

Technology investing from the heart of the industry

Allianz Technology Trust PLC

Factsheet

31 May 2016

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-manager of the AllianzGI Global Technology Team which currently has \$4bn in assets under management.

Awards & Ratings



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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 £172.9m **Shares in Issue** 26,004,760 (Ordinary 25p)

Share Price

598.0p

Source: Lipper

NAV per Share

665.2p

Premium/-Discount

-10.1%

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 Allianz Technology Trust portfolio returned 5.7%, while the Dow Jones World Technology Index returned 5.3%. During the month, both stock selection and industry allocation contributed to relative returns.

At the holdings level, Computer Sciences (CSC) was among the top relative contributors in May. Shares rose sharply after the company announced a proposed merger with HPE Enterprise Services which is expected to close by the end of March 2017. HPE is spinning off its services business and then intends to merge with CSC. The combined new company is expected to generate about \$26 billion in annual revenues and it should have over 5,000 customers in 70 countries, but this deal is more about cost synergies. In addition to the operating income of more than \$1 billion from HPE Services, the merger is expected to deliver significant first year synergies of about \$1 billion after the deal closes. Revenue growth will likely remain under pressure from the migration to cloud computing. However, the acquisition provides the scale needed to compete more effectively in the marketplace, and the combined company should have the financial strength to pursue the right business investments in next-generation solutions.

Our position in Nvidia was also among the top performers for the month. Shares rallied after the company reported strong earnings results and raised guidance for the year. The company is undergoing a transition from a PC component vendor to a supplier into three key long-term secular trends: gaming (upside from virtual reality), autos (infotainment and self-driving cars),

“ **Workday's platform could gain more business from two of the largest pools of data moving into the cloud: employee data and financial data.** ”

and datacenter (cloud/deep learning). This shift towards a higher margin business mix should drive attractive long-term revenue and earnings growth, and we believe management is effectively executing this transition. In addition to the compelling growth prospects, the company's strong balance sheet should continue to support capital returns to shareholders.

Other top active contributors included overweight positions in Amazon.com, Activision Blizzard, and Applied Materials.

Conversely, Palo Alto Networks was among the top detractors from relative performance. Shares declined after the company reported a significant deceleration in product revenue and provided in-line guidance for fiscal Q4. After several quarters of easily topping expectations and raising guidance despite macro concerns, the first signs of seasonality in the sales cycle and a soft macro commentary sparked concerns about the durability of the company's growth. According to management, the challenging macro environment at the start of the year had a negative impact on product sales for the quarter. On the positive side, current billings grew 51% compared to the previous year, indicating continued share gains in the network security market. Additionally, the company delivered robust year-over-year growth in subscription revenue (nearly 70%) and free cash flow (95%). Despite the short-term headwind and negative sentiment, we believe the company remains well-positioned as the long-term share gainer in the network security market. Palo Alto has a higher mix of recurring revenues, a strong distribution channel, and offers a broad platform of solutions which should drive attractive growth for several years.

Our position in Workday was also among the largest detractors from relative performance. In the first half of the month, the stock gave back some of the recent strong gains. However, shares rallied



Walter Price CFA, Portfolio Manager

Allianz Technology Trust PLC is managed by Walter Price who is a Managing Director and Portfolio Manager on 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.

late in the month after the company reported solid earnings results with the largest upside coming from operating cash flows which nearly doubled year-over-year. Management sees a healthy pipeline of business for the second half of the year, particularly in its Financials segment. Long-term growth appears compelling as the company's total market appears to be expanding with the development of its pipeline in Financials. Workday's platform could gain more business from two of the largest pools of data moving into the cloud: employee data and financial data. We believe Workday has a very large established market and strong product offerings with high customer satisfaction.

Other top active detractors included an underweight in Apple, as well as overweight positions in Imperva and PayPal.

Market Outlook

Despite high valuations for some cloud and internet companies, we continue to see massive addressable markets 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.

We are also finding excellent investment opportunities among more attractively valued areas of technology. In particular, certain technology incumbents are making compelling progress on their "as-a-service" offerings.

We view security as another attractive secular growth area in technology. The increasing sophistication and persistence of cyberattacks has triggered more spending towards providers offering new security technologies. We believe this trend should continue for several years, and companies consistently enhancing security technology may stand to benefit over time.

Walter Price
20 June 2016

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	3.1	-5.4	-4.2	48.4	74.1
NAV	6.0	-1.5	1.9	48.4	67.0
Benchmark	4.6	2.7	2.9	45.5	78.4

Discrete 12 Month Returns (%) to 31 May

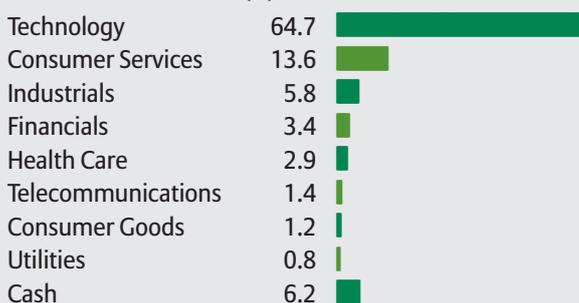
	2012	2013	2014	2015	2016
Share Price	-13.0	34.8	23.7	25.3	-4.2
NAV	-13.3	29.7	15.6	26.0	1.9
Benchmark	5.0	16.8	11.9	26.3	2.9

Source: Lipper, percentage growth, mid to mid, total return to 31.05.16. Copyright 2016 © 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.

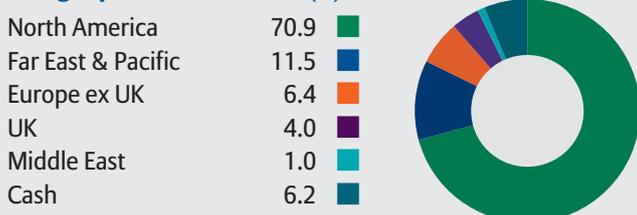
Past performance is not a reliable indicator of future returns. You should not make any assumptions on the future on the basis of performance information. The value of an investment and the income from it can fall as well as rise as a result of market fluctuations and you may not get back the amount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

Portfolio Breakdown

Sector Breakdown (%)



Geographic Breakdown (%)



Top Ten Holdings (%)

Amazon	7.4
Alphabet - Class A	4.3
Broadcom	3.8
Facebook	3.7
Workday	3.3
Lam Research	3.1
Infineon Technologies	3.0
Taiwan Semiconductor	2.9
Microsoft	2.9
Alphabet - Class C	2.9

Total number of holdings 60

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	1.1%
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	Tracey Lago, ACIS
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 (30.11.2015). 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

The Trust is a UK public limited company traded openly on the stock market and you can purchase shares through a stock broker. Shares in the Trust can be held within an ISA, JISA, SIPP and/or savings scheme. A number of providers offer this facility, a list of which is available on our website.

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 31.05.16 unless otherwise stated.

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