

Technology investing from the heart of the industry

Allianz Technology Trust PLC

Factsheet

31 December 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.

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.

Awards & Ratings



2018



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.

Total Assets £311.6m

Shares in Issue 26,829,427 (Ordinary 25p)

Market Cap £313.6m

Share Price

1169.0p

Source: Lipper

NAV per Share

1166.7p

Premium/-Discount

0.2%

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 31.12.17 unless otherwise stated.

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

Fund Manager's Review

Portfolio Overview

The Trust's NAV returned -1.44% in December, underperforming the Dow Jones World Technology Index return of 0.28%. During the month, stock selection detracted from relative performance whilst industry allocation modestly contributed.

Our position in IT service desk software vendor, ServiceNow, was the top contributor in December. The company has rapidly expanded its product offerings and created a platform that can automate workflow processes across multiple departments of the enterprise, including IT, human resources, legal, finance, and customer service. ServiceNow is also incorporating artificial intelligence in its software solutions to enhance data security. Customers have been expanding their usage of the core IT Service Management (ITSM) offering, and they are now looking to ServiceNow to automate workflows across their organisations as solutions outside of IT continue to gain rapid adoption. We believe ServiceNow is well-positioned to benefit from the digital transformation taking place in the broader economy. The continuing move to the cloud should fuel rapid sales and earnings growth over the next few years.

Our underweight position in Oracle was also a top contributor in December. The company reported mixed quarterly results with revenue and earnings beating expectations but cash flows missing. Overall, Oracle is still in a transition and faces several competitive challenges to drive stronger growth. Some investors believe that the company has made it through the worst of the transition to the cloud and SaaS, but we would like to see better execution on its cloud business. We exited our small position in early December

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prior to the earnings release.

Other top active contributors included an overweight position in MercadoLibre and underweight positions in Apple and Broadcom.

Our position in Square was the top detractor during the period. The company develops business management software for small- & medium-sized businesses (SMB) and monetises many of these products through transaction processing. Shares fell in December following very strong year-to-date performance capped by roughly 36% gain in the prior two month periods. Part of the strong performance during this period seemed attributable to investor enthusiasm surrounding the pilot of cryptocurrency (i.e. bitcoin) exchange features within Square's person-to-person payments app. Weakness in the shares followed as investors seemed to check their enthusiasm at the same time the market rotated away from strong recent performers like Square. Through this volatility we maintain our strong conviction in the long-term investment case built on our belief that Square is unique in the payments processing space in terms of its ability to expand payments processing to previously untapped markets.

Our position in Okta was another top detractor in December despite reporting strong quarterly earnings above expectations. Okta develops internet applications software offering automated user management, integration, mobile identification, multifactor authentication, and reporting. Having gone public less than one year ago, Okta is benefiting from increased visibility, and we foresee continued strong growth driven in part by international expansion.

Market Outlook

While some investors assume technology companies may see a small benefit from US tax reform, we believe this can significantly



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.

help the sector. New tax rules would allow companies to repatriate cash balances held offshore at lower tax rates. Cash repatriation can lead to larger cash returns to shareholders of large technology companies, and it could spark merger and acquisition activity in the tech sector, which should benefit smaller companies. Additionally, companies across the economy will likely spend at least some of the tax savings to invest in their businesses. We expect more spending to flow to technology companies that offer innovative products and services designed to help businesses increase productivity and improve efficiency.

We are seeing an ongoing 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.

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 having the most compelling solutions and whose business models demonstrate a discernible 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.

Lastly, we believe the Augmented/Virtual Reality (AR and VR) theme is poised to accelerate in 2018. 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.

We will continue carefully balancing risks and opportunities, leveraging our industry expertise, and emphasizing individual stock selection.

Walter Price
8 January 2018

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	11.7	19.2	42.7	108.4	264.2
NAV	5.3	13.4	38.3	94.0	223.4
Benchmark	7.5	12.7	29.1	88.6	186.0

Discrete 12 Month Returns (%) to 31 December

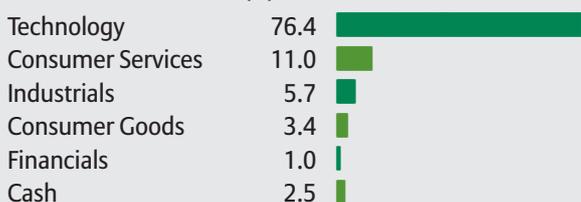
	2013	2014	2015	2016	2017
Share Price	63.2	7.1	15.0	27.0	42.7
NAV	49.5	11.5	13.9	23.2	38.3
Benchmark	23.7	22.6	8.4	34.8	29.1

Source: Lipper, percentage growth, mid to mid, total return to 31.12.17. 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 (%)

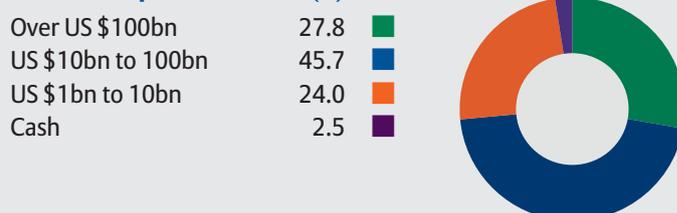
Amazon	6.4
Apple	5.5
Microsoft	4.8
Servicenow	3.8
Facebook	3.8
DXC Technology	2.9
Arista Networks	2.9
Workday	2.8
Square	2.8
Alphabet	2.8

Total number of holdings 61

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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