

Technology investing from the heart of the industry

Allianz Technology Trust PLC

Factsheet

30 June 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 £185.1m **Shares in Issue** 25,959,084 (Ordinary 25p)

Share Price

620.0p

Source: Lipper

NAV per Share

713.2p

Premium/-Discount

-13.1%

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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All data source Allianz Global Investors as at 30.06.16 unless otherwise stated.

Allianz Global Investors GmbH, UK Branch, 199 Bishopsgate, London EC2M 3TY

Fund Manager's Review

Portfolio Overview

The Allianz Technology Trust portfolio returned 7.24%, slightly outperforming the Dow Jones World Technology Index which returned 7.0% in June. During the month, stock selection was positive while industry allocation slightly detracted from relative returns. Given the sharp decline in the sterling after the "Brexit" vote, the currency impact on the portfolio's return was quite large in June. The portfolio returned -1.5% in USD while the return in sterling was +7.2%.

At the holdings level, our position in Zendesk was among the top contributors to relative returns for the month. The company sells a suite of cloud-based customer support and engagement software applications, allowing customers to provide support over email, live chat, voice/phone, and social media. Zendesk is an emerging leader in the customer services software market. Customer expectations are evolving, and companies are investing in new technologies to provide a better customer experience. We expect Zendesk to benefit from this trend with its compelling product offerings that are easy to use and easy to deploy. The company reported strong earnings results in May, and the positive momentum carried into June. Revenue and operating income came in well above consensus expectations as the company is seeing growth across all regions, and the average deal size increased by 30%.

Paycom Software was also among the top relative contributors in June. The software as a service (SaaS) company provides functionality and data analytics that help businesses manage the complete employment life cycle from recruitment to retirement.

“ Sectors such as automobiles, advertising, security, retail, and web services are all being shaped and transformed by advances in technology.

Shares rallied in June as management remains very positive regarding its near and long term ability to continue taking market share in the payroll and human capital management market. Paycom's combination of its easy to use product set, healthy ROI for customers, and ongoing sales force productivity/expansion has enabled the company to effectively displace competitors. Paycom is a rapidly growing company in the very early stages of its growth cycle, and it is already profitable. Its business model is highly scalable with potential for significant margin expansion, and it can benefit from multiple drivers of growth.

Other top active contributors included overweight positions in Taiwan Semiconductor Manufacturing Co., Proofpoint, and AT&T Inc.

Conversely, not owning benchmark holding Intel detracted from relative returns. The stock posted a modest gain in June on reports Apple's next iPhone will use modem chips from Intel. This move was driven by Apple's desire to diversify its supplier base. Apple has chosen Intel modem chips for the iPhone used on AT&T's US network and for some overseas markets. Qualcomm's chips will still be used in iPhones on Verizon's network and in iPhones sold in China. The win for Intel was viewed positively by some investors as this represents the first major win for the company's mobile chip program. However, we have low expectations for the next release of the iPhone, which seems only modestly incremental to the existing model. We have chosen to remain underweight in Apple and its suppliers during this product cycle as disappointing sales would have a negative impact on Apple and its supply chain.

Our underweight in Oracle was also among the top detractors for the month. Shares rose in late June after the company reported an accelerating cloud transition. However, license revenue fell 12%



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.

and operating expenses came in higher than expected. Upside may be limited as overall earnings growth is expected to remain in the mid-single-digit range for the next few years and the company faces competitive challenges. In early June, a former senior finance manager claimed in a whistleblower lawsuit she was instructed to add millions of dollars in accruals to cloud service financial reports. While some investors have overlooked this lawsuit, we decided to exit our position in Oracle.

Other top active detractors included overweight positions in Arista Networks and Sophos Group, as well as an underweight in Samsung.

Market Outlook

As to our economic view, we think the economy will remain slow until there is some fiscal stimulus, which we believe is unlikely until 2017 at the earliest. Thus we expect a continued period of slow growth and low interest rates. As investors become reconciled to this slow period, we think many sectors of technology will do well, and companies continuing to grow at double digit rates will be valued at higher multiples again after the recent major decline in those valuations. Since 2011, we have seen three periods of fear associated with an economic collapse (Greece, China, now the UK), and these periods have caused pressure on the high growth companies in our portfolio. We believe this period of fear will pass in the next few months, which should set the stage for another period of good performance for the technology sector.

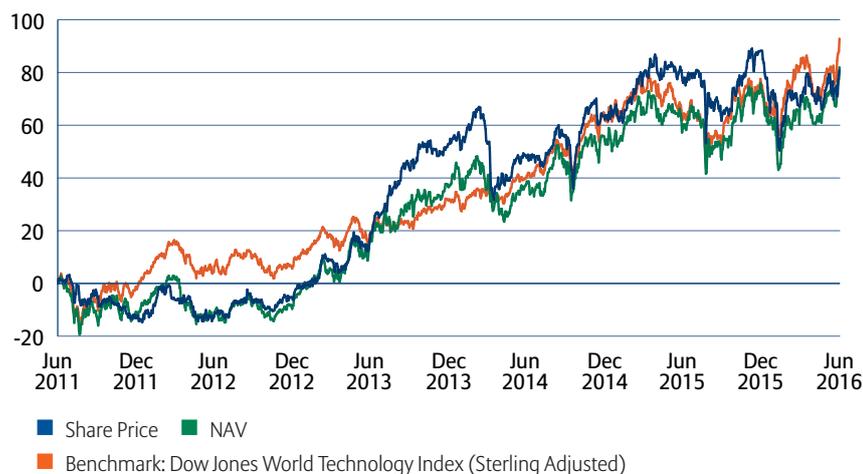
We continue to believe the technology sector can provide some of the best absolute and relative return opportunities in the equity markets – especially for bottom-up stock pickers. The growth in technology is coming from the creation of new markets, rather than simply GDP growth. In this low-growth world, 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 web services are all being shaped and transformed by advances in technology.

Walter Price
22 July 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	5.6	-3.9	2.3	55.0	81.3
NAV	8.5	5.0	14.8	57.2	81.9
Benchmark	5.5	10.0	18.9	62.4	92.7

Discrete 12 Month Returns (%) to 30 June

	2012	2013	2014	2015	2016
Share Price	-12.4	33.6	26.6	19.7	2.3
NAV	-10.9	29.9	18.8	15.2	14.8
Benchmark	6.4	11.5	17.9	15.9	18.9

Source: Lipper, percentage growth, mid to mid, total return to 30.06.16. 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 (%)

Technology	64.2	
Consumer Services	15.1	
Industrials	4.3	
Consumer Goods	4.1	
Financials	3.3	
Health Care	2.0	
Telecommunications	1.6	
Utilities	0.7	
Cash	4.7	

Top Ten Holdings (%)

Amazon	7.4
Broadcom	3.9
Facebook	3.7
Workday	3.3
Taiwan Semiconductor	3.2
Salesforce.com	3.1
Alphabet - Class A	3.1
Lam Research	3.0
Infineon Technologies	3.0
Zendesk	2.8

Total number of holdings 63

Geographic Breakdown (%)

North America	68.8	
Far East & Pacific	14.9	
Europe ex UK	6.5	
UK	3.9	
Middle East	1.2	
Cash	4.7	

Market Cap Breakdown (%)

Over US \$100bn	32.6	
US \$10bn to 100bn	35.5	
US \$1bn to 10bn	26.8	
Under US \$1bn	0.4	
Cash	4.7	

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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