

Technology investing from the heart of the industry

Allianz Technology Trust PLC

Factsheet

28 February 2018

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



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 £349.8m **Shares in Issue** 27,309,427 (Ordinary 25p) **Market Cap** £342.7m

Share Price

1255.0p

Source: Lipper

NAV per Share

1286.9p

Premium/-Discount

-2.5%

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 28.02.18 unless otherwise stated.

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

Fund Manager's Review

Portfolio Overview

The Trust's NAV rose by 3.8% in February, outperforming the Dow Jones World Technology Index return of 2.2%. During the month, both stock selection and industry allocation contributed to relative performance.

Our position in IT service desk software vendor, ServiceNow, was a top contributor in February after delivering very strong quarterly results that beat expectations. The company signed many large deals during the quarter that drove billings upside. 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. As the company closes a greater number of larger sized deals, many of which are subscription-based, we hope, we might have greater visibility into earnings growth over time.

Palo Alto Networks offers enterprise-wide Internet security (including security measures for mobile devices) to protect companies from breaches in their corporate networks. It was a top contributor in February after reporting strong quarterly results showing 28% revenue growth year over year. Management also issued current quarter and fiscal year guidance that exceeded

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consensus expectations. The company's hardware and software security products identify network traffic in detail and provide the ability to control access by user. Its products identify and manage threats rather than simply blocking access. We maintain a position on the company considering the sizeable cash generation potential of the growing subscription business model and its compelling integrated solutions.

Other top active contributors included overweight positions in Okta, Amazon.com, and Netflix.

Our underweight position in Apple, the largest holding in the benchmark at over 11%, was the largest detractor from relative performance. Apple posted strong quarterly financial results that exceeded guidance and analysts' expectations; however, the current quarter guidance was only in-line with reduced investor expectations. Overall, the iPhone business is tracking in-line with normal seasonal trajectory. The iPhone business grew by 13% year over year and by double digits in all regions. In addition, the recently enacted US tax reform should result in a reduction in Apple's tax rate from 25.5% down to as low as 15.0%, which will boost earnings and free cash flow in the coming years. The stock declined sharply amid the market selloff in late January and early February but rallied in the second half of February. We maintain a position in Apple but significantly reduced our position size given the challenges with the recent iPhone product launch.

Sophos Group shares declined sharply after management released earnings for its fiscal third quarter. The company's year over year revenue growth of 23% exceeded expectations, but billings growth of 19% fell short of expectations. Investor expectations became elevated after an abnormally strong first half of the fiscal year. While billings growth was slower in the first quarter, it was in line with management's guidance. Additionally, free cash flow in the



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.

most recent quarter was lighter due to investment in new product launches, which could drive future growth. Management reiterated its full fiscal year 2018 billings guidance of 20-22%. Despite the recent stock decline, we hope the company remains well-positioned to deliver attractive medium to long term growth.

Other top active detractors included not owning Cisco and overweight positions in Temenos Group 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 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.

Artificial intelligence (AI) is also becoming a significant trend. From consumer goods, such as the Amazon Echo, to autonomous driving, practical applications of AI are emerging. We expect AI will increasingly be used to make our lives more convenient.

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

Walter Price
7 March 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	4.6	19.9	40.4	114.9	259.2
NAV	8.6	14.1	37.2	101.8	216.7
Benchmark	4.6	9.0	23.4	87.2	172.4

Discrete 12 Month Returns (%) to 28 February

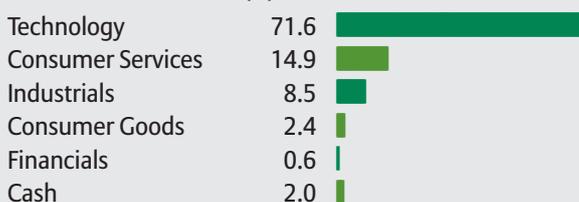
	2014	2015	2016	2017	2018
Share Price	61.6	3.4	-0.7	54.1	40.4
NAV	40.3	11.9	-1.1	48.6	37.2
Benchmark	15.0	26.5	1.4	49.6	23.4

Source: Lipper, percentage growth, mid to mid, total return to 28.02.18. Copyright 2018 © 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 (%)

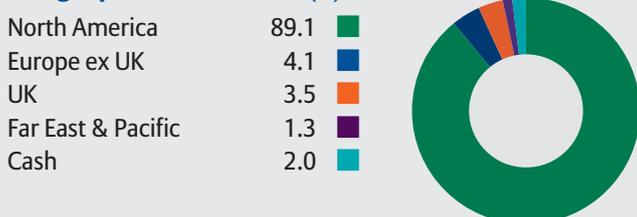


Top Ten Holdings (%)

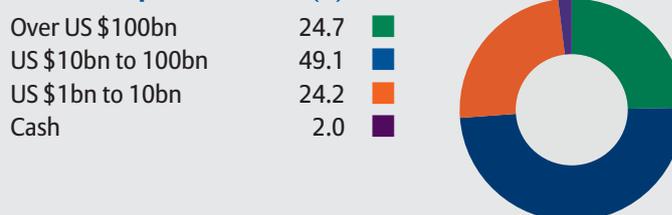
Amazon	7.3
Microsoft	4.6
ServiceNow	4.1
Netflix	3.4
Square	3.2
Arista Networks	3.2
Workday	3.1
PayPal	3.0
Palo Alto Networks	2.9
DXC Technology	2.8

Total number of holdings 64

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	31 December
Annual Financial Report	Final published in March, Half-yearly published 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 (30.11.2017). Ongoing Charges (previously Total Expense Ratios) are published annually to show operational expenses including Annual Management Fee.

Board of Directors

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

How to invest

You can buy shares in the Trust through:

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

Contact us

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

0800 389 4696

www.allianztechnologytrust.com

E-mail: investment-trusts@allianzgi.com

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

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



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All data source Allianz Global Investors as at 28.02.18 unless otherwise stated.

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