman International          | Leisure Goods       | United States  | 2,438               | 1.5               | N                   |
| Proofpoint                    | Software            | United States  | 2,376               | 1.4               | N                   |
| Veeva Systems                 | Software            | United States  | 2,140               | 1.3               | N                   |
| <b>Top thirty investments</b> |                     |                | <b>127,242</b>      | <b>76.6</b>       |                     |
| FireEye                       | Software            | United States  | 2,080               | 1.3               | N                   |
| JD.com ADR                    | General Retailers   | China          | 1,987               | 1.2               | N                   |
| GoDaddy                       | Software            | United States  | 1,866               | 1.1               | N                   |
| Salesforce.com                | Software            | United States  | 1,822               | 1.1               | O                   |
| SolarCity                     | General Retailers   | United States  | 1,728               | 1.0               | N                   |
| Arista Networks               | Software            | United States  | 1,726               | 1.0               | N                   |
| Computer Sciences             | Software            | United States  | 1,719               | 1.0               | O                   |
| Intuit                        | Software            | United States  | 1,716               | 1.0               | O                   |
| Facebook                      | Software            | United States  | 1,692               | 1.0               | U                   |
| Vantiv                        | Support Services    | United States  | 1,690               | 1.0               | O                   |
| <b>Top forty investments</b>  |                     |                | <b>145,268</b>      | <b>87.3</b>       |                     |

# Investment Portfolio *(continued)*

as at 31 May 2015

| Investment                   | Sector                    | Country        | Fair Value<br>£'000 | % of<br>Portfolio | *Index<br>Weighting |
|------------------------------|---------------------------|----------------|---------------------|-------------------|---------------------|
| Zendesk                      | Software                  | United States  | 1,651               | 1.0               | N                   |
| Capita                       | Support Services          | United Kingdom | 1,611               | 1.0               | N                   |
| Comcast                      | Media                     | United States  | 1,608               | 1.0               | N                   |
| CyberArk                     | Software                  | Israel         | 1,605               | 1.0               | N                   |
| Naspers ADR                  | Media                     | South Africa   | 1,562               | 0.9               | N                   |
| China Mobile                 | Mobile Telecommunications | China          | 1,532               | 0.9               | N                   |
| Workday                      | Software                  | United States  | 1,487               | 0.9               | O                   |
| Verifone                     | Hardware                  | United States  | 1,332               | 0.8               | O                   |
| Towers Watson                | Support Services          | United States  | 1,281               | 0.8               | N                   |
| Flextronics                  | Electronics               | United States  | 1,216               | 0.7               | N                   |
| <b>Top fifty investments</b> |                           |                | <b>160,153</b>      | <b>96.3</b>       |                     |
| Electronic Arts              | Leisure Goods             | United States  | 896                 | 0.5               | N                   |
| Sage                         | Software                  | United Kingdom | 872                 | 0.5               | O                   |
| Akamai Technologies          | Software                  | United States  | 862                 | 0.5               | O                   |
| Lam Research                 | Hardware                  | United States  | 858                 | 0.5               | O                   |
| Autodesk                     | Software                  | United States  | 766                 | 0.5               | O                   |
| LinkedIn                     | Support Services          | United States  | 642                 | 0.4               | N                   |
| Teledyne                     | Software                  | United Kingdom | 633                 | 0.4               | O                   |
| Ctrip.com                    | Travel & Leisure          | China          | 397                 | 0.2               | N                   |
| SouFun Holdings ADR          | Media                     | China          | 392                 | 0.2               | N                   |
| <b>Total Investments</b>     |                           |                | <b>166,471</b>      | <b>100.0</b>      |                     |

\*O = Overweight index; U = Underweight index; N = Not in index

# Income Statement and Balance Sheet

## Income Statement

|  | for the six months ended 31 May 2015 |                   |                        |
|--|--------------------------------------|-------------------|------------------------|
| (Note 1)   | Revenue<br>£'000s                    | Capital<br>£'000s | Total Return<br>£'000s |
| Net gains/(losses) on investments held at fair value     | -                                    | 10,877            | 10,877                 |
| Exchange gains on currency balances                      | -                                    | 8                 | 8                      |
| Income   | 527                                  | -                 | 527                    |
| Investment management fee (see Note 2)                   | (652)                                | -                 | (652)                  |
| Administration expenses                                  | (218)                                | -                 | (218)                  |
| <b>Net return before finance costs and taxation</b>      | <b>(343)</b>                         | <b>10,885</b>     | <b>10,542</b>          |
| Finance costs: Interest payable and similar charges      | -                                    | -                 | -                      |
| <b>Net return on ordinary activities before taxation</b> | <b>(343)</b>                         | <b>10,885</b>     | <b>10,542</b>          |
| Taxation   | (63)                                 | -                 | (63)                   |
| <b>Net return attributable to Ordinary Shareholders</b>  | <b>(406)</b>                         | <b>10,885</b>     | <b>10,479</b>          |
| Net return per Ordinary Share (Note 3)                   | (1.57p)                              | 42.27p            | 40.70p                 |

## Balance Sheet

|  | as at 31 May 2015 |
|--|-------------------|
|  | £'000s            |
| Investments held at fair value through profit or loss (see Note 4) | 166,471           |
| Net current assets   | 2,432             |
| <b>Total Net Assets</b>  | <b>168,903</b>    |
| Called up Share Capital  | 7,076             |
| Share Premium Account  | 36,674            |
| Capital Redemption Reserve   | 1,021             |
| Capital Reserve  | 139,732           |
| Revenue Reserve  | (15,600)          |
| <b>Shareholders' Funds</b>   | <b>168,903</b>    |
| <b>Net Asset Value per Ordinary Share</b>                          | <b>652.7p</b>     |
| The net asset value is based on Ordinary Shares in issue of        | 25,877,426        |
| Ordinary Shares held in treasury                                   | 2,425,454         |

| for the six months ended 31 May 2014 |                   |                        | for the year ended 30 November 2014 |                   |                        |
|--------------------------------------|-------------------|------------------------|-------------------------------------|-------------------|------------------------|
| Revenue<br>£'000s                    | Capital<br>£'000s | Total Return<br>£'000s | Revenue<br>£'000s                   | Capital<br>£'000s | Total Return<br>£'000s |
| -                                    | (180)             | (180)                  | -                                   | 24,246            | 24,246                 |
| -                                    | 318               | 318                    | -                                   | 466               | 466                    |
| 295                                  | -                 | 295                    | 839                                 | -                 | 839                    |
| (558)                                | -                 | (558)                  | (1,117)                             | -                 | (1,117)                |
| (278)                                | -                 | (278)                  | (567)                               | -                 | (567)                  |
| (541)                                | 138               | (403)                  | (845)                               | 24,712            | 23,867                 |
| -                                    | -                 | -                      | -                                   | -                 | -                      |
| (541)                                | 138               | (403)                  | (845)                               | 24,712            | 23,867                 |
| (39)                                 | -                 | (39)                   | (111)                               | -                 | (111)                  |
| (580)                                | 138               | (442)                  | (956)                               | 24,712            | 23,756                 |
| (2.27p)                              | 0.54p             | (1.73p)                | (3.73p)                             | 96.32p            | 92.59p                 |

| as at 31 May 2014 | as at 30 November 2014 |
|-------------------|------------------------|
| £'000s            | £'000s                 |
| 131,257           | 151,997                |
| 2,287             | 5,745                  |
| 133,544           | 157,742                |
| 7,076             | 7,076                  |
| 36,211            | 36,211                 |
| 1,021             | 1,021                  |
| 104,054           | 128,628                |
| (14,818)          | (15,194)               |
| 133,544           | 157,742                |
| 518.3p            | 612.2p                 |
| 25,768,006        | 25,768,006             |
| 2,534,874         | 2,534,874              |

## Reconciliation of Movements in Shareholders' Funds

|   | Called up<br>Share<br>Capital<br>£'000s | Share<br>Premium<br>Account<br>£'000s | Capital<br>Redemption<br>Reserve<br>£'000s | Capital<br>Reserve<br>£'000s | Revenue<br>Reserve<br>£'000s | Total<br>£'000s |
|---|---|---------------------------------------|--|------------------------------|------------------------------|-----------------|
| <b>Six months ended 31 May 2015</b>                             |   |                                       |  |                              |                              |                 |
| Net Assets at 1 December 2014                                   | 7,076                                   | 36,211                                | 1,021                                      | 128,628                      | (15,194)                     | 157,742         |
| Revenue Return  | -                                       | -                                     | -  | -                            | (406)                        | (406)           |
| Ordinary shares issued from treasury during the period (Note 5) | -                                       | 463                                   | -  | 452                          | -                            | 915             |
| Ordinary shares repurchased during the period (Note 5)          | -                                       | -                                     | -  | (233)                        | -                            | (233)           |
| Capital Return  | -                                       | -                                     | -  | 10,885                       | -                            | 10,885          |
| <b>Net Assets at 31 May 2015</b>                                | <b>7,076</b>                            | <b>36,674</b>                         | <b>1,021</b>                               | <b>139,732</b>               | <b>(15,600)</b>              | <b>168,903</b>  |
| <b>Six months ended 31 May 2014</b>                             |   |                                       |  |                              |                              |                 |
| Net Assets at 1 December 2013                                   | 7,076                                   | 35,032                                | 1,021                                      | 102,670                      | (14,238)                     | 131,561         |
| Revenue Return  | -                                       | -                                     | -  | -                            | (580)                        | (580)           |
| Ordinary shares issued from treasury during the period (Note 5) | -                                       | 1,179                                 | -  | 1,246                        | -                            | 2,425           |
| Capital Return  | -                                       | -                                     | -  | 138                          | -                            | 138             |
| <b>Net Assets at 31 May 2014</b>                                | <b>7,076</b>                            | <b>36,211</b>                         | <b>1,021</b>                               | <b>104,054</b>               | <b>(14,818)</b>              | <b>133,544</b>  |
| <b>Year ended 30 November 2014</b>                              |   |                                       |  |                              |                              |                 |
| Net Assets at 1 December 2013                                   | 7,076                                   | 35,032                                | 1,021                                      | 102,670                      | (14,238)                     | 131,561         |
| Revenue Return  | -                                       | -                                     | -  | -                            | (956)                        | (956)           |
| Ordinary shares issued from treasury during the year (Note 5)   | -                                       | 1,179                                 | -  | 1,246                        | -                            | 2,425           |
| Capital Return  | -                                       | -                                     | -  | 24,712                       | -                            | 24,712          |
| <b>Net Assets at 30 November 2014</b>                           | <b>7,076</b>                            | <b>36,211</b>                         | <b>1,021</b>                               | <b>128,628</b>               | <b>(15,194)</b>              | <b>157,742</b>  |

# Cash Flow Statement

|   | Six Months<br>ended<br>31 May 2015<br>£'000s | Six Months<br>ended<br>31 May 2014<br>£'000s | Year<br>ended<br>30 Nov 2014<br>£'000s |
|---|--|--|--|
| <b>Net cash inflow/(outflow) from operating activities</b>  | <b>204</b>                                   | <b>(3,980)</b>                               | <b>(4,661)</b>                         |
| <b>Capital expenditure and financial investment</b>   |  |  |  |
| Purchases of fixed asset investments (Note 6)   | (142,868)                                    | (73,666)                                     | (143,331)                              |
| Sales of fixed asset investments (Note 6)   | 139,271                                      | 75,434                                       | 135,056                                |
| <b>Net cash (outflow)/inflow from capital expenditure and financial investment</b>                                    | <b>(3,597)</b>                               | <b>1,768</b>                                 | <b>(8,275)</b>                         |
| <b>Net cash outflow before financing</b>  | <b>(3,393)</b>                               | <b>(2,212)</b>                               | <b>(12,936)</b>                        |
| <b>Financing</b>  |  |  |  |
| Purchase of Ordinary shares for holding in treasury   | (233)  | -  | -                                      |
| Issue of Ordinary shares from treasury  | 915  | -  | -                                      |
| <b>Net cash inflow from financing</b>   | <b>682</b>                                   | <b>-</b>                                     | <b>-</b>                               |
| <b>Net cash outflow</b>   | <b>(2,711)</b>                               | <b>(2,212)</b>                               | <b>(12,936)</b>                        |
| <b>Reconciliation of Return on Ordinary Activities before<br/>Taxation to Net Cash Flow from Operating Activities</b> |  |  |  |
| Net revenue before taxation   | 10,542                                       | (403)  | 23,867                                 |
| Less: Net (gains)/losses on investments at fair value   | (10,877)                                     | 180  | (24,246)                               |
| Less: Net gains on foreign currency   | (8)  | (318)  | (466)                                  |
| Less: Overseas tax suffered   | (63)   | (39)   | (111)                                  |
|   | <b>(406)</b>                                 | <b>(580)</b>                                 | <b>(956)</b>                           |
| (Increase)/Decrease in debtors  | (31)   | 40   | (32)                                   |
| Increase/(Decrease) in creditors  | 641  | (3,440)                                      | (3,673)                                |
| <b>Net cash inflow/(outflow) from operating activities</b>  | <b>204</b>                                   | <b>(3,980)</b>                               | <b>(4,661)</b>                         |
| <b>Reconciliation of net cash flow to movement in net funds</b>   |  |  |  |
| Net cash outflow  | (2,711)                                      | (2,212)                                      | (12,936)                               |
| Net gains on foreign currencies   | 8  | 318  | 466                                    |
| <b>Movement in net funds</b>  | <b>(2,703)</b>                               | <b>(1,894)</b>                               | <b>(12,470)</b>                        |
| Net funds brought forward   | 5,679  | 18,149                                       | 18,149                                 |
| <b>Net funds carried forward</b>  | <b>2,976</b>                                 | <b>16,255</b>                                | <b>5,679</b>                           |

# Notes

## Note 1 – Summary statement of accounting policies and basis of preparation

The condensed set of financial statements is prepared in accordance with Disclosure and Transparency Rule (“DTR”) 4.2.4(2) and 4.2.5 using the same accounting policies as are explained in the Company’s Annual Financial Report for the year ended 30 November 2014.

The total column of the Income Statement is the profit and loss account of the Company. All revenue and capital items derive from continuing operations. No operations were acquired or discontinued in the period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses of the Company have been reflected in the Income Statement.

## Note 2 – Management

Allianz Global Investors GmbH, UK Branch is the appointed Investment Manager and as such is entitled to a base fee of 0.8% per annum calculated on the last business day of each quarter as an average value of the market capitalisation of the Company. Additionally, there is a fixed administration fee of £55,000 per annum.

The Investment Manager is also entitled to a performance fee calculated as 12.5% of outperformance of the Company’s adjusted net asset value (“NAV”) per share total return as compared to the benchmark; the Dow Jones World Technology Index Sterling adjusted Total Return. Such amount is applied to the year end NAV adjusted for the weighted average number of Ordinary Shares in issue during the Performance Period. Any performance fee payable is capped at a maximum of 2.25% of the Company’s NAV at the year-end, and any underperformance brought forward from previous years is taken into account in the calculation of the performance fee payable. A performance fee will only be paid if the Company’s NAV is higher than that at which any previous performance fee was paid and if performance in that year was also ahead of the benchmark on a cumulative basis. At 31 May 2015 no performance fee was accrued, the quantum of any performance fee payable will be based on the Company’s NAV at 30 November 2015 and may differ significantly from the any sum accrued before such date. Performance fees when paid are charged 100% to capital.

## Note 3 – Return per Ordinary share

The return per Ordinary Share is based on the net profit for the half year of £10,479,000 (half year ended 31 May 2014: loss of £442,000; year ended 30 November 2014: profit of £23,756,000) and on the weighted average number of Ordinary Shares in issue during the period of 25,749,237 (31 May 2014: 25,545,191; 30 November 2014: 25,656,904), as adjusted in accordance with requirements of Financial Reporting Standard 22 ‘Earnings per Share’.

## Note 4 – Valuation of Investments

Investments are designated as held at fair value through profit or loss in accordance with FRS 26 ‘Financial Instruments: Recognition and Measurement’. Listed investments are valued at bid market prices.

## Note 5 – Called up Share Capital

At 31 May 2015 there were 25,877,426 Ordinary Shares in issue (31 May 2014: 25,768,006; 30 November 2014: 25,768,006). During the half-year ended 31 May 2015 the Company bought back 40,580 Ordinary Shares for holding in treasury (half year ended 31 May 2014: nil; year ended 30 November 2014: nil) and issued into the market, from the Ordinary Shares held in treasury, 150,000 Ordinary Shares (half year ended 31 May 2014 and year ended 30 November 2014: 418,065).

The cost of the shares bought back in the six months to 31 May 2015, including stamp duty, amounted to £232,517 (half year ended 31 May 2014: £nil; year ended 30 November 2014: £nil). The proceeds from the shares issued out of those held in treasury amounted to £914,583 (half year ended 31 May 2014 and year ended 30 November 2014: £2.42m offset against the performance fee due to the Investment Manager for the year ended 30 November 2013).

## Note 6 – Transaction Costs

Transaction costs on equity purchases for the half-year ended 31 May 2015 amounted to £141,255 (half year ended 31 May 2014: £71,667; year ended 30 November 2014: £125,184). Transaction costs on equity sales for the half year ended 31 May 2015 amounted to £133,386 (half year ended 31 May 2014: £77,884; year ended 30 November 2014: £136,803).

## Note 7 – Comparative Information

The half yearly financial report to 31 May 2015 and the comparative information to 31 May 2014 have neither been audited nor reviewed by the Company's auditors and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006 for the respective periods. The financial information for the year ended 30 November 2014 has been extracted from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

# Investor Information

## Directors

Robert Jeens (Chairman)  
John Cornish  
Richard Holway MBE  
Elisabeth Scott  
Humphrey van der Klugt

## Managers

Allianz Global Investors GmbH, UK Branch  
199 Bishopsgate  
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Telephone: +44 (0)20 7859 9000  
Represented by Walter Price

## Secretary and Registered Office

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Tracey Lago ACIS  
199 Bishopsgate  
London  
EC2M 3TY  
Telephone: +44 (0)20 7065 1405  
Registered Number: 03117355

## Registrars

Capita Asset Services  
The Registry  
34 Beckenham Road  
Beckenham  
Kent  
BR3 4TU  
Telephone: +44 (0)20 8639 3399  
Email: [ssd@capita.com](mailto:ssd@capita.com)

## Key Dates

Half-year results announced in July.  
Full year results announced February/March.  
Annual Financial Report posted to shareholders  
in February/March.  
Annual General Meeting held in March/April.

## Identification Codes

### Ordinary Shares

SEDOL: 0339072  
ISIN: GB0003390720  
BLOOMBERG: ATT  
EPIC: ATT  
GIIN: YSYR74.99999.SL.826

# Investor Information *(continued)*

## Net Asset Value

The Net Asset Value of the Ordinary Shares is calculated and announced daily and the top ten holdings are announced monthly. They are published on the London Stock Exchange Regulatory News Service. They are also available from Allianz Global Investors, via Investor Services on 0800 389 4696 or on the Company's website: [www.allianztechnologytrust.com](http://www.allianztechnologytrust.com)

## How to Invest

Alliance Trust Savings Limited ("ATS") is one of a number of providers offering a range of products and services, including Share Plans, ISAs and pension products. ATS also maintains services including online and telephone-based dealing facilities and online valuations. More information is available from Allianz Global Investors either via Investor Services on 0800 389 4696 or on the Company's website: [www.allianztechnologytrust.com](http://www.allianztechnologytrust.com), or from Alliance Trust Savings Customer Services Department on +44 (0)1382 573 737 or by email: [contact@alliancetrust.co.uk](mailto:contact@alliancetrust.co.uk)

A list of other providers can be found on the Company's website: [www.allianztechnologytrust.com](http://www.allianztechnologytrust.com)

## Shareholders' Enquiries

Capita Asset Services are the Company's registrars and maintain the share register. In the event of queries regarding their holdings of shares, lost certificates, registered name and address details, etc., shareholders should contact the registrars on +44 (0)20 8639 3399. Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday. Calls may be recorded and monitored randomly for security and training purposes.

Any general enquiries about the Company should be directed to the Company Secretary, Allianz Technology Trust PLC, 199 Bishopsgate, London EC2M 3TY. Telephone: +44 (0)20 7859 9000.

## Website

Further information about the Company is available at [www.allianztechnologytrust.com](http://www.allianztechnologytrust.com), or on the Manager's website: [www.allianzgi.co.uk](http://www.allianzgi.co.uk)

## AIC Membership

The Company is a member of the Association of Investment Companies.

Category:

Sector specialists – Technology/Media/Telecom

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