

Allianz RCM Dynamic Growth Fund

1st Quarter, 2010

Investment Strategy Objective

The RCM Dynamic Growth Fund aims to achieve long-term capital growth. To achieve this objective we seek to diversify the portfolio across a broad range of underlying global asset classes in order to deliver equity-like returns at lower volatility. The portfolio manager's performance objective for the fund is LIBOR + 4% over a market cycle.

Philosophy

RCM's investment philosophy is based on the belief that by generating and exploiting an information advantage we can provide superior and consistent investment results for the benefit of our clients - a philosophy we call RCM informed. Within this context RCM's Systematic Multi-Asset team believe that market inefficiencies can be exploited systematically using well researched and disciplined investment processes that combine fundamental knowledge and advanced risk management skills.

Investment Approach

RCM's Dynamic Growth Fund offers pension funds and institutional investors a realistic, lower risk alternative to equity only investment. Our solution benefits from several unique components; the most important being the use of an in-house, dynamic, quantitative asset allocation process that captures strengths within and among asset classes. Like our competitors, active tactical asset allocation is also a significant element of portfolio construction, though it is one part of a larger investment decision process. In addition, the fund is able to offer downside protection in times of market stress through our proprietary total return risk management approach.

Investment Rationale

- The diversified nature of the portfolio is intended to deliver an attractive risk reward profile for investors.
- RCM's Dynamic Growth Fund is predicated on the belief that in order to meet the objective there is a need to include dynamic and tactical asset allocation, coupled with sophisticated total return risk management tools for downside protection.
- With an unconstrained asset allocation approach we can increase asset exposure from 0% to 100%, for growth assets in bull markets, and hold more defensive assets (up to 100%) in bear markets.
- Through our proprietary total return risk management approach we can offer downside protection in times of market stress.
- Investing primarily in ETFs can provide more liquid, cost efficient and effective exposure to underlying asset classes*.

The RCM Advantage

- Global investment infrastructure.
- RCM's Dynamic Growth Fund team has a depth of proven investment and quantitative modelling experience and extensive complementary skills.
- The team draws on the broad experience within the wider Systematic team:
 - 34 experienced portfolio managers offering ongoing research into market anomalies.
 - Over £26.9 billion asset under management, of which £18.6 billion multi-asset mandates.
 - Extensive experience of managing tactical, dynamic, protected and absolute return multi-asset portfolios.
- The team benefit from the research generated across RCM's Global Platform:
 - Over 260 investment professionals located across the globe.
 - RCM's Global Policy Council comprising 13 economists and strategists.
 - Over 60 fundamental research analysts organised by sector.
 - Grassroots® Research with a network of circa 300 independent journalists and field force researchers, with over 50,000 industry contacts.**
- A boutique culture offering dedicated business professionals engaging with clients proactively in partnership.

Source: RCM, as at 31 March 2010 unless otherwise stated.

*The fund may also invest in other instruments including collective investment schemes, equities, fixed income securities, money market instruments, cash and derivatives such as index based total return swaps, equity based total return swaps and currency forward contracts.

**Grassroots® Research is a division of RCM. Research data, used by Grassroots® Research to generate recommendations, are received from reporters and field force investigators who work as independent contractors for broker-dealers.

Key Information

Launch date	22 nd February 2010
ISIN	GB0030718109
Bloomberg Ticker	DREGECA:LN
Benchmark	Not applicable
Target Return	LIBOR + 4% (over a market cycle)
Investment Manager	RCM
Custodian	J.P. Morgan Trustee and Depository Company
Administrator	Allianz Global Investors
Fund Manager	Dr. Matthias Müller
Share class	GBP
Fund Size	15.3 million GBP
Minimum investment	100,000 million GBP
Management Fee	0.50%

Key Investment Professionals



Dr. Herold Rohweder
Global CIO Systematic
Joined Firm: 1989
Investment Career Began: 1989



Dr. Thomas Stephan
CIO Systematic Multi Asset
Joined Firm: 1995
Investment Career Began: 1992



Dr. Matthias Müller
Head Systematic Multi Strategy and Lead Portfolio Manager
Joined Firm: 1998
Investment Career Began: 1990

Portfolio Managers



Dr. Stefan Kloss
Portfolio Manager
Joined Firm: 2005
Investment Career Began: 2000



Dr. Michael Verhofen
Portfolio Manager
Joined Firm: 2007
Investment Career Began: 2002



Stefan Nixel, CFA
Portfolio Manager
Joined Firm: 2004
Investment Career Began: 2003



Dr. Jan Bernhard
Portfolio Manager
Joined Firm: 2008
Investment Career Began: 2004



Dr. Michael Stamos
Portfolio Manager
Joined Firm: 2007
Investment Career Began: 2003

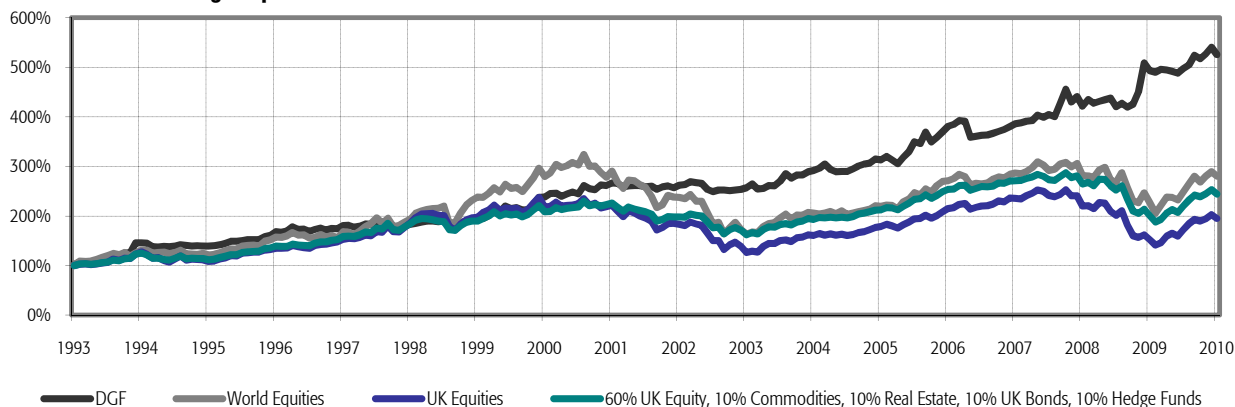


Giorgio Carlino
Portfolio Manager
Joined Firm: 2004
Investment Career Began: 2001

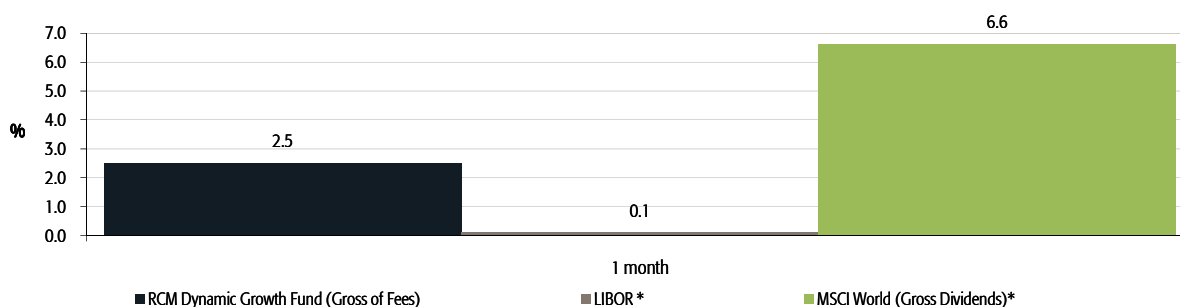
RCM Dynamic Growth Fund, 1st Quarter, 2010

Performance (Gross of Fees in GBP)

Model calculation: long run performance¹



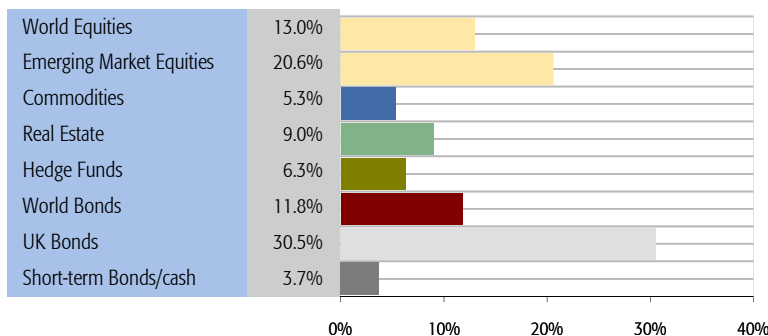
Annualised live performance (since inception 22 February 2010)



Source: RCM, as at 31 March 2010, GBP

* The portfolio manager of the RCM Dynamic Growth Fund targets a cash enhanced out-performance of LIBOR + 4% over a full market cycle rather than an asset blended benchmark. LIBOR and MSCI World are shown for performance comparison purposes.

Asset Allocation Breakdown (% of Portfolio)



Source: RCM, as at 31 March 2010

Top Five Holdings (% of Portfolio)

TSY 6 1/4% 2010 6,250% 25.11.2010	14.4%
TSY 4 1/4% 2011 ;AUC 4.250% 07.03.2011	14.1%
UBS-ETF MSCI WORLD-I	13.0%
DB X-TRACKERS MSCI ASIA X-JP	10.3%
DB X-TRACKERS EMERG MARKET	10.3%

Source: RCM, as at 31 March 2010

Past performance is not a reliable indicator of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Hypothetical or simulated performance results have certain inherent limitations. Unlike an actual performance record, simulated results do not represent actual trading. Additionally, since the trades have not actually been executed the results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity.

¹Source: RCM. Results of a historical simulation for the period 01/1993-01/2010 on the basis of international index data. Assets: UK Bonds is represented by the Barclays Sterling Bond Index, UK Equity is represented by the FTSE All-Share Index, World Equity is represented by MSCI World TR Index, Hedge Funds are represented by the HFRI Fund Weighted Composite Index, Commodities are represented by the DJUBS TR Index, and Real Estate is represented by the FTSE EPRA/NAREIT Global Real Estate Index.

The Allianz RCM Dynamic Growth Fund aims to achieve capital growth principally through investment in a broad range of underlying global asset classes. The fund mainly invests in Exchange Traded Funds (ETFs), however, the fund may also invest in other instruments including collective investment schemes, equities, fixed income securities, money market instruments, cash and derivatives such as index based total return swaps, equity based total return swaps and currency forward contracts.

Portfolio holdings are subject to change without notice and should not be considered a recommendation to purchase or sell individual securities. The information is for the sole use of the addressee, who it is believed are professional clients as defined by the Financial Services Authority.

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