

Allianz RCM Dynamic Growth Fund

3rd Quarter, 2011

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.

Dynamic Growth 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 believes 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 tail 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 tail 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 tail 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 team:
 - 66 experienced portfolio managers offering ongoing research into market anomalies.
 - Extensive experience of managing tactical, dynamic, protected and absolute return multi-asset portfolios.
 - £53.0 billion asset under management, including assets under overlay. (as at 30 June 2011)
- The team benefit from the research generated across RCM's Global Platform:
 - 273 investment professionals located across the globe (as at 30 June 2011)
 - RCM's Global Policy Council comprising 14 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.










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	65 million GBP
Minimum investment	100,000 GBP
Management Fee	0.50%

Key Investment Professionals***

	Dr. Herold Rohweder Global CIO Multi Asset Joined Firm: 1989 Investment Career Began: 1989		Dr. Thomas Stephan CIO Multi Asset Europe Joined Firm: 1995 Investment Career Began: 1992
	Dr. Matthias Müller Multi Strategy and Lead Portfolio Manager Joined Firm: 1995 Investment Career Began: 1990		

Portfolio Managers

	Dr. Michael Stamos Deputy Portfolio Manager Joined Firm: 2007 Investment Career Began: 2003		Giorgio Carlino Portfolio Manager Joined Firm: 2004 Investment Career Began: 2001
	Stefan Nixel, CFA Portfolio Manager Joined Firm: 2004 Investment Career Began: 2003		Armin Kayser Portfolio Manager Joined Firm: Investment Career Began: 1987
	Dr. Stefan Kloss Joined Firm: 2005 Investment Career Began: 2000		Jürgen Hildebrand Joined Firm: Investment Career Began: 1987
	Dr. Zijian Yang Portfolio Manager Joined Firm: 2008 Investment Career Began: 2008		David Hollis Portfolio Manager Joined Firm: Investment Career Began: 1998
	Dr. Jan Bernhard Portfolio Manager Joined Firm: 2008 Investment Career Began: 2004		

* 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.

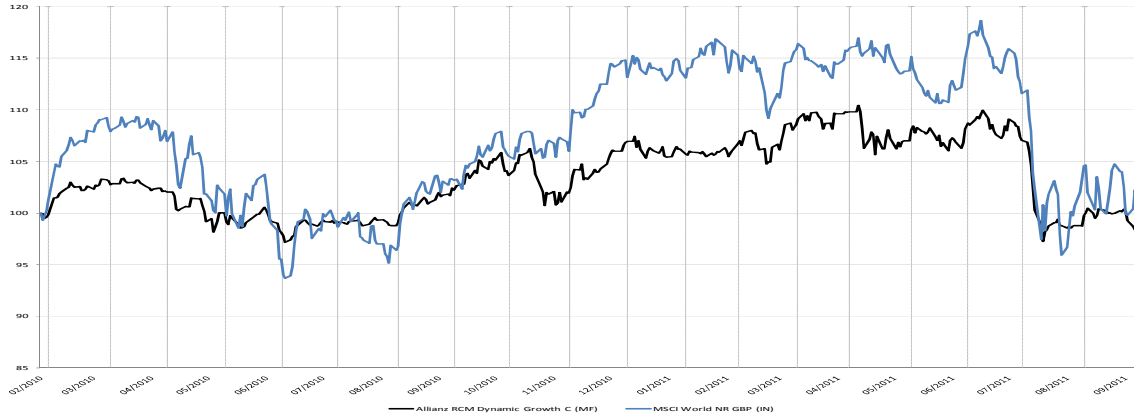
*** Strategy is managed on a team basis, with a lead and deputy Portfolio Manager named for accountability.

**** Please note that David Hollis has a dual role and spends 50% of his time contributing to the management of the Allianz RCM Dynamic Growth Fund.

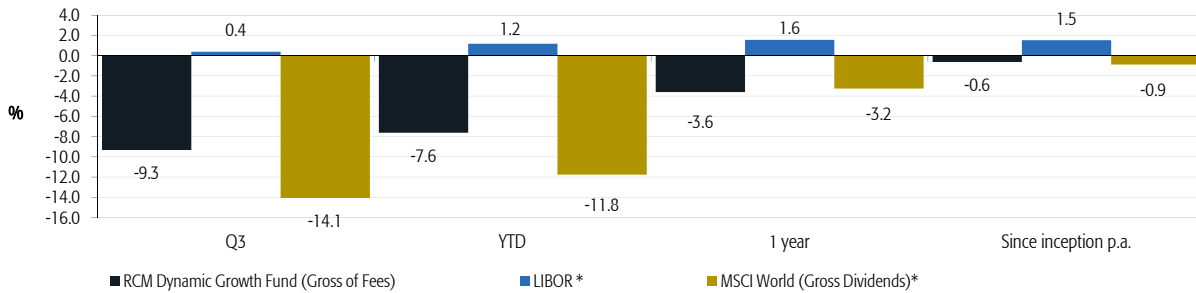
RCM Dynamic Growth Fund, 3rd Quarter, 2011

Performance (Gross of Fees in GBP)

Cumulative live performance (Rebased since inception 22 February 2010)



Annualised live performance (since inception 22 February 2010)

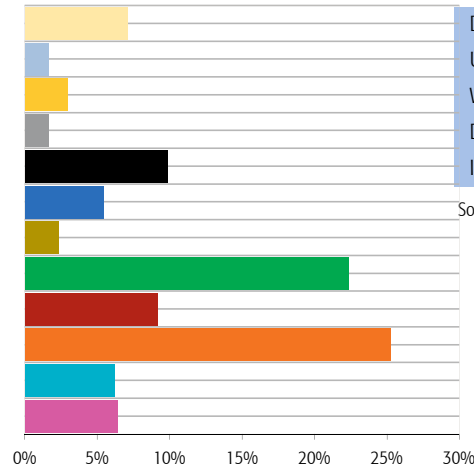


Source: RCM, as at 30 September 2011, GBP

* 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)

World Equities	7.1%
Emerging Market Equities	1.6%
Commodities	2.9%
Real Estate	1.6%
Emerging Market Bonds	9.8%
Hedge Funds	5.4%
World Bonds	2.3%
UK Bonds	22.3%
Euro Bonds	9.1%
Short-term Bonds/cash	25.2%
Corporate Bonds	6.2%
Inflation Linked Bonds	6.4%



Source: RCM, as at 30 September 2011.

Top Five Holdings (% of Portfolio)

DB X-TRACKERS EMERG MARKET	7.7%
UBS-ETF MSCI WORLD-I	17.8%
WORLD EQUITY FUTURES	-11.1%
DB X TR-DBLCI-OY BALANCED-1C	5.3%
ISHARES EPRA DEV MRKT PROP Y	4.7%

Source: RCM, as at 31 August 2011*

*Disclosure period restrictions result in top five holdings being provided at a one month lag.

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.

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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