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RCM

19 November 2009

LONDON

Allianz Dresdner Second Endowment Policy Trust plc announces proposals for reconstruction and continuation of the Company

- **Proposals to revise the investment policy to sterling corporate bonds**
- **Proposals to change the name to Kontinua 2016 plc**

The Board of Allianz Dresdner Second Endowment Policy Trust plc, which is managed by RCM, a company of Allianz Global Investors, announced today proposals for the continuation and reconstruction of the Company. As part of these proposals shareholders would also have an option to realise all or part of their investment.

Summary of the Proposals:

- The planned life of the Company would be extended until 31 December 2016 with a revised investment policy focusing on investment in sterling denominated corporate bonds, at least 90% of which would be investment grade
- Existing shareholders would have an option to realise all or part of their investment for cash at a small discount to the Terminal Asset Value
- The name of the Company would be changed to Kontinua 2016 plc
- Up to 35 million New Ordinary Shares would be issued by way of a placing and offer of subscription which would close on 8 December
- Proposal subject to minimum ongoing size of £30 million and maximum of £50 million

It is anticipated that the new portfolio will consist of approximately 30 to 40 corporate bonds which will mature between 1 July 2015 and 30 June 2018 and will be held until maturity or be sold shortly before 31 December 2016. The Company will target a substantially higher net return than cash and gilts with expected returns of around 5% – 5.25% net of costs in the first year, which will be rolled up and re-invested in the fund. It is expected that shareholders will not be paid a dividend and interest or coupons paid on the portfolio and any proceeds of maturing bonds will be reinvested in the portfolio.

Allianz Dresdner Second Endowment Policy Trust was launched in 1997 with an objective to provide capital growth by investing in mid-term endowment policies over its planned life until 31 December 2009.

The Board with its advisers has reviewed the options available to the Company and has concluded that it is in the best interests of shareholders to recommend the proposals set out above, not least because they will allow the Company to continue in a cost efficient manner.

Simon White, Head of Investment Trusts at RCM, commented:

“We, together with the Board, believe that these proposals are in the best interests of shareholders. In particular, the proposals will enable the Company to use its tax losses which would be of no value if the Company was liquidated. Shareholders will also avoid crystallising a potential liability to capital gains tax if they retain their investment.

Furthermore we believe that the revised investment policy will appeal to existing and new shareholders as it will have a similar risk return profile to the original Company, seeking to build up capital value over a defined investment horizon.”

- Ends -

For more information:

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Notes to Editors:

Allianz Dresdner Second Endowment Policy Trust plc (2009)

Quick Facts as at 30/09/2009 (latest available)

Launch Date	January 1997
Total Assets	£28.9m
Benchmark	FTSE All-Share Index
AIC Sector	Specialist Sector: Endowment Policies
Manager	Rupert Marlow, RCM
Aim	The Trust aims to achieve its objective by investing in mid-term endowment policies to provide capital growth over the planned life until wind-up on 31 December 2009

http://www.rcm.com/investmenttrusts/investment_allianz2009.php

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Photographs

High-resolution photographs of our investment professionals are available to download here:
http://www.rcm.com/london/press_professionals.php

Awards

- RCM named winner of Active North American Equity at Pensions & Investment Provider awards 2009. RCM US Large Cap Select Growth is managed by Scott Migliori, Co-CIO for US Equities, RCM.
- RCM named No.1 leading fund management firm for SRI Research by Thomson Reuters Extel 2009.
- Global CIO of RCM, Andreas Utermann, named CIO of the Year by Funds Europe magazine 2008.
- Winner of European Investment Trust of the Year by Investment Week magazine, 2008, for the RCM-managed Charter European Trust.

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- Allianz RCM Global EcoTrends Fund named winner Best Climate Change Investment fund 2008, by Holden & Partners/ Incisive Media.

About RCM (all data source: RCM as at 30/09/09)

RCM is a global asset manager operating from six international offices - San Francisco, London, Frankfurt, Hong Kong, Tokyo and Sydney – with assets under management of over \$130 billion worldwide. The firm provides a range of investment management solutions to institutions and individual clients. At RCM we believe that by generating and exploiting an information advantage, we will be able to deliver superior and consistent investment results for the benefit of our clients - a philosophy we call RCM informed. RCM is a company of Allianz Global Investors, a pre-eminent global asset management group committed to helping clients achieve sustainable success. As a company of Allianz Global Investors, RCM offers a distinctive investment philosophy and culture, while benefiting from the scale and substantial resources of our parent; including business support, industry best-practices and financial investment. This enhances our ability to attract and retain talent, and provide superior insight and investment performance.

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