

Allianz Global Investors

Allianz International Investment Funds

Final Report & Accounts
30th April 2011

Allianz @ Arena

Allianz 
Global Investors

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* Collectively, these comprise the ACD's Report.



Company Information

Status of the Allianz UK & European Investment Funds

Allianz International Investment Funds (the "Company") is an Open-Ended Investment Company with Variable Capital under Regulation 12 of the Open-Ended Investment Companies Regulations 2001. It is incorporated in England and Wales under registered number IC 119 and authorised and regulated by the Financial Services Authority with effect from 20th August 2001. The Company has been certified by the Financial Services Authority as complying with the conditions necessary for it to enjoy the rights conferred by the EC Directive on Undertakings for Collective Investment in Transferable Securities. The Company has an unlimited duration.

The Company is an umbrella company comprising various sub-funds, each of which is operated as a distinct fund, with its own portfolio of investments. Each sub-fund is a UCITS scheme which complies with COLL 5 of the Financial Services Authority's Collective Investment Scheme sourcebook ("COLL").

A sub-fund is not a legal entity. If the assets attributable to any sub-fund are insufficient to meet the liabilities attributable to it, the shortfall might have to be met out of the assets attributable to one or more other sub-funds of the Company. Equally, a shortfall in one or more other sub-funds of the Company may have to be met out of the assets attributable to the sub-fund to which this report relates. The shareholders of the Company are not liable for the debts of the Company.

The sub-funds of the Allianz International Investment Funds are:

| Sub-fund | Launch date |
|--|---------------------|
| Allianz RCM Customised Global Equity Fund | 11th October 2001 |
| Allianz RCM Dynamic Growth Fund ¹ | 11th October 2001 |
| Allianz RCM Japan Fund | 16th May 2002 |
| Allianz RCM US Equity Fund | 20th June 2002 |
| Allianz RCM Total Return Asian Equity Fund | 20th June 2002 |
| Allianz RCM BRIC Stars Fund | 25th March 2004 |
| Allianz RCM Global EcoTrends Fund | 14th February 2008 |
| Allianz RCM Brazil Fund | 30th September 2010 |

¹ On 22nd February 2010, the investment objective and policy of the Fund was changed and the Fund's name changed from Allianz RCM Global Equity Fund to Allianz RCM Dynamic Growth Fund.

These changes were outlined in the Notice to Shareholders and can be viewed at www.allianzglobalinvestors.co.uk.

The Auditors' report on these accounts was unqualified.

Classes of Share within the sub-funds

Each sub-fund can issue several classes of shares. Each class is distinguished by its criteria for subscription and fee structure. Further details on the share classes can be found in the accounts for each sub-fund.

Changes in Accounting Policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the IMA in October 2010.

Company Information continued

Authorised Corporate Director (“ACD”)

Allianz Global Investors (UK) Limited

155 Bishopsgate
London EC2M 3AD

Authorised and regulated by the Financial Services Authority

A member of the Allianz Global Investors Marketing Group and the Allianz Group

A member of the Investment Management Association

Independent Auditors

PricewaterhouseCoopers LLP

7 More London Riverside
London SE1 2RT

Registrar of Shareholders

International Financial Data Services (UK) Limited

IFDS House
St. Nicholas Lane
Basildon
Essex SS15 5FS

Authorised and regulated by the Financial Services Authority

Depository

J.P. Morgan Trustee and Depository Company Limited

Chaseside
Bournemouth BH7 7DA

Authorised and regulated by the Financial Services Authority

Investment Advisers

Allianz RCM Customised Global Equity Fund and Allianz RCM Global EcoTrends Fund RCM (UK) Limited

155 Bishopsgate, London EC2M 3AD

Authorised and regulated by the Financial Services Authority

A member of the Allianz Global Investors Marketing Group and the Allianz Group

A member of the Investment Management Association

Allianz RCM US Equity Fund

RCM Capital Management LLC

555 Mission Street, 17th Floor
San Francisco, California 94105, USA

Regulated by the Securities and Exchange Commission in the USA

A member of the Allianz Global Investors Marketing Group and the Allianz Group

Allianz RCM Brazil Fund, Allianz RCM BRIC Stars Fund and Allianz RCM Dynamic Growth Fund

Allianz Global Investors Kapitalanlagegesellschaft mbH

Mainzer Landstraße 11-13, 60329 Frankfurt am Main, Germany

Regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht in Germany

A member of the Allianz Global Investors Marketing Group and the Allianz Group

Allianz RCM Japan Fund and Allianz RCM Total Return Asian Equity Fund

RCM Asia Pacific Limited

21/F Cheung Kong Centre, 2 Queen’s Road Central
Hong Kong, Republic of China

Authorised and regulated by the Hong Kong Securities and Futures Commission

A member of the Allianz Global Investors Marketing Group and the Allianz Group

General Information

Investing in Open-Ended Investment Companies (“OEICs”)

An OEIC is a collective investment vehicle that allows investors to pool their money to obtain a spread of investments and thus reduce their risk in the financial markets of the world without incurring the costs associated with investing individually. It allows investors access to the expertise of professional investment managers, who manage the underlying investments of the Fund on a day to day basis.

Investors are allocated shares in proportion to the size of their investment. The price of these shares is calculated by reference to the value of the underlying investments held by the sub-fund, and can fluctuate according to the movements within the portfolio of investments.

Sub-funds have one price per share class which applies regardless of whether investors are buying or selling the shares. The charges for investing are shown separately on the contract note, which makes it easier to see the exact cost of your investment.

Stamp Duty Reserve Tax (“SDRT”)

In accordance with the Stamp Duty and Stamp Duty Reserve Tax (Open-Ended Investment Companies) Regulations 1997 as amended by the Stamp Duty and Stamp Duty Reserve Tax (Open-Ended Investment Companies) (Amendment No. 2) Regulations 1999, SDRT is chargeable on the surrender and on certain transfers of shares in the sub-funds. The current rate of SDRT is 0.5% and will be met by the assets of the relevant sub-funds.

The ACD is allowed (under Financial Services Authority regulations) to make a SDRT provision as part of an entry or exit fee but has chosen not to do so.

Dilution Levy

The ACD is allowed (under Financial Services Authority regulations) to make a Dilution Levy provision as part of an entry or exit fee but does not expect to charge this levy frequently.

The policy is to charge a dilution levy on large deals and in accordance with the Prospectus and the Financial Services Authority regulations, to pay this levy into the individual sub-funds. Generally, the ACD will charge a dilution levy where a sub-fund is experiencing large levels of net purchases relevant to its size, large levels of net redemptions relevant to its size or on any large deals.

Financial Risk Management

The sub-funds are exposed to financial risk through their financial assets and financial liabilities.

The main risks arising from these are market price risk, liquidity risk, foreign currency risk, credit risk, interest rate risk, emerging markets and liquidity risk, industry risk, derivative risk and exchange traded funds risk. The risk profile and the policies adopted to manage risk did not change materially during the current and preceding period.

The narrative below explains the different types of risks the sub-funds may face.

This information is given so that investors can decide for themselves whether their investment is high or low risk. It also allows them to assess what kind of impact the use of financial instruments (investments, cash/overdraft and borrowings) will have on the performance of the sub-fund.

The sub-funds' financial instruments, excluding short-term debtors and creditors, comprise investments and bank balances. The purpose for holding the financial instruments is to meet the individual investment objective. Short-term debtors and creditors are not considered to be financial instruments.

Market price risk

Market price risk arises mainly from the uncertainty about future prices of financial instruments held. It represents the potential loss a sub-fund might suffer through holding market positions in the face of price movements.

A dedicated fund manager has the responsibility for monitoring the existing portfolio selection in accordance with a sub-fund's investment objective and seeks to ensure that individual stocks meet an acceptable risk reward profile.

Liquidity risk

Liquidity risk relates to the capacity to meet liabilities.

The assets of each sub-fund mainly comprise of realisable securities, which can be sold to meet funding requirements if necessary. Short-term flexibility can be achieved through the use of overdraft facilities where necessary.

Foreign currency risk

Foreign currency risk is the risk of movement in the value of overseas financial instruments as a result of fluctuations in exchange rates.

All or part of a sub-fund's investments may be denominated in currencies other than Sterling, therefore both the value of the investments and the revenue from them can be affected by currency movements.

No hedge transactions were entered into during the period.

Credit risk

Credit risk is the risk of default by a counterparty in discharging its obligations under transactions that could result in a sub-fund suffering a loss.

Outstanding settlements are subject to credit risk. Credit risk is mitigated by a sub-fund through its decision to transact with counterparties of high credit quality. The sub-fund only buys and sells investments through brokers which are approved counterparties, thus minimising the risk of default during settlement. Stock lending activities were suspended from October 2008.

The Allianz RCM Dynamic Growth Fund, which holds a significant number of fixed rate government bonds, and the remaining sub-funds, which predominantly hold equities, have minimal exposure to credit risk.

Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The Allianz RCM Dynamic Growth Fund invests significantly in fixed interest securities, the value of which are directly affected by changes in prevailing market interest rates. This sub-fund therefore has significant exposure to interest rate risk.

The remaining sub-funds invest predominantly in equities, the values of which are not directly affected by changes in prevailing market interest rates. Therefore these sub-funds have minimal exposure to interest rate risk.

Financial Risk Management continued

Emerging Market and Liquidity risk

Emerging markets tend to be more volatile than more established stock markets and therefore your money is at greater risk. Other risk factors such as political and economic conditions should also be considered. Restrictive dealing, custody and settlement practices may be prevalent. A counterparty may not pay or deliver on time or as expected. As a result, settlement may be delayed and the cash or securities could be disadvantaged. Securities of many companies in emerging markets are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets.

The Allianz RCM Brazil Fund, the Allianz RCM BRIC Stars Fund and the Allianz RCM Dynamic Growth Fund both have considerable exposure to emerging markets.

Industry risk

If a sub-fund focuses its investments on certain industries, this reduces risk diversification. Consequently, the sub-fund is particularly dependent both on the general development and the development of corporate profits of individual industries, or industries that influence each other.

The Allianz RCM Global EcoTrends Fund has a concentrated investment portfolio and therefore has significant exposure to industry risk.

Derivative risk

As part of the investment strategy, the Allianz RCM Dynamic Growth Fund may utilise investment techniques involving the use of financial instruments known as derivatives which further enhances the diversification of the sub-fund. These allow an investment manager to invest artificially in financial securities, such as shares or bonds, or other investments, without owning the physical assets. The use of derivatives can involve a greater element of risk. A positive or negative movement in the value of the underlying asset can have a larger effect on the value of derivatives as these are more sensitive to changes.

If a sub-fund uses derivatives for investment purposes the level of investment can increase above the level of investment of a sub-fund that is fully invested in securities. As a result a sub-fund's risk profile offers potentially greater market risk than that of a sub-fund with a similar profile that does not invest in derivatives. Although it is intended that the use of derivatives for investment purposes will, over the long term, reduce the risk profile of such a sub-fund, it may introduce counterparty risk that otherwise would not be present. Investment in derivatives may therefore, to some extent, alter the risk profile of such a sub-fund.

Exchange traded funds (ETFs)

Constant attention is given to seeking the most competitively priced solutions to gain market exposure. For this reason, the team manages its exposure to the various asset classes for instance through investment in exchange traded funds (ETFs). These are index replicating funds that reflect the performance of an asset class and have a lower fee structure than other mutual funds.

The risk and cost of investing directly in indices can be reduced by gaining indirect exposure through investing in ETFs. A sub-fund may be exposed to market fluctuations in the relevant indices (upward or downward) and counterparty risk where over the counter derivatives are utilised by the ETF.

Statement of the Authorised Corporate Director's responsibilities in relation to the Report and Accounts

The financial statements are prepared in accordance with generally accepted accounting principles and applicable accounting standards. The ACD is responsible for keeping such accounting records as are necessary to enable it to ensure that the financial statements comply with the FSA regulations and the Investment Management Association Statement of Recommended Practice ("IMA SORP").

The Open-Ended Investment Companies Regulations 2001 require the ACD to prepare an annual report for each annual accounting period and a half-yearly report for each half-yearly accounting period of the Company.

Additionally, under the requirements of the Collective Investment Schemes sourcebook ("COLL") the ACD has to prepare a short report and a long report for each annual accounting period and half-yearly accounting period of the Company.

The annual long report for the Company is required to contain:

- (i) For each sub-fund:
 - the full accounts for the annual accounting period which must be prepared in accordance with the requirements of the IMA SORP;
 - the report of the ACD in accordance with the COLL requirements; and
 - the comparative table in accordance with the COLL requirements.
- (ii) the aggregation of the accounts for each sub-fund of the Company;
- (iii) the report of the Depositary in accordance with the COLL requirements;
- (iv) the report of the Auditors in accordance with the COLL requirements.

The ACD is required to ensure that the accounts in the annual long report give a true and fair view of the net revenue (expense) and the net capital gains (losses) on the property of the Company for the annual accounting period in question and the financial position of the Company as at the end of that period.

The half-yearly long report for the Company is required to contain:

- (i) For each sub-fund:
 - the full accounts for the half-yearly accounting period which must be prepared in accordance with the requirements of the IMA SORP; and
 - the report of the ACD in accordance with the COLL requirements.
- (ii) the aggregation of the accounts for each sub-fund of the Company.

The Investment Objective and Policy for each sub-fund are set out within the individual accounts for that sub-fund.

Aggregated Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|---------------|---------------|----------------|
| Income | | | | | |
| Net capital gains | 2 | | 47,976 | | 304,504 |
| Revenue | 3 | 22,407 | | 12,789 | |
| Expenses | 4 | (19,871) | | (13,828) | |
| Finance costs: Interest | 6 | (59) | | (7) | |
| Net revenue (expense) before taxation | | 2,477 | | (1,046) | |
| Taxation | 5 | (1,971) | | (1,030) | |
| Net revenue (expense) after taxation | | | 506 | | (2,076) |
| Total return before distributions | | | 48,482 | | 302,428 |
| Finance costs: Distributions | 6 | | (2,850) | | (1,342) |
| Change in net assets attributable to shareholders from investment activities | | | 45,632 | | 301,086 |

Aggregated Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|------------------|---------------|------------------|
| Opening net assets attributable to shareholders | | 1,084,492 | | 486,695 |
| Amounts receivable on issue of shares | 296,671 | | 346,489 | |
| Less: Amounts payable on cancellation of shares | (156,858) | | (51,476) | |
| | | 139,813 | | 295,013 |
| Stamp duty reserve tax | | (11) | | (9) |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | 45,632 | | 301,086 |
| Retained distribution on accumulation shares | | 3,003 | | 1,707 |
| Closing net assets attributable to shareholders | | 1,272,929 | | 1,084,492 |

Notes to the financial statements are from pages 11 to 17.

Aggregated Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|------------------|---------------|------------------|
| Assets | | | | | |
| Investment assets | | | 1,215,683 | | 1,055,114 |
| Debtors | 7 | 17,409 | | 6,887 | |
| Cash and bank balances | | 54,726 | | 35,116 | |
| Total other assets | | | 72,135 | | 42,003 |
| Total assets | | | 1,287,818 | | 1,097,117 |
| Liabilities | | | | | |
| Investment liabilities | | | (105) | | 0 |
| Creditors | 8 | (14,742) | | (12,312) | |
| Distribution payable on income shares | | (42) | | (313) | |
| Total other liabilities | | | (14,784) | | (12,625) |
| Total liabilities | | | (14,889) | | (12,625) |
| Net assets attributable to shareholders | | | 1,272,929 | | 1,084,492 |

Notes to the financial statements are from pages 11 to 17.

Notes to the Financial Statements

1. Accounting Policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the IMA in October 2010, and the Collective Investment Schemes sourcebook. Previously the requirements of the Statement of Recommended Practice issued by the IMA in November 2008 had been applied. As a result of this change the Portfolio Turnover Rate (PTR) is no longer required.

- a. Revenue: Dividends and withholding tax recoverable from overseas authorities are treated as receivable on the date on which the security is quoted ex-dividend where the amounts can be reasonably determined. Foreign dividends are grossed up at the appropriate rate of tax. Bank interest is accounted for an accruals basis. Underwriting commission is recognised when the issue underwritten closes.
- b. Stock dividends: Ordinary stock dividends are recognised wholly as revenue and are based on the market value of the shares on the dates they are quoted ex-dividend. Where an enhancement is offered, the amount by which market value of the shares (on the day they are quoted ex-dividend) exceeds the cash dividend is taken to capital.
- c. Special dividends: The underlying circumstances behind special dividends are reviewed in determining whether the receipt is revenue or capital in nature. Special dividends recognised as revenue will form part of the distribution. Any tax treatment will follow the accounting treatment of the principal amount.
- d. Valuation: The investments of a sub-fund have been valued as at close of business on the last working day of the accounting year at the bid market price net of any accrued interest. Unlisted, suspended and unapproved investments are shown at the ACD's valuation.
- e. Foreign currencies: Assets and liabilities have been translated into Sterling at the exchange rates prevailing at close of business on the last working day of the accounting year. Revenue items denominated in foreign currencies are translated into Sterling at the exchange rates ruling at the date of the transactions. The resulting exchange differences are included in the Statement of Total Return.
- f. Taxation: The standard rate of corporation tax for a sub-fund of an OEIC is 20%, with relief for double taxation taken where applicable. The tax accounting treatment follows the principal amounts involved.
- g. Deferred tax: Full provision is made for deferred taxation except to the extent that deferred tax assets are likely to be considered irrecoverable.
- h. Expenses: Expenses are recognised on an accrual basis and charged against revenue, except the ACD's annual fee for Allianz RCM Total Return Asian Equity Fund, which is treated as capital and which is added back for the purpose of determining the amount available for distribution (see Note 6).
- i. Allocation of revenue and expenses to multiple share classes: With the exception of the ACD's annual fee, distribution costs, FT publication fees, printing costs, and the registration fees, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share class on the day that the revenue or expense is incurred.
- j. Distribution policy: For Allianz RCM Total Return Asian Equity Fund the ACD pays an interim distribution at its discretion. For all other sub-funds, net revenue is accumulated throughout the year and distributed at the year end. Where revenue exceeds expenses, a distribution will be made. Should expenses exceed revenue there will be no distribution and the shortfall will be transferred from capital. The ordinary element of a stock dividend is treated as revenue but does not form part of the distribution.

Notes to the Financial Statements continued

2. Net capital gains

| | 2011 | 2010 |
|-------------------------------------|---------------|----------------|
| | £000s | £000s |
| Gains on non-derivative securities | 50,066 | 304,972 |
| Gains on forward currency contracts | 88 | 0 |
| Losses on currency | (1,886) | (248) |
| Handling charges | (292) | (220) |
| Net capital gains | 47,976 | 304,504 |

3. Revenue

| | 2011 | 2010 |
|-------------------------------------|---------------|---------------|
| | £000s | £000s |
| ACD's fee rebates | 65 | 66 |
| Bank interest | 8 | 0 |
| Interest on fixed income securities | 228 | 12 |
| Overseas dividends - non-taxable | 13,365 | 9,125 |
| Overseas dividends - taxable | 7,390 | 3,346 |
| Stock dividends | 1,330 | 178 |
| UK dividends | 21 | 62 |
| Total revenue | 22,407 | 12,789 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 | 2010 |
|--|---------------|---------------|
| | £000s | £000s |
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 16,861 | 11,511 |
| ACD's annual fee ¹ | 891 | 868 |
| Company secretarial costs | 8 | 7 |
| | 17,760 | 12,386 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 210 | 144 |
| Safe custody fees | 1,378 | 918 |
| | 1,588 | 1,062 |
| Other expenses: | | |
| Audit fee | 86 | 74 |
| Commissions paid | 224 | 107 |
| Distribution costs | 20 | 17 |
| FT publication fees | 22 | 20 |
| Legal fees | 1 | 3 |
| Printing costs | 30 | 26 |
| Registration fees | 118 | 113 |
| Taxation advice | 39 | 33 |
| VAT recovered | (37) | (26) |
| Other expenses | 20 | 13 |
| | 523 | 380 |
| Total expenses | 19,871 | 13,828 |

¹ For the purpose of the distribution, these expenses are ultimately borne by the capital account (see note 6).

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 £000s | 2010 £000s |
|---|---------------|---------------|
| a. Analysis of tax charge for the year: | | |
| Corporation tax | 24 | 0 |
| Double taxation relief | 0 | 0 |
| | 24 | 0 |
| Overseas tax suffered | 1,944 | 1,043 |
| Total current tax for the year (see Note 5(b)) | 1,968 | 1,043 |
| Deferred tax charge (credit) for the year | 3 | (13) |
| Total deferred tax for the year (see Note 5(c)) | 3 | (13) |
| Total tax for the year | 1,971 | 1,030 |
| b. Factors affecting current tax charge for the year: | | |
| The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%). | | |
| The differences are explained below: | | |
| Net revenue (expense) before taxation | 2,477 | (1,046) |
| Corporation tax at 20% | 495 | (209) |
| Effects of: | | |
| Movement in revenue taxable in different periods | (124) | 415 |
| Non-taxable dividends (stock dividends) | (266) | (35) |
| Overseas dividends - non-taxable | (2,678) | (1,826) |
| Overseas tax suffered | 1,944 | 1,043 |
| Overseas tax expensed | (196) | (89) |
| Surplus allowable expenses arising in the year | 2,797 | 1,680 |
| Tax on capital items | 0 | 76 |
| UK dividends not subject to corporation tax | (4) | (12) |
| Current tax charge for the year (see Note 5(a)) | 1,968 | 1,043 |
| c. Deferred Tax | | |
| Provision at the start of the year | 3 | 16 |
| Deferred tax charge (credit) for the year (see Note 5(a)) | 3 | (13) |
| Provision at the end of the year | 6 | 3 |

As OEICs are exempted from capital gains, capital returns are not included in the above reconciliation. For further details on this tax, please refer to the individual sub-funds.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|--|--------------|--------------|
| | £000s | £000s |
| Interim | 762 | 584 |
| Final | 2,399 | 1,280 |
| | 3,161 | 1,864 |
| Add: Revenue deducted on cancellation of shares | 280 | 102 |
| Less: Revenue received on issue of shares | (591) | (624) |
| Net distributions for the year | 2,850 | 1,342 |
| Overdraft interest | 59 | 7 |
| Total finance costs | 2,909 | 1,349 |
| Reconciliation of net revenue (expense) after taxation to net distributions for the year: | | |
| Net revenue (expense) after taxation | 506 | (2,076) |
| Add: Capitalised expenses | 891 | 868 |
| Net revenue shortfall taken to capital | 2,780 | 2,662 |
| Stock dividends | (1,330) | (178) |
| Tax on capital items | 3 | 73 |
| Tax relief on capitalised fees | 0 | (7) |
| Net distributions for the year | 2,850 | 1,342 |

Notes to the Financial Statements continued

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|---------------|--------------|
| | £000s | £000s |
| Accrued ACD's fee rebates | 21 | 6 |
| Accrued revenue | 2,743 | 2,225 |
| Amounts receivable on issue of shares | 3,169 | 3,342 |
| Foreign currency receivable | 2,072 | 1 |
| Other debtors | 0 | 19 |
| Other prepaid expenses | 1 | 1 |
| Overseas tax recoverable | 23 | 77 |
| Sales awaiting settlement | 9,380 | 1,216 |
| | 17,409 | 6,887 |

8. Creditors

| | 2011 | 2010 |
|---|---------------|---------------|
| | £000s | £000s |
| Accrued ACD's annual fee | 3,148 | 2,750 |
| Amounts payable on cancellation of shares | 298 | 2,538 |
| Corporation tax payable | 24 | 0 |
| Deferred taxation | 6 | 3 |
| Foreign currency payable | 2,065 | 1 |
| Other accrued expenses | 471 | 285 |
| Purchases awaiting settlement | 8,730 | 6,735 |
| | 14,742 | 12,312 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Company and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Aggregated Balance Sheet, the Aggregated Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the aggregated financial statements. All issues and cancellations of shares were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Company's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

Notes to the Financial Statements continued

10. Equalisation

Equalisation applies only to shares purchased during the distribution year (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Income shares, it is refunded as part of a shareholder's first distribution. In the case of Accumulation shares, it is automatically reinvested in the relevant sub-fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

11. Contingent liabilities and commitments

As at 30th April 2011 there were contingent liabilities in respect of rights of £2,152 (2010 - £Nil).

12. Derivatives and other financial instruments

The numerical disclosures, if required, are included in the notes to the accounts of the individual sub-funds where applicable.

13. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|----------------|---------------|----------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 886,471 | | 663,808 |
| Commissions | 1,433 | | 1,167 | |
| Other costs | 294 | | 338 | |
| Total purchase costs | | 1,727 | | 1,505 |
| Gross purchase total | | 888,198 | | 665,313 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 779,896 | | 390,172 |
| Commissions | (1,450) | | (771) | |
| Other costs | (270) | | (147) | |
| Total sales costs | | (1,720) | | (918) |
| Total sales net of transaction costs | | 778,176 | | 389,254 |

Allianz RCM Customised Global Equity Fund

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Fund Information

Investment Objective and Policy

The Allianz RCM Customised Global Equity Fund aims to provide investors with capital growth by investing in a diversified portfolio of publicly listed companies internationally whose growth prospects have been identified as undervalued.

The Allianz RCM Customised Global Equity Fund will follow a bottom-up approach to stock selection and will invest globally excluding the United Kingdom following a customised benchmark of 33% FTSE World North America, 33% FTSE World Europe ex UK and 33% FTSE World Pacific Basin.

Fund Details

| | |
|--|---|
| Fund Manager | Paul Schofield |
| Benchmark | 33.3% FTSE World Europe ex UK, 33.3% FTSE World North America and 33.3% FTSE World Pacific Basin (22.2% Japan, 11.1% Asia ex Japan) |
| Income allocation date | 30th April |
| Income pay date | 30th June |
| Launch date | 11th October 2001 |
| ISA status | n/a |
| Share Classes and types of Shares | C (Accumulation Shares) |
| Minimum investment | Lump sum £100,000 Available only at the discretion of the ACD |
| Initial charge | Nil |
| Annual ACD fee | 0.6% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| C Shares | 30th April 2009 | 38,050 | 4,907,580 | 775.3 |
| | 30th April 2010 | 47,375 | 4,718,420 | 1,004.0 |
| | 30th April 2011 | 40,785 | 3,927,684 | 1,038.4 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| C Shares | 2006 | 866.4 | 728.8 |
| | 2007 | 1,020.3 | 836.7 |
| | 2008 | 996.9 | 686.0 |
| | 2009 | 946.0 | 650.3 |
| | 2010 | 1,064.4 | 864.2 |
| | 2011 ¹ | 1,069.7 | 992.6 |

¹ For the period to 30th April 2011

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------------|
| C Shares | 2006 | 7.1551 |
| | 2007 | 10.9781 |
| | 2008 | 11.2621 |
| | 2009 | 13.8939 |
| | 2010 | 9.9537 |
| | 2011 ¹ | 11.2786 |

¹ For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|------------|
| C Shares | 30th April 2010 | 0.69 |
| | 30th April 2011 | 0.69 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

For the year ended 30th April 2011

Final

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| C Shares | | | | |
| Group 1 | 11.2786 | - | 11.2786 | 9.9537 |
| Group 2 | 8.8581 | 2.4205 | 11.2786 | 9.9537 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, 1 May 2010 to 30 April 2011, the Fund's 'C' class produced a total return of 29.30%. The Fund's benchmark, 33.3% FTSE World North America/33.3% FTSE World Pacific Basin/33.3% FTSE World Europe ex UK, produced a total return of 8.62% over the period.*

The period under review continued to prove challenging for the portfolio. High intra-market correlations and continuing macroeconomic event-driven shocks created an environment not particularly conducive to an investment strategy based on bottom up stock picking. However, towards the end of the period, markets began to show signs of normalising with fundamental factors again becoming the major drivers of stock returns.

Market Background

After weakness early in the period precipitated by the Gulf of Mexico oil spill, sovereign debt worries in Europe and concerns about a potential double dip in the US, global equity markets rebounded strongly and ended the year on a high note. The first quarter of 2011 saw high volatility which spiked in the first half of March as equities came under pressure from higher oil prices, ongoing turmoil in the Middle East and North Africa, the earthquake and subsequent tsunami in Japan and growing inflationary concerns. Nonetheless, markets continued to move higher through the first four months of 2011, supported by solid economic and corporate earnings growth.

Portfolio Review

Negative returns were driven by stock selection, primarily in Industrials, Financials and Consumer Goods. The overweight in Technology and underweight in Telecommunications also detracted. On the positive side, holdings in Basic Materials and Consumer Services contributed to returns and the overweight in Oil and Gas also helped due to buoyant energy prices. On a country basis, Australia and Canada helped while stock selection in the US and Netherlands was negative.

Industrial companies were weak, including a number of Japanese holdings such as Hitachi and Nidec, which sold off after the earthquake. The express mail company TNT also fell on weaker trading conditions. Both Nidec and TNT were subsequently eliminated.

Consumer Goods was hurt by Sony, which, like Hitachi and Nidec, was hit by production disruption and component supply concerns, and Chinese automobile company Dongfeng Motor Group, which fell on government-mandated limits on car purchases by individuals as part of a suite of measures taken to cool down the economy.

In Financials, Wells Fargo declined along with other banks due to concerns about the US economy growth. We believe that those fears are overstated and that among the large US banks, Wells represents the best combination of organic growth, a lower risk balance sheet, solid management and an inexpensive valuation.

The Basic Materials sector was helped by a number of holdings including Fortescue Metals, Potash Corp and Freeport-McMoran. Fortescue gained from strong iron ore prices while Potash was supported by high agricultural prices. Freeport announced better than expected results due to higher copper prices and volumes. We remain constructive on both Fortescue and Freeport but have taken profits in Potash.

Consumer Services holdings Amazon and Starbucks also contributed. Amazon continues to benefit from strong growth in online shopping although there are some concerns about the heavy investments the company is making in fulfilment centres, technology, marketing and the Kindle electronic reading book. Starbucks is a turnaround story with an attractive opportunity to grow high margin sales in single serve coffee packs for home consumption. We remain constructive on both companies.

Outlook

The outlook for global equities remains mixed. While global growth remains positive, momentum is slowing and inflationary pressures are building in a number of areas. There is growing evidence of a double dip in the US housing sector and higher energy and food prices may impact consumer confidence. Inflation continues to accelerate in the UK and the European Central Bank is still indicating a rate hike in April. In the BRIC economies, although both Russia and Brazil are showing improving employment figures, there are few signs that inflation is moderating and so further monetary tightening looks likely. High oil prices, continued

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices.

Investment Review continued

uncertainty in the Arab world, and the tragedy in Japan also weigh on global economic growth prospects.

Nonetheless, there are also several tailwinds at work. Interest rates remain low and while quantitative easing in the US is likely to end in the coming months, central banks will remain relatively accommodative. Emerging markets demand for commodities remains strong and the markets have so far taken the deteriorating situation in Portugal largely in their stride. Finally, corporate balance sheets are still holding historically high levels of cash, which should lead to a longer capital expenditure cycle, share buybacks, increased dividends and ongoing M&A activity, all of which are supportive of global markets.

The implication of these seemingly contradictory trends is that the macro environment is normalising, characterised by modest growth and low real interest rates. This in turn should lead to a more balanced market where fundamental factors again become the primary drivers of stock returns as the temporary liquidity injection of unorthodox central bank

monetary policies ebbs away. Over the last two quarters sector correlations have been steadily falling from historically high levels as investors begin to differentiate between companies that will genuinely thrive and those that will struggle to grow in a lower growth environment. This trend towards greater stock selectivity has also been reflected by the number of earnings downgrades by analysts in recent months.

Within equities, large cap, quality companies continue to look attractively valued both on an absolute basis and relative to other equity classes, such as emerging markets and small cap. Generally we prefer to own shares in companies that are benefiting from structural growth trends, which will appreciate as markets begin to more fully reflect the businesses' underlying earnings power.

13th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets |
|--|--------------------|-----------------|
| EQUITIES 92.77% (2010 - 97.37%) | | |
| Australia 10.22% (2010 - 5.93%) | | |
| 64,288 Australia & New Zealand Bank | 1,021 | 2.50 |
| 102,765 Fortescue Metals | 415 | 1.02 |
| 127,678 Mesoblast | 682 | 1.67 |
| 12,474 Rio Tinto | 673 | 1.65 |
| 475,567 Telstra | 905 | 2.22 |
| 80,022 Westfield | 473 | 1.16 |
| | 4,169 | 10.22 |
| Canada 3.13% (2010 - 5.78%) | | |
| 14,909 Bank of Nova Scotia | 543 | 1.33 |
| 26,681 Suncor Energy | 735 | 1.80 |
| | 1,278 | 3.13 |
| China 0.97% (2010 - 1.51%) | | |
| 256,000 China Merchants Bank | 395 | 0.97 |
| Finland 2.02% (2010 - 0.00%) | | |
| 39,724 Fortum | 822 | 2.02 |
| France 4.04% (2010 - 6.52%) | | |
| 27,881 Legrand | 763 | 1.87 |
| 22,073 Vinci | 886 | 2.17 |
| | 1,649 | 4.04 |
| Germany 4.56% (2010 - 2.28%) | | |
| 21,497 Adidas | 960 | 2.35 |
| 22,095 Henkel | 900 | 2.21 |
| | 1,860 | 4.56 |
| Hong Kong 1.32% (2010 - 1.44%) | | |
| 266,316 AIA | 540 | 1.32 |
| Japan 12.74% (2010 - 20.91%) | | |
| 45,300 Asahi Breweries | 505 | 1.24 |
| 188,000 Hitachi | 607 | 1.49 |
| 21,800 Honda Motor | 511 | 1.25 |
| 227 Japan Tobacco | 526 | 1.29 |
| 49,900 Mitsubishi | 802 | 1.97 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|--|-----------------------|--------------------|
| Japan (continued) | | |
| 47,500 Mitsubishi Estate | 494 | 1.21 |
| 137,900 Mitsubishi UFJ Financial | 393 | 0.96 |
| 80,200 Mitsui | 847 | 2.08 |
| 3,600 Nintendo | 509 | 1.25 |
| | 5,194 | 12.74 |
| Netherlands 3.77% (2010 - 3.22%) | | |
| 21,768 Akzo Nobel | 1,014 | 2.49 |
| 66,224 ING | 524 | 1.28 |
| | 1,538 | 3.77 |
| Spain 2.20% (2010 - 2.42%) | | |
| 71,186 BBVA | 548 | 1.35 |
| 21,554 Telefonica | 348 | 0.85 |
| | 896 | 2.20 |
| Switzerland 2.19% (2010 - 3.03%) | | |
| 12,531 Nestlé | 465 | 1.14 |
| 12,117 Novartis | 429 | 1.05 |
| | 894 | 2.19 |
| United States of America 45.61% (2010 - 44.33%) | | |
| 20,990 Abbott Laboratories | 655 | 1.61 |
| 17,794 Alpha Natural Resources | 620 | 1.52 |
| 50,542 Altria | 813 | 1.99 |
| 6,315 Amazon | 743 | 1.82 |
| 20,217 American Express | 595 | 1.46 |
| 17,120 Anadarko Petroleum | 811 | 1.99 |
| 4,934 Apple | 1,033 | 2.53 |
| 28,669 Crown Castle International | 737 | 1.81 |
| 12,312 Estee Lauder | 716 | 1.75 |
| 10,478 Flowserve | 795 | 1.95 |
| 18,063 Freeport-McMoran | 596 | 1.46 |
| 2,329 Google | 760 | 1.86 |
| 30,938 Health Net | 617 | 1.51 |
| 44,668 Intel | 620 | 1.52 |
| 17,135 JP Morgan Chase | 469 | 1.15 |
| 19,091 Marathon Oil | 618 | 1.52 |
| 76,183 Marvell Tech | 705 | 1.73 |
| 10,388 National Oilwell Varco | 478 | 1.17 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| United States of America (continued) | | |
| 41,819 Oracle | 901 | 2.21 |
| 61,027 Pfizer | 767 | 1.88 |
| 10,149 Roper Industries | 526 | 1.29 |
| 28,996 Southwestern Energy | 762 | 1.87 |
| 28,964 Starbucks | 628 | 1.54 |
| 68,619 US Bancorp | 1,062 | 2.60 |
| 51,803 Wells Fargo | 904 | 2.22 |
| 45,847 Zions | 672 | 1.65 |
| | 18,603 | 45.61 |
| Investment assets | 37,838 | 92.77 |
| Net other assets | 2,947 | 7.23 |
| Net assets | 40,785 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales | Proceeds £000s |
|-------------------------------------|---------------|---------------------------------|-------------------|
| BBVA | 1,518 | Canon | 1,510 |
| US Bancorp | 1,259 | LVMH | 1,385 |
| Marvell Tech | 1,101 | Inditex | 1,348 |
| Fortescue Metals | 1,047 | Tyco International | 1,092 |
| BNP Paribas | 1,039 | Hitachi Construction Machinery | 1,082 |
| Adidas | 997 | BNP Paribas | 1,053 |
| Telstra | 974 | Sony | 1,051 |
| Akzo Nobel | 951 | Wells Fargo | 1,005 |
| Fifth Third Bancorp | 940 | TNT | 984 |
| Wells Fargo | 925 | Philips Electronics | 982 |
| Google | 897 | Total | 911 |
| Dongfeng Motor | 862 | Fortescue Metals | 891 |
| Australia & New Zealand Bank | 849 | Hewlett-Packard Finance | 891 |
| Flowerserve | 844 | Fifth Third Bancorp | 884 |
| Pfizer | 837 | BBVA | 873 |
| Altria | 825 | Intel | 835 |
| Fortum | 790 | Zions | 824 |
| Legrand | 779 | Dongfeng Motor | 821 |
| Nintendo | 775 | Air Liquide | 817 |
| China Merchants Bank | 758 | Trican Well Service | 799 |
| Other purchases | 17,962 | Other sales | 25,851 |
| Total purchases for the year | 36,929 | Total sales for the year | 45,889 |

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|---------------|---------------|---------------|
| Income | | | | | |
| Net capital gains | 2 | | 751 | | 10,621 |
| Revenue | 3 | 888 | | 850 | |
| Expenses | 4 | (307) | | (294) | |
| Net revenue before taxation | | 581 | | 556 | |
| Taxation | 5 | (84) | | (75) | |
| Net revenue after taxation | | | 497 | | 481 |
| Total return before distributions | | | 1,248 | | 11,102 |
| Finance costs: Distributions | 6 | | (497) | | (481) |
| Change in net assets attributable to shareholders from investment activities | | | 751 | | 10,621 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Opening net assets attributable to shareholders | | 47,375 | | 38,050 |
| Amounts receivable on issue of shares | 723 | | 2,324 | |
| Less: Amounts payable on cancellation of shares | (8,507) | | (4,090) | |
| | | (7,784) | | (1,766) |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | 751 | | 10,621 |
| Retained distribution on accumulation shares | | 443 | | 470 |
| Closing net assets attributable to shareholders | | 40,785 | | 47,375 |

Notes to the financial statements are from pages 31 to 37.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|----------------|---------------|---------------|
| Assets | | | | | |
| Investment assets | | | 37,838 | | 46,130 |
| Debtors | 7 | 1,592 | | 1,125 | |
| Cash and bank balances | | 3,101 | | 625 | |
| Total other assets | | | 4,693 | | 1,750 |
| Total assets | | | 42,531 | | 47,880 |
| Liabilities | | | | | |
| Creditors | 8 | (1,746) | | (505) | |
| Total other liabilities | | | (1,746) | | (505) |
| Total liabilities | | | (1,746) | | (505) |
| Net assets attributable to shareholders | | | 40,785 | | 47,375 |

Notes to the financial statements are from pages 31 to 37.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM Customised Global Equity Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital gains

| | 2011 | 2010 |
|------------------------------------|--------------|---------------|
| | £000s | £000s |
| Gains on non-derivative securities | 680 | 10,688 |
| Gains (losses) on currency | 75 | (60) |
| Handling charges | (4) | (7) |
| Net capital gains | 751 | 10,621 |

3. Revenue

| | 2011 | 2010 |
|----------------------------------|--------------|--------------|
| | £000s | £000s |
| Overseas dividends - non-taxable | 876 | 697 |
| Overseas dividends - taxable | 12 | 153 |
| Total revenue | 888 | 850 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 £000s | 2010 £000s |
|--|---------------|---------------|
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 267 | 257 |
| Company secretarial costs | 1 | 1 |
| | 268 | 258 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 15 | 14 |
| Safe custody fees | 7 | 6 |
| | 22 | 20 |
| Other expenses: | | |
| Audit fee | 11 | 11 |
| Commissions paid | 2 | 0 |
| Distribution costs | 1 | 1 |
| FT publication fees | 2 | 2 |
| Printing costs | 2 | 2 |
| Taxation advice | 2 | 2 |
| VAT recovered | (3) | (3) |
| Other expenses | 0 | 1 |
| | 17 | 16 |
| Total expenses | 307 | 294 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 £000s | 2010 £000s |
|--|---------------|---------------|
| a. Analysis of tax charge for the year: | | |
| Overseas tax suffered | 84 | 91 |
| Total current tax for the year (see Note 5(b)) | 84 | 91 |
| Deferred tax credit for the year | 0 | (16) |
| Total deferred tax for the year (see Note 5(c)) | 0 | (16) |
| Total tax for the year | 84 | 75 |

b. Factors affecting current tax charge for the year:

The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%).

The differences are explained below:

| | | |
|--|-----------|-----------|
| Net revenue before taxation | 581 | 556 |
| Corporation tax at 20% | 116 | 111 |
| Effects of: | | |
| Movement in revenue taxable in different periods | 0 | 28 |
| Overseas dividends - non-taxable | (176) | (139) |
| Overseas tax expensed | 0 | (7) |
| Overseas tax suffered | 84 | 91 |
| Surplus allowable expenses arising in the year | 60 | 7 |
| Current tax charge for the year (see Note 5(a)) | 84 | 91 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

c. Deferred tax

| | | |
|--|----------|----------|
| Provision at the start of the year | 0 | 16 |
| Deferred tax credit for the year (see Note 5(a)) | 0 | (16) |
| Provision at the end of the year | 0 | 0 |

The Fund has not recognised a deferred tax asset of £67,000 (2010 - £7,000) arising as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Final | 443 | 470 |
| Add: Revenue deducted on cancellation of shares | 56 | 22 |
| Less: Revenue received on issue of shares | (2) | (11) |
| Net distributions for the year | 497 | 481 |

7. Debtors

| | 2011 | 2010 |
|-----------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued revenue | 94 | 82 |
| Foreign currency receivable | 570 | 0 |
| Overseas tax recoverable | 14 | 47 |
| Sales awaiting settlement | 914 | 996 |
| | 1,592 | 1,125 |

8. Creditors

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's annual fee | 43 | 49 |
| Amounts payable on cancellation of shares | 0 | 436 |
| Foreign currency payable | 565 | 0 |
| Purchases awaiting settlement | 1,118 | 0 |
| Other accrued expenses | 20 | 20 |
| | 1,746 | 505 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

Notes to the Financial Statements continued

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

11. Shareholders funds

The Fund currently has one share class; C. The ACD's annual fee on the share class is as follows:

Class C: 0.60%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 21.

The distribution per share is given in the Distribution Table on page 22.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

13. Derivatives and other financial instruments

a. Currency exposure

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | | Net | | Other | | Net | |
|------------------------------------|---------------|--------------|----------------|---------------|---------------|--------------|--------------|---------------|
| | 30th April | Other | Other | Currency | 30th April | Other | Other | Currency |
| | 2011 | Assets | Liabilities | Exposure | Investments | Assets | Liabilities | Exposure |
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 0 | 2,472 | (63) | 2,409 | 0 | 608 | (505) | 103 |
| Australian Dollar | 4,169 | 0 | 0 | 4,169 | 2,809 | 0 | 0 | 2,809 |
| Canadian Dollar | 1,278 | 0 | 0 | 1,278 | 2,737 | 0 | 0 | 2,737 |
| Chinese Yuan Renminbi | 0 | 0 | 0 | 0 | 0 | 22 | 0 | 22 |
| Euro | 6,765 | 40 | 0 | 6,805 | 6,846 | 22 | 0 | 6,868 |
| Hong Kong Dollar | 935 | 6 | 0 | 941 | 1,398 | 5 | 0 | 1,403 |
| Japanese Yen | 5,194 | 972 | (513) | 5,653 | 9,907 | 42 | 0 | 9,949 |
| Swiss Franc | 894 | 8 | 0 | 902 | 1,434 | 40 | 0 | 1,474 |
| US Dollar | 18,603 | 1,195 | (1,170) | 18,628 | 20,999 | 1,011 | 0 | 22,010 |
| Total per the balance sheet | 37,838 | 4,693 | (1,746) | 40,785 | 46,130 | 1,750 | (505) | 47,375 |

Notes to the Financial Statements continued

b. Interest rate risk profile

The table below summaries in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on page 6-7 explains the different types of risks the Fund may face.

| Currency | Floating Rate | | Nil | | Total | |
|---|---------------|---------------|---------------|------------|---------------|---------------|
| | Interest | Interest | Total | Interest | Interest | Total |
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Financial assets | | | | | | |
| Sterling | 1,902 | 0 | 1,902 | 608 | 0 | 608 |
| Australian Dollar | 0 | 4,169 | 4,169 | 0 | 2,809 | 2,809 |
| Canadian Dollar | 0 | 1,278 | 1,278 | 0 | 2,737 | 2,737 |
| Euro | 15 | 6,765 | 6,780 | 14 | 6,846 | 6,860 |
| Hong Kong Dollar | 0 | 935 | 935 | 0 | 1,398 | 1,398 |
| Japanese Yen | 0 | 5,194 | 5,194 | 0 | 9,907 | 9,907 |
| Swiss Franc | 0 | 894 | 894 | 0 | 1,434 | 1,434 |
| US Dollar | 1,184 | 18,603 | 19,787 | 3 | 20,999 | 21,002 |
| Total financial assets | 3,101 | 37,838 | 40,939 | 625 | 46,130 | 46,755 |
| Total financial instruments | 3,101 | 37,838 | 40,939 | 625 | 46,130 | 46,755 |
| Add: Short term debtors and creditors | | | (154) | | | 620 |
| Net assets per the balance sheet | | | 40,785 | | | 47,375 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Financial Statements continued

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 36,877 | | 48,712 |
| Commissions | 50 | | 69 | |
| Taxes | 2 | | 0 | |
| Total purchase costs | | 52 | | 69 |
| Gross purchase total | | 36,929 | | 48,781 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 45,947 | | 50,983 |
| Commissions | (55) | | (70) | |
| Taxes | (3) | | 0 | |
| Total sales costs | | (58) | | (70) |
| Total sales net of transaction costs | | 45,889 | | 50,913 |

Allianz RCM Dynamic Growth Fund

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Fund Information

Investment Objective and Policy

The Allianz RCM Dynamic Growth Fund aims to achieve long-term capital growth through active asset allocation and seeks to manage the risks of capital loss resulting from excessive market volatility.

The ACD aims to achieve the objective by investing in any economic sector internationally and by holding cash and/or near-cash when considered appropriate.

The Fund may invest in collective investment schemes as well as directly in equities, fixed income securities (issued by corporate, government and/or supranational institutions) and money market instruments.

The ACD intends to gain indirect exposure to emerging markets indices and alternative asset class indices including, but not limited to, private equity, commodities, hedge funds and real estate by investing in collective investment schemes, including exchange traded funds.

The Fund may also invest in derivative instruments such as futures, options, options on swaps, swap agreements (including equity and/or index based total return swaps) and currency forward contracts. The Fund may use options in order to generate synthetic cash positions.

In particularly adverse market conditions the Fund may also hold cash deposits up to 80% of the portfolio.

Fund Information continued

Fund Details

| | | |
|--|---|---|
| Fund Manager | Matthias Müller | |
| Benchmark | n/a | |
| Income allocation date | 30th April | |
| Income pay date | 30th June | |
| Launch date | 11th October 2001 | |
| ISA status | Yes (A Shares only) | |
| Share Classes and types of Shares | A (Accumulation Shares) C (Accumulation Shares) S (Accumulation Shares) | |
| Minimum investment | A Shares | Lump sum £500 Monthly saving £50 |
| | C Shares | Lump sum £100,000 Available only at the discretion of the ACD |
| | S Shares | Available only to discretionary management or advisory clients of the Investment Adviser or members of its group or others at the discretion of the ACD |
| Initial charge | A Shares | 4% |
| | C Shares | Nil |
| | S Shares | Nil |
| Annual ACD fee | A Shares | 1.25% |
| | C Shares | 0.5% |
| | S Shares | Nil |

On 22nd February 2010, the investment objective and policy of the Fund was changed and the Fund's name changed from Allianz RCM Global Equity Fund to Allianz RCM Dynamic Growth Fund.

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2009 | 3,785 | 2,789,182 | 135.7 |
| | 30th April 2010 | 5,495 | 3,345,342 | 164.3 |
| | 30th April 2011 | 3,836 | 2,173,619 | 176.5 |
| C Shares | 30th April 2009 | 1,767 | 1,230,012 | 143.7 |
| | 30th April 2010 | 2,085 | 1,185,323 | 175.9 |
| | 30th April 2011 | 61,077 | 32,164,995 | 189.9 |
| S Shares | 30th April 2009 | 5,183 | 4,665,556 | 111.1 |
| | 30th April 2010 | 7,608 | 5,517,506 | 137.9 |
| | 30th April 2011 | 9,588 | 6,472,513 | 148.1 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| A Shares | 2006 | 163.2 | 137.0 |
| | 2007 | 189.7 | 155.6 |
| | 2008 | 187.7 | 119.5 |
| | 2009 | 163.4 | 118.4 |
| | 2010 | 172.3 | 153.2 |
| | 2011 ¹ | 176.5 | 168.5 |
| C Shares | 2006 | 169.5 | 142.5 |
| | 2007 | 198.6 | 162.5 |
| | 2008 | 196.6 | 125.9 |
| | 2008 | 173.7 | 125.1 |
| | 2010 | 184.9 | 162.9 |
| | 2011 ¹ | 189.9 | 181.1 |
| S Shares | 2006 | 128.7 | 108.3 |
| | 2007 | 152.3 | 123.9 |
| | 2008 | 150.9 | 97.2 |
| | 2009 | 135.0 | 96.7 |
| | 2010 | 144.0 | 126.7 |
| | 2011 ¹ | 148.1 | 141.2 |

¹ For the period to 30th April 2011

Investment Performance continued

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------------|
| A Shares | 2006 | 0.1186 |
| | 2007 | 0.9989 |
| | 2008 | 1.0544 |
| | 2009 | 1.0010 |
| | 2010 | 0.0683 |
| | 2011 ¹ | 0.0000 |
| C Shares | 2006 | 1.3223 |
| | 2007 | 2.0479 |
| | 2008 | 2.1030 |
| | 2009 | 2.2913 |
| | 2010 | 1.0494 |
| | 2011 ¹ | 1.2049 |
| S Shares | 2006 | 1.4476 |
| | 2007 | 2.1371 |
| | 2008 | 2.4233 |
| | 2009 | 2.5273 |
| | 2010 | 1.6972 |
| | 2011 ¹ | 1.4764 |

¹For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|------------|
| A Shares | 30th April 2010 | 1.85 |
| | 30th April 2011 | 2.04 |
| C Shares | 30th April 2010 | 0.99 |
| | 30th April 2011 | 0.94 |
| S Shares | 30th April 2010 | 0.37 |
| | 30th April 2011 | 0.50 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

For the year ended 30th April 2011

Final

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 0.0000 | - | 0.0000 | 0.0683 |
| Group 2 | 0.0000 | 0.0000 | 0.0000 | 0.0683 |
| Accumulation Shares | | | | |
| C Shares | | | | |
| Group 1 | 1.2049 | - | 1.2049 | 1.0494 |
| Group 2 | 0.8235 | 0.3814 | 1.2049 | 1.0494 |
| Accumulation Shares | | | | |
| S Shares | | | | |
| Group 1 | 1.4764 | - | 1.4764 | 1.6972 |
| Group 2 | 0.7735 | 0.7029 | 1.4764 | 1.6972 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, 1st May 2010 to 30th April 2011, the Fund's 'A' class produced a total return of 6.68%, the Fund's 'C' class of 7.80%, and the 'S' class of 7.99%.

Market Background

The past year has seen the global economy withstand a series of profound exogenous shocks. The debt crisis in peripheral European countries that began in Greece during the spring of 2010, has now culminated in Portugal and collected Ireland on the way. Commodity prices have soared due to a supply shock driven by political unrest in the Middle East impacting global growth in early 2011.

The Federal Reserve has continued to tread a cautious path in the last 12 months. In its September statement the FOMC (Federal Open Market Committee) admitted for the first time that inflation was lower than they would ideally like for price stability and full employment in the long-run. At the same time they officially confirmed that they were ready to provide further stimulus through another round of Quantitative Easing that runs right through to mid-2011. The impact of this policy extension has been similar to the first round, a broad based appreciation in risk assets, although this time exogenous shocks have occasionally caused the upward trajectory in risk assets to be temporarily reversed.

Unemployment in the US has not fallen as fast as during previous recoveries, and the Federal Reserve is conscious of this. As a result they announced a further \$400bn in fiscal stimulus measures in December 2010 that included a cut to payroll taxes to stimulate job growth. US consumer expenditure was beginning to improve during 2010, albeit from a low level, but as gasoline prices rose the impact on real incomes has been so severe that real private consumption dropped from 4.0% in Q4 2010 to 2.7% in Q1 2011.

Divergent growth rates within Europe have been observed over the last year. Germany, in particular the manufacturing sector, has supported Eurozone aggregate growth, more than offsetting weakness in the peripheral nations. The sovereign debt crisis began in Greece during early 2010 and spread to Ireland by the end of the year. The establishment of a bail-out mechanism, known as the EFSF (European Financial Stability Facility), should have reassured investors and prevented speculative attacks on the sovereign debt of other European nations. However, Portugal was to experience a similar fate

to Greece in spring 2011 as the cost of refinancing its debt in government bond markets led it to also request funding support from the EFSF.

UK growth has sharply decelerated over the past year. Growth in Q2 2010 of 1.2% qoq was supported by consumer spending funded through a reduction in savings. This was never a long-term solution and while growth in Q3 surprised the market at 0.7% qoq, nearly double initial expectations, final quarter 2010 GDP contracted by 0.5% qoq. The rebound in the first quarter of this year was only enough to offset the weather related weakness, leaving UK GDP over the last 2 quarters unchanged.

The pressure on real disposable incomes for UK consumers is more acute than in the Eurozone. The depreciation in sterling over the past 6 months has resulted in petrol prices in Sterling currency terms rising above the level observed in mid-2008 at the peak of the increase in demand for energy from emerging markets. Against this backdrop the Bank of England has resisted the temptation to raise rates despite inflation peaking at 4.4% YoY on a headline measure in February, driven by food and energy prices.

Portfolio Review

The broad trend over the last 12 months has been a gradual increase in the risk profile of the Fund. A consistent positive return by the Fund has facilitated an increase in the risk budget and with it exposure to high volatility asset classes has been raised.

Overall, the Fund has retained a relatively low exposure to global equities due to disappointing performance. The majority of the headline fund performance has been driven by significantly increased exposure to commodity markets over the last 12 months, and selective exposure to EM equities at various points in the cycle. Within low volatility asset classes exposure to world bonds has been preferred to UK bonds over the last 6 months to benefit from sterling depreciation.

Exposure to high volatility assets was initially reduced from 50% down to 30% by mid-2010. Fears the US economy could "double-dip" prompted risk assets to decline in value and the Fund reduced exposure to them as a result - exposure to global equities was reduced to just 6%, while commodities were only 2% of the entire fund. At this point the portfolio held up to 44% in cash and short-term bonds, with a further 20% in global and UK bonds.

Investment Review continued

The announcement of a second round of Quantitative Easing in Q3 2010, additional fiscal stimulus provided for 2011, and a rebound in the manufacturing sector provided for an increase in the exposure to risk assets by the Fund. High volatility assets rose from approximately 30% in July 2010, to over 70% by the end of the review. The oil price spike in 2011 and its impact on real disposable incomes, and the Japanese earthquake and the associated nuclear disaster prompted a temporary decline in risk assets and the Funds exposure during early 2011. However, the rebound has been significant, led principally by commodities.

Outlook

The Fund asset mix will continue to react dynamically to changes in the market environment. Near-term momentum in commodity markets remains positive, although sentiment has turned negative and fundamentals are only neutral, this is more than offset by positive leading indicators and technical signals.

The tactical asset allocation model for equities continues to indicate an overweight position for equity markets, with only monetary policy in the US and Europe representing a headwind. Our own Global Policy Council is more cautious on equities citing earnings revision momentum rolling over and a peaking in the ISM Manufacturing series, both strong lead indicators. Nevertheless, exposure to global equities within this portfolio remains low.

5th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets | |
|---|--|-----------------|--------------|
| Euro Denominated Fixed Rate Debt Securities 0.88% (2010 - 3.70%) | | | |
| € 700,000 | Germany (Federal Republic of) 3.75% Bonds 4/1/2017 | 655 | 0.88 |
| France 17.79% (2010 - 0.00%) | | | |
| France Open-Ended Funds 17.79% (2010 - 0.00%) | | | |
| 620,000 | Lyxor ETF Commodities CRB | 13,255 | 17.79 |
| Ireland 16.22% (2010 - 8.71%) | | | |
| Ireland Open-Ended Funds 16.22% (2010 - 8.71%) | | | |
| 240,000 | iShares FTSE EPRA/NAREIT Developed Markets Property Yield Fund | 3,039 | 4.08 |
| 714,630 | iShares FTSE EPRA/NAREIT UK Property Fund | 3,074 | 4.13 |
| 93,956 | iShares JPMorgan \$ Emerging Markets Bond Fund | 5,970 | 8.01 |
| | | 12,083 | 16.22 |
| Japan 1.58% (2010 - 3.67%) | | | |
| Japanese Yen Denominated Fixed Rate Debt Securities 1.58% (2010 - 3.67%) | | | |
| ¥150,000,000 | Japan (Government of) 1.8% Bonds 20/3/2016 | 1,179 | 1.58 |
| Luxembourg 51.95% (2010 - 44.95%) | | | |
| Luxembourg Open-Ended Funds 51.95% (2010 - 44.95%) | | | |
| 2,150 | Allianz RCM Systematic Multi Strategy | 1,823 | 2.45 |
| 2,000 | Allianz RCM Volatility Strategy | 2,206 | 2.96 |
| 440,000 | db x-trackers - DBLCl-OY Balanced | 14,428 | 19.36 |
| 241,424 | db x-trackers - MSCI AC Asia ex Japan Index | 5,089 | 6.83 |
| 186,604 | db x-trackers - MSCI Emerging Market Index | 5,027 | 6.75 |
| 121 | UBS MSCI WORLD Index | 10,130 | 13.60 |
| | | 38,703 | 51.95 |
| United Kingdom 6.52% (2010 - 30.35%) | | | |
| Sterling Denominated Fixed Rate Government Bonds 6.38% (2010 - 30.35%) | | | |
| £1,274,000 | Treasury 9% Stock 2011 | 1,294 | 1.74 |
| £1,360,000 | Treasury 2.75% Stock 2015 | 1,395 | 1.87 |
| £850,000 | Treasury 4% Stock 2016 | 912 | 1.22 |
| £400,000 | Treasury 4.75% Stock 2020 | 441 | 0.59 |
| £636,000 | Treasury 5% Stock 2025 | 712 | 0.96 |
| | | 4,754 | 6.38 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|--|--------------------------|--------------------|
| Sterling Open Forward Exchange Contracts 0.14% (2010 - 0.00%) | | |
| Bought GBP 3,900,000 : Sold EUR 4,506,128 | (105) | (0.14) |
| Bought GBP 6,000,000 : Sold USD 9,653,304 | 209 | 0.28 |
| | 104 | 0.14 |
| United States of America 3.29% (2010 - 4.33%) | | |
| US Dollar Denominated Fixed Rate Debt Securities 3.29% (2010 - 4.33%) | | |
| \$3,903,000 US Treasury 3.125% Notes 31/1/2017 | 2,448 | 3.29 |
| Investment assets | 73,181 | 98.23 |
| Net other assets | 1,320 | 1.77 |
| Net assets | 74,501 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Portfolio Statement continued

Bond Ratings

| | 2011 | 2011 | 2010 | 2010 |
|----------------------|---------------------|------------------------|---------------------|------------------------|
| | Market Value | % of Net Assets | Market Value | % of Net Assets |
| | (£000s) | | (£000s) | |
| Investment Grade | 9,036 | 12.13 | 6,386 | 42.05 |
| Sub-investment Grade | 0 | 0.00 | 0 | 0.00 |
| Open-Ended Funds | 64,041 | 85.96 | 8,150 | 53.66 |
| Derivatives | 104 | 0.14 | 0 | 0.00 |
| Other assets | 1,320 | 1.77 | 652 | 4.29 |
| | 74,501 | 100.00 | 15,188 | 100.00 |

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases ¹ | Cost £000s | Sales ¹ | Proceeds £000s |
|--|----------------|--|-------------------|
| db x-trackers - DBLCI-OY Balanced | 14,749 | db x-trackers - MSCI Emerging Market Index | 9,399 |
| Lyxor ETF Commodities CRB | 13,262 | db x-trackers - MSCI AC Asia ex Japan Index | 8,933 |
| db x-trackers - MSCI Emerging Market Index | 12,203 | Treasury 4.75% Stock 2020 | 6,809 |
| db x-trackers - MSCI AC Asia ex Japan Index | 11,741 | iShares FTSE EPRA/NAREIT UK Property Fund | 5,569 |
| iShares JPMorgan \$ Emerging Markets Bond Fund | 9,647 | db x-trackers - DBLCI-OY Balanced | 4,306 |
| UBS MSCI WORLD Index | 8,447 | US Treasury 3.125% Notes 31/1/2017 | 3,263 |
| Treasury 4.75% Stock 2020 | 7,302 | Treasury 4% Stock 2016 | 3,135 |
| iShares FTSE EPRA/NAREIT UK Property Fund | 6,508 | Treasury 4.25% Stock 2011 | 3,132 |
| US Treasury 3.125% Notes 31/1/2017 | 5,494 | iShares JPMorgan \$ Emerging Markets Bond Fund | 3,046 |
| Treasury 4% Stock 2016 | 3,740 | Treasury 6.25% Stock 2010 | 2,907 |
| Treasury 2.75% Stock 2015 | 3,541 | Treasury 5% Stock 2025 | 2,681 |
| Treasury 5% Stock 2025 | 3,480 | Treasury 2.75% Stock 2015 | 2,130 |
| iShares FTSE EPRA/NAREIT Developed Markets | | UBS MSCI WORLD Index | 880 |
| Property Yield Fund | 2,986 | Treasury 9% Stock 2011 | 818 |
| Treasury 9% Stock 2011 | 2,165 | Germany (Federal Republic of) 3.75% Bonds 4/1/2017 | 278 |
| Allianz RCM Volatility Strategy | 1,923 | | |
| Treasury 4.25% Stock 2011 | 1,018 | | |
| Treasury 6.25% Stock 2010 | 809 | | |
| Allianz RCM Systematic Multi Strategy | 739 | | |
| Japan (Government of) 1.8% Bonds 20/3/2016 | 624 | | |
| Germany (Federal Republic of) 3.75% Bonds 4/1/2017 | 369 | | |
| Total purchases for the year | 110,747 | Total sales for the year | 57,286 |

¹ The table above shows all the purchases and sales during the year.

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|---------------|---------------|---------------|
| Income | | | | | |
| Net capital gains | 2 | | 5,744 | | 2,577 |
| Revenue | 3 | 676 | | 221 | |
| Expenses | 4 | (294) | | (99) | |
| Finance costs: Interest | 6 | (2) | | 0 | |
| Net revenue before taxation | | 380 | | 122 | |
| Taxation | 5 | (27) | | (22) | |
| Net revenue after taxation | | | 353 | | 100 |
| Total return before distributions | | | 6,097 | | 2,677 |
| Finance costs: Distributions | 6 | | (358) | | (99) |
| Change in net assets attributable to shareholders from investment activities | | | 5,739 | | 2,578 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Opening net assets attributable to shareholders | | 15,188 | | 10,735 |
| Amounts receivable on issue of shares | 56,562 | | 3,178 | |
| Less: Amounts payable on cancellation of shares | (3,466) | | (1,410) | |
| | | 53,096 | | 1,768 |
| Stamp duty reserve tax | | (5) | | (1) |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | 5,739 | | 2,578 |
| Retained distribution on accumulation shares | | 483 | | 108 |
| Closing net assets attributable to shareholders | | 74,501 | | 15,188 |

Notes to the financial statements are from pages 53 to 60.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|---------------|---------------|---------------|
| Assets | | | | | |
| Investment assets | | | 73,286 | | 14,536 |
| Debtors | 7 | 274 | | 138 | |
| Cash and bank balances | | 1,179 | | 651 | |
| Total other assets | | | 1,453 | | 789 |
| Total assets | | | 74,739 | | 15,325 |
| Liabilities | | | | | |
| Investment liabilities | | | (105) | | 0 |
| Creditors | 8 | (133) | | (137) | |
| Total other liabilities | | | (133) | | (137) |
| Total liabilities | | | (238) | | (137) |
| Net assets attributable to shareholders | | | 74,501 | | 15,188 |

Notes to the financial statements are from pages 53 to 60.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM Dynamic Growth Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital gains

| | 2011 | 2010 |
|-------------------------------------|--------------|--------------|
| | £000s | £000s |
| Gains on non-derivative securities | 5,469 | 2,613 |
| Gains (losses) on currency | 190 | (25) |
| Gains on forward currency contracts | 88 | 0 |
| Handling charges | (3) | (11) |
| Net capital gains | 5,744 | 2,577 |

3. Revenue

| | 2011 | 2010 |
|-------------------------------------|--------------|--------------|
| | £000s | £000s |
| ACD's fee rebates | 19 | 2 |
| Bank interest | 1 | 0 |
| Interest on fixed income securities | 228 | 12 |
| Overseas dividends - non-taxable | 229 | 118 |
| Overseas dividends - taxable | 199 | 54 |
| Stock dividends | 0 | 1 |
| UK dividends | 0 | 34 |
| Total revenue | 676 | 221 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 | 2010 |
|--|--------------|--------------|
| | £000s | £000s |
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 243 | 62 |
| Company secretarial costs | 1 | 1 |
| | 244 | 63 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 16 | 4 |
| Safe custody fees | 4 | 1 |
| | 20 | 5 |
| Other expenses: | | |
| Audit fee | 11 | 10 |
| Distribution costs | 3 | 4 |
| FT publication fees | 5 | 5 |
| Printing costs | 3 | 3 |
| Registration fees | 6 | 7 |
| Taxation advice | 2 | 2 |
| VAT recovered | (1) | (2) |
| Other expenses | 1 | 2 |
| | 30 | 31 |
| Total expenses | 294 | 99 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 £000s | 2010 £000s |
|--|---------------|---------------|
| a. Analysis of tax charge for the year: | | |
| Corporation tax | 24 | 0 |
| Double taxation relief | 0 | 0 |
| | 24 | 0 |
| Overseas tax suffered | 0 | 19 |
| Total current tax for the year (see Note 5(b)) | 24 | 19 |
| Deferred tax charge for the year | 3 | 3 |
| Total deferred tax for the year (see Note 5(c)) | 3 | 3 |
| Total tax for the year | 27 | 22 |

b. Factors affecting current tax charge for the year:

The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%).

The differences are explained below:

| | | |
|--|-----------|-----------|
| Net revenue before taxation | 380 | 122 |
| Corporation tax at 20% | 76 | 24 |
| Effects of: | | |
| Movement in revenue taxable in different periods | (6) | 9 |
| Overseas dividends - non-taxable | (46) | (24) |
| Overseas tax expensed | 0 | (2) |
| Overseas tax suffered | 0 | 19 |
| UK dividends not subject to corporation tax | 0 | (7) |
| Current tax charge for the year (see Note 5(a)) | 24 | 19 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

c. Deferred tax

| | | |
|--|----------|----------|
| Provision at the start of the year | 3 | 0 |
| Deferred tax charge for the year (see Note 5(a)) | 3 | 3 |
| Provision at the end of the year | 6 | 3 |

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Final | 483 | 108 |
| Add: Revenue deducted on cancellation of shares | 5 | 8 |
| Less: Revenue received on issue of shares | (130) | (17) |
| Net distributions for the year | 358 | 99 |
| Overdraft interest | 2 | 0 |
| Total finance costs | 360 | 99 |

Reconciliation of net revenue after taxation to net distributions for the year:

| | | |
|--|------------|-----------|
| Net revenue after taxation | 353 | 100 |
| Net revenue shortfall taken to capital | 5 | 0 |
| Stock dividends | 0 | (1) |
| Net distributions for the year | 358 | 99 |

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's fee rebates | 12 | 2 |
| Accrued revenue | 159 | 98 |
| Amounts receivable on issue of shares | 102 | 14 |
| Other prepaid expenses | 1 | 0 |
| Overseas tax recoverable | 0 | 24 |
| | 274 | 138 |

8. Creditors

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's annual fee | 58 | 13 |
| Amounts payable on cancellation of shares | 21 | 99 |
| Corporation tax payable | 24 | 0 |
| Deferred tax | 6 | 3 |
| Other accrued expenses | 24 | 22 |
| | 133 | 137 |

Notes to the Financial Statements continued

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

11. Shareholders funds

The Fund currently has three share classes; A, C and S. The ACD's annual fee on the share classes is as follows:

Class A: 1.25%

Class C: 0.50%

Class S: Nil

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 42.

The distribution per share is given in the Distribution Table on page 44.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

Notes to the Financial Statements continued

13. Derivatives and other financial instruments**a. Currency exposure**

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | Other | Other | Net | | Other | Other | Net |
|--|---------------|--------------|--------------|---------------|---------------|------------|--------------|---------------|
| | 30th April | Assets | Liabilities | Currency | Investments | Assets | Liabilities | Currency |
| | 2011 | 30th April | 30th April | Exposure | 30th April | 30th April | 30th April | Exposure |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 41,380 | 890 | (133) | 42,137 | 9,870 | 682 | (137) | 10,415 |
| Euro | 14,710 | 140 | 0 | 14,850 | 3,451 | 6 | 0 | 3,457 |
| Japanese Yen | 1,179 | 34 | 0 | 1,213 | 557 | 31 | 0 | 588 |
| Swiss Franc | 0 | 0 | 0 | 0 | 0 | 24 | 0 | 24 |
| Taiwan Dollar | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 |
| US Dollar | 15,912 | 388 | 0 | 16,300 | 658 | 45 | 0 | 703 |
| Total per the balance sheet | 73,181 | 1,453 | (133) | 74,501 | 14,536 | 789 | (137) | 15,188 |

Notes to the Financial Statements continued

b. Interest rate risk profile

The table below summarises in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on page 6-7 explains the different types of risk the Fund may face.

| Currency | Fixed Rate | Floating Rate | Nil | Total | Fixed Rate | Floating Rate | Nil | Total |
|---|--------------|---------------|---------------|---------------|--------------|---------------|--------------|---------------|
| | Interest | Interest | Interest | | Interest | Interest | Interest | |
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Financial assets | | | | | | | | |
| Sterling | 4,754 | 698 | 36,626 | 42,078 | 4,609 | 580 | 4,459 | 9,648 |
| Euro | 655 | 132 | 14,160 | 14,947 | 562 | 0 | 3,691 | 4,253 |
| Japanese Yen | 1,179 | 32 | 0 | 1,211 | 557 | 30 | 0 | 587 |
| Taiwan Dollar | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 |
| US Dollar | 2,448 | 316 | 13,464 | 16,228 | 658 | 40 | 0 | 698 |
| Total financial assets | 9,036 | 1,179 | 64,250 | 74,465 | 6,386 | 651 | 8,150 | 15,187 |
| Financial liabilities | | | | | | | | |
| Euro | 0 | 0 | (105) | (105) | 0 | 0 | 0 | 0 |
| Total financial liabilities | 0 | 0 | (105) | (105) | 0 | 0 | 0 | 0 |
| Total financial instruments | 9,036 | 1,179 | 64,145 | 74,360 | 6,386 | 651 | 8,150 | 15,187 |
| Short term debtors and creditors | | | | 141 | | | | 1 |
| Net assets per the balance sheet | | | | 74,501 | | | | 15,188 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

Notes to the Financial Statements continued

Fixed Rate Financial Assets

| Currency | Weighted average running yield % | Weighted average period to which rate is fixed (years) |
|------------------------|---|--|
| 30th April 2011 | | |
| Sterling | 4.98 | 5.08 |
| Euro | 3.56 | 5.69 |
| Japanese Yen | 1.69 | 4.89 |
| US Dollar | 2.99 | 5.76 |
| 30th April 2010 | | |
| Sterling | 5.00 | 1.11 |
| Euro | 3.48 | 6.69 |
| Japanese Yen | 1.68 | 5.89 |
| US Dollar | 3.11 | 6.76 |

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|----------------|---------------|---------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 110,713 | | 21,406 |
| Commissions | 34 | | 11 | |
| Taxes | 0 | | 2 | |
| Total purchase costs | | 34 | | 13 |
| Gross purchase total | | 110,747 | | 21,419 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 57,301 | | 19,880 |
| Commissions | (15) | | (8) | |
| Taxes | 0 | | (1) | |
| Total sales costs | | (15) | | (9) |
| Total sales net of transaction costs | | 57,286 | | 19,871 |

Allianz RCM Japan Fund

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Fund Information

Investment Objective and Policy

The Allianz RCM Japan Fund aims to achieve capital growth through investment in leading Japanese shares and other permitted equity based investment instruments.

The Fund's main emphasis is on companies with larger market capitalisation. Exposure to smaller companies may be obtained either through the purchase of shares or through warrants up to the permitted limit.

Fund Details

| | |
|--|-------------------------------------|
| Fund Manager | Kazuyuki Terao |
| Benchmark | TOPIX |
| Income allocation date | 30th April |
| Income pay date | 30th June |
| Launch date | 16th May 2002 |
| ISA status | Yes |
| Share Classes and types of Shares | A (Accumulation Shares) |
| Minimum investment | Lump sum £500 Monthly saving £50 |
| Initial charge | 4% |
| Annual ACD fee | 1.5% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2009 | 25,124 | 7,922,236 | 317.1 |
| | 30th April 2010 | 24,329 | 6,094,679 | 399.2 |
| | 30th April 2011 | 19,613 | 5,297,595 | 370.2 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| A Shares | 2006 | 489.4 | 379.8 |
| | 2007 | 439.6 | 374.9 |
| | 2008 | 401.0 | 283.8 |
| | 2009 | 360.5 | 276.4 |
| | 2010 | 414.6 | 347.4 |
| | 2011 ¹ | 418.6 | 341.7 |

¹For the period to 30th April 2011

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------------|
| A Shares | 2006 | 0.0000 |
| | 2007 | 0.0000 |
| | 2008 | 0.4003 |
| | 2009 | 1.4387 |
| | 2010 | 0.0000 |
| | 2011 ¹ | 0.8972 |

¹For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|------------|
| A Shares | 30th April 2010 | 1.66 |
| | 30th April 2011 | 1.68 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

For the year ended 30th April 2011

Final

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 0.8972 | - | 0.8972 | 0.0000 |
| Group 2 | 0.7228 | 0.1744 | 0.8972 | 0.0000 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, 1st May 2010 to 30th April 2011, the Fund's 'A' class produced a total return of -7.25%. The Fund's benchmark, the TOPIX, produced a total return of -6.23% over the period.*

The key reasons for this underperformance came from our exposure to technology and property stocks which are sensitive to the economic environment. Toshiba and Mitsui Hudosan were examples of stocks that detracted from performance. Their share price dropped as a result of the Tohoku earthquake which occurred in March 2011. On the other hand, commodities and machinery stocks helped performance as demand from China and other developing countries had been strong over the period. Stocks that improved performance in these sectors were Itochu and SMC.

Market Background

The Japanese equity market declined during the year under review. The sovereign debt issues in peripheral Europe caused a correction to the equity market before summer. We then saw equities rebound following the second round of quantitative easing (QE2) by the Federal Reserve Bank and a slight global economic recovery. However, equity markets fell sharply in the wake of the earthquake and subsequent accident at the Fukushima nuclear plant. The lost capital is estimated to be in the region of 3-4% of GDP which is higher than previous natural disasters. In response to this, the Bank of Japan eased monetary policy in order to support the economy, which in turn improved investor's sentiment. In terms of specific sectors, oil, rubber and machinery performed well, whilst financials and utilities underperformed.

Portfolio Review

In the Fund, we increased our exposure to financials because we feel these stocks have a relatively low valuation and look oversold. We also increased our holdings in stocks which have a turnaround opportunity. These stocks include machinery and technology companies. We also reduced our holdings in steel stocks as earnings are likely to suffer from the rising input costs and weaker demand.

Outlook

We expect the Japanese economy will slow down in the first half of 2011 due to the negative effects caused by the earthquake. We predict we will see negative results in the first half of 2011 as production will not recover fully due to a shortage of components and power supply. It is difficult to identify when this issue will be resolved. However, it appears as though the market has already priced these negatives. For the time being the equity market may fluctuate depending on the US economy and global commodity prices. The Bank of Japan is very supportive of financial markets and a supplementary budget will come through towards 2012. As the 'price to book' ratio of the equity market is very low in absolute and historical terms, it offers good investment opportunities.

9th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets | |
|---|----------------------------|--------------------|--------------|
| JAPAN 96.43% (2010 - 98.41%) | | | |
| Automobiles & Parts 11.22% (2010 - 12.55%) | | | |
| 43,300 | Honda Motor | 1,016 | 5.18 |
| 24,200 | Toyota Motor | 577 | 2.94 |
| 33,000 | Unipres | 420 | 2.14 |
| 45,000 | U-Shin | 187 | 0.96 |
| | | 2,200 | 11.22 |
| Banks 9.78% (2010 - 9.66%) | | | |
| 363,000 | Aozora Bank | 467 | 2.38 |
| 175,000 | Mitsubishi Tokyo Financial | 499 | 2.54 |
| 353,000 | Mizuho Financial | 331 | 1.69 |
| 33,700 | Sumitomo Mitsui Financial | 621 | 3.17 |
| | | 1,918 | 9.78 |
| Beverages 0.00% (2010 - 0.45%) | | | |
| Chemicals 1.19% (2010 - 5.52%) | | | |
| 30,000 | Nippon Shokubai | 233 | 1.19 |
| Construction & Materials 2.17% (2010 - 3.83%) | | | |
| 243,000 | Nippon Sheet Glass | 426 | 2.17 |
| Electronic & Electrical Equipment 7.50% (2010 - 2.83%) | | | |
| 125,000 | Hitachi | 404 | 2.06 |
| 5,800 | Murata Manufacturing | 250 | 1.27 |
| 12,000 | Nidec | 622 | 3.17 |
| 78,000 | Pioneer | 195 | 1.00 |
| | | 1,471 | 7.50 |
| Financial Services 2.46% (2010 - 4.34%) | | | |
| 8,300 | Orix | 483 | 2.46 |
| Food & Drug Retailers 1.80% (2010 - 0.00%) | | | |
| 12,100 | Lawson | 354 | 1.80 |
| Food Producers 1.58% (2010 - 1.35%) | | | |
| 47,000 | Ajinomoto | 310 | 1.58 |
| Forestry & Paper 0.00% (2010 - 0.57%) | | | |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|--|-----------------------|--------------------|
| General Retailers 5.98% (2010 - 3.66%) | | |
| 18,000 Benesse | 448 | 2.28 |
| 22,400 K's | 416 | 2.12 |
| 11,200 Ryohin Keikaku | 308 | 1.58 |
| | 1,172 | 5.98 |
| Household Goods 3.18% (2010 - 2.04%) | | |
| 28,000 Daiwa House Industries | 200 | 1.02 |
| 34,000 Nikon | 424 | 2.16 |
| | 624 | 3.18 |
| Industrial Engineering 5.48% (2010 - 7.92%) | | |
| 22,000 Amada | 105 | 0.54 |
| 2,400 Fanuc | 238 | 1.21 |
| 21,000 Nippon Electric Glass | 189 | 0.96 |
| 5,000 SMC | 543 | 2.77 |
| | 1,075 | 5.48 |
| Industrial Metals & Mining 3.74% (2010 - 5.27%) | | |
| 26,000 Hitachi Metals | 204 | 1.04 |
| 95,000 Makino Milling Machine | 529 | 2.70 |
| | 733 | 3.74 |
| Industrial Transportation 0.89% (2010 - 0.69%) | | |
| 53,000 Mitsui O.S.K. Lines | 175 | 0.89 |
| Leisure Goods 2.98% (2010 - 3.47%) | | |
| 1,300 Nintendo | 184 | 0.94 |
| 24,100 Sony | 401 | 2.04 |
| | 585 | 2.98 |
| Life Insurance 2.00% (2010 - 2.02%) | | |
| 400 Dai-ichi Life Insurance | 393 | 2.00 |
| Media 0.00% (2010 - 1.93%) | | |
| Mobile Telecommunications 1.01% (2010 - 2.10%) | | |
| 50 KDDI | 198 | 1.01 |
| Non Life Insurance 0.00% (2010 - 0.81%) | | |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| Oil & Gas 5.19% (2010 - 0.97%) | | |
| 142,000 JX | 588 | 3.00 |
| 163,000 Tokyo Gas | 430 | 2.19 |
| | 1,018 | 5.19 |
| Personal Goods 0.97% (2010 - 0.56%) | | |
| 9,400 Pigeon | 191 | 0.97 |
| Pharmaceuticals and Biotechnology 3.89% (2010 - 1.85%) | | |
| 9,700 Takeda Pharmaceuticals | 280 | 1.43 |
| 26,000 Tsumura & Co | 482 | 2.46 |
| | 762 | 3.89 |
| Real Estate 2.35% (2010 - 3.71%) | | |
| 45,000 Mitsui Fudosan | 460 | 2.35 |
| Support Services 4.52% (2010 - 5.69%) | | |
| 34,000 Itochu | 211 | 1.07 |
| 64,000 Mitsui | 676 | 3.45 |
| | 887 | 4.52 |
| Technology Hardware & Equipment 10.27% (2010 - 10.34%) | | |
| 42,000 Advantest | 495 | 2.52 |
| 25,400 Canon | 712 | 3.63 |
| 30,500 Fuji Photo Film | 564 | 2.88 |
| 66,000 Nihon Unisys | 243 | 1.24 |
| | 2,014 | 10.27 |
| Telecommunications 3.73% (2010 - 2.13%) | | |
| 26,500 Nippon Telegraph & Telephone | 732 | 3.73 |
| Travel & Leisure 2.55% (2010 - 2.15%) | | |
| 9,000 East Japan Railway | 297 | 1.51 |
| 4,000 Oriental Land | 202 | 1.04 |
| | 499 | 2.55 |
| Investment assets | 18,913 | 96.43 |
| Net other assets | 700 | 3.57 |
| Net assets | 19,613 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales | Proceeds £000s |
|-------------------------------------|---------------|---------------------------------|-------------------|
| Tokyo Electric Power | 910 | Itochu | 904 |
| Toyota Motor | 811 | Tokyo Electric Power | 846 |
| Mitsui | 761 | Toyota Motor | 797 |
| Takeda Pharmaceuticals | 718 | Mitsubishi Estate | 673 |
| Nintendo | 683 | UNY | 670 |
| Dai-Ichi Life Insurance | 658 | Nissan Motor | 627 |
| Mitsui Fudosan | 653 | Tokyo Tatemono | 590 |
| Benesse | 643 | T&D | 583 |
| MS&AD | 585 | MS&AD | 547 |
| Nidec | 536 | Mitsubishi Materials | 541 |
| Ajinomoto | 525 | Fanuc | 512 |
| Tsumura & Co | 518 | KDDI | 512 |
| Unipres | 516 | Chiyoda | 511 |
| Makino Milling Machine | 504 | Orix | 508 |
| K's | 502 | Shionogi | 507 |
| Aozora Bank | 499 | Nintendo | 459 |
| JX | 483 | Takeda Pharmaceuticals | 459 |
| Advantest | 473 | Toshiba | 453 |
| Canon | 469 | Keihin | 436 |
| Fanuc | 466 | Nippon Television | 421 |
| Other purchases | 12,024 | Other sales | 15,565 |
| Total purchases for the year | 23,937 | Total sales for the year | 27,121 |

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|----------------|---------------|---------------|
| Income | | | | | |
| Net capital (losses) gains | 2 | | (1,869) | | 5,687 |
| Revenue | 3 | 447 | | 396 | |
| Expenses | 4 | (362) | | (412) | |
| Finance costs: Interest | 6 | (2) | | (1) | |
| Net revenue (expense) before taxation | | 83 | | (17) | |
| Taxation | 5 | (31) | | (28) | |
| Net revenue (expense) after taxation | | | 52 | | (45) |
| Total return before distributions | | | (1,817) | | 5,642 |
| Finance costs: Distributions | 6 | | (52) | | 0 |
| Change in net assets attributable to shareholders from investment activities | | | (1,869) | | 5,642 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Opening net assets attributable to shareholders | | 24,329 | | 25,124 |
| Amounts receivable on issue of shares | 4,125 | | 2,647 | |
| Less: Amounts payable on cancellation of shares | (7,020) | | (9,084) | |
| | | (2,895) | | (6,437) |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | (1,869) | | 5,642 |
| Retained distribution on accumulation shares | | 48 | | 0 |
| Closing net assets attributable to shareholders | | 19,613 | | 24,329 |

Notes to the financial statements are from pages 72 to 78.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|----------------|---------------|---------------|
| Assets | | | | | |
| Investment assets | | | 18,913 | | 23,943 |
| Debtors | 7 | 1,933 | | 237 | |
| Cash and bank balances | | 318 | | 235 | |
| Total other assets | | | 2,251 | | 472 |
| Total assets | | | 21,164 | | 24,415 |
| Liabilities | | | | | |
| Creditors | 8 | (1,551) | | (86) | |
| Total other liabilities | | | (1,551) | | (86) |
| Total liabilities | | | (1,551) | | (86) |
| Net assets attributable to shareholders | | | 19,613 | | 24,329 |

Notes to the financial statements are from pages 72 to 78.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM Japan Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital (losses) gains

| | 2011 £000s | 2010 £000s |
|---|----------------|---------------|
| (Losses) gains on non-derivative securities | (1,846) | 5,654 |
| (Losses) gains on currency | (14) | 48 |
| Handling charges | (9) | (15) |
| Net capital (losses) gains | (1,869) | 5,687 |

3. Revenue

| | 2011 £000s | 2010 £000s |
|----------------------------------|---------------|---------------|
| Overseas dividends - non-taxable | 447 | 443 |
| Overseas dividends - taxable | 0 | (47) |
| Total revenue | 447 | 396 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 £000s | 2010 £000s |
|--|---------------|---------------|
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 324 | 373 |
| Company secretarial costs | 1 | 1 |
| | 325 | 374 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 8 | 9 |
| Safe custody fees | 3 | 4 |
| | 11 | 13 |
| Other expenses: | | |
| Audit fee | 10 | 10 |
| Distribution costs | 1 | 0 |
| FT publication fees | 2 | 2 |
| Printing costs | 3 | 2 |
| Registration fees | 10 | 12 |
| Taxation advice | 2 | 1 |
| VAT recovered | (3) | (3) |
| Other expenses | 1 | 1 |
| | 26 | 25 |
| Total expenses | 362 | 412 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 £000s | 2010 £000s |
|---|---------------|---------------|
| a. Analysis of tax charge for the year: | | |
| Overseas tax suffered | 31 | 28 |
| Total current tax for the year (see Note 5(b)) | 31 | 28 |
| b. Factors affecting current tax charge for the year: | | |
| The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%). | | |
| The differences are explained below: | | |
| Net revenue (expense) before taxation | 83 | (17) |
| Corporation tax at 20% | 17 | (3) |
| Effects of: | | |
| Overseas dividends - non-taxable | (90) | (89) |
| Overseas tax expensed | 0 | (3) |
| Overseas tax suffered | 31 | 28 |
| Surplus allowable expenses arising in the year | 73 | 95 |
| Current tax charge for the year (see Note 5(a)) | 31 | 28 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

The Fund has not recognised a deferred tax asset of £943,000 (2010 - £870,000) as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Final | 48 | 0 |
| Add: Revenue deducted on cancellation of shares | 6 | 0 |
| Less: Revenue received on issue of shares | (2) | 0 |
| Net distributions for the year | 52 | 0 |
| Overdraft interest | 2 | 1 |
| Total finance costs | 54 | 1 |
| Reconciliation of net revenue after taxation to net distribution for the year: | | |
| Net revenue after taxation | 52 | (45) |
| Net revenue shortfall taken to capital | 0 | 45 |
| Total distributions for the year | 52 | 0 |

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued revenue | 172 | 188 |
| Amounts receivable on issue of shares | 32 | 0 |
| Foreign currency receivable | 432 | 49 |
| Sales awaiting settlement | 1,297 | 0 |
| | 1,933 | 237 |

Notes to the Financial Statements continued

8. Creditors

| | 2011 £000s | 2010 £000s |
|---|---------------|---------------|
| Accrued ACD's annual fee | 50 | 60 |
| Amounts payable on cancellation of shares | 25 | 8 |
| Foreign currency payable | 434 | 0 |
| Other accrued expenses | 20 | 18 |
| Purchases awaiting settlement | 1,022 | 0 |
| | 1,551 | 86 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

11. Shareholders funds

The Fund currently has one share class: A. The ACD's annual fee on the share class is as follows:

Class A: 1.50%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 63.

The distribution per share is given in the Distribution Table on page 64.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

Notes to the Financial Statements continued

13. Derivatives and other financial instruments**a. Currency exposure**

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | | Other Assets | | Other Liabilities | | Net Currency Exposure | |
|------------------------------------|---------------|--------------|----------------|---------------|-------------------|------------|-----------------------|---------------|
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 0 | 507 | (95) | 412 | 0 | 276 | (86) | 190 |
| Japanese Yen | 18,913 | 1,744 | (1,456) | 19,201 | 23,943 | 196 | 0 | 24,139 |
| Total per the balance sheet | 18,913 | 2,251 | (1,551) | 19,613 | 23,943 | 472 | (86) | 24,329 |

b. Interest rate risk profile

The table below summaries in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on page 6-7 explains the different types of risks the Fund may face.

| Currency | Floating Rate Interest | | Nil Interest | | Floating Rate Interest | | Nil Interest | |
|---|------------------------|------------|---------------|---------------|------------------------|------------|---------------|---------------|
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | |
| | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | |
| Financial assets | | | | | | | | |
| Sterling | | 43 | 0 | 43 | | 227 | 0 | 227 |
| Japanese Yen | | 275 | 18,913 | 19,188 | | 8 | 23,943 | 23,951 |
| Total financial assets | | 318 | 18,913 | 19,231 | | 235 | 23,943 | 24,178 |
| Total financial instruments | | 318 | 18,913 | 19,231 | | 235 | 23,943 | 24,178 |
| Short term debtors and creditors | | | | | | 382 | | 151 |
| Net assets per the balance sheet | | | | 19,613 | | | | 24,329 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Financial Statements continued

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 23,902 | | 25,963 |
| Commissions | 35 | | 36 | |
| Total purchase costs | | 35 | | 36 |
| Gross purchase total | | 23,937 | | 25,999 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 27,160 | | 32,152 |
| Commissions | (39) | | (43) | |
| Total sales costs | | (39) | | (43) |
| Total sales net of transaction costs | | 27,121 | | 32,109 |

Allianz RCM US Equity Fund

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Fund Information

Investment Objective and Policy

The Allianz RCM US Equity Fund aims to achieve capital growth through investment in leading North American companies.

The Fund invests mainly in the larger companies of the United States of America considered to have good prospects for increasing profits and selling on attractive price/earnings ratios. Investments may also be made in Canadian companies and, if particular opportunities are presented, investments may be made in medium and occasionally smaller sized US companies. The Fund's portfolio is based on the sector weightings of the US stock market and emphasis is placed on sectors expected to out perform relative to the market.

Fund Details

| | | |
|--|--|--|
| Fund Manager | Seung Minn | |
| Benchmark | S&P 500 Corporate | |
| Income allocation date | 30th April | |
| Income pay date | 30th June | |
| Launch date | A Shares | 20th June 2002 |
| | C Shares | 26th October 2009 |
| ISA status | Yes (A Shares only) | |
| Share Classes and types of Shares | A (Accumulation Shares) C (Accumulation Shares) | |
| Minimum investment | A Shares | Lump sum £500 Monthly saving £50 |
| | C Shares | Lump sum £100,000 Available only at the discretion of the ACD |
| Initial charge | A Shares | 4% |
| | C Shares | Nil |
| Annual ACD fee | A Shares | 1.5% |
| | C Shares | 0.75% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-----------------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2009 | 13,092 | 6,662,986 | 196.5 |
| | 30th April 2010 | 38,057 | 14,602,586 | 260.6 |
| | 30th April 2011 | 84,564 | 30,566,556 | 276.7 |
| C Shares ¹ | 30th April 2010 | 33,404 | 28,666,530 | 116.5 |
| | 30th April 2011 | 48,532 | 39,090,277 | 124.2 |

¹ On 26th October 2009, the Fund launched one additional share class, namely 'C' class (Accumulation).

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-----------------------|-------------------|----------------------|---------------------|
| A Shares | 2006 | 222.7 | 189.7 |
| | 2007 | 228.6 | 199.3 |
| | 2008 | 228.2 | 149.9 |
| | 2009 | 241.2 | 152.0 |
| | 2010 | 275.1 | 226.7 |
| | 2011 ² | 283.3 | 263.9 |
| C Shares ¹ | 2009 ³ | 107.2 | 95.4 |
| | 2010 | 123.1 | 101.1 |
| | 2011 ² | 127.0 | 118.3 |

¹ On 26th October 2009, the Fund launched one additional share class, namely 'C' class (Accumulation).

² For the period to 30th April 2011

³ For the period 26th October 2009 to 31st December 2009

Investment Performance continued

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-----------------------|-------------------|--------------------------------------|
| A Shares | 2006 | 0.0000 |
| | 2007 | 0.0000 |
| | 2008 | 0.0000 |
| | 2009 | 0.1761 |
| | 2010 | 0.0000 |
| | 2011 ² | 0.1930 |
| C Shares ¹ | 2010 | 0.3171 |
| | 2011 ² | 0.9566 |

¹ On 26th October 2009, the Fund launched one additional share class, namely 'C' class (Accumulation).

² For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-----------------------|-----------------|------------|
| A Shares | 30th April 2010 | 1.67 |
| | 30th April 2011 | 1.59 |
| C Shares ¹ | 30th April 2010 | 0.88 |
| | 30th April 2011 | 0.83 |

¹ On 26th October 2009, the Fund launched one additional share class, namely 'C' class (Accumulation).

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

For the year ended 30th April 2011

Final

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 0.1930 | - | 0.1930 | 0.0000 |
| Group 2 | 0.0000 | 0.1930 | 0.1930 | 0.0000 |
| Accumulation Shares | | | | |
| C Shares | | | | |
| Group 1 | 0.9566 | - | 0.9566 | 0.3171 |
| Group 2 | 0.3834 | 0.5732 | 0.9566 | 0.3171 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, 1st May 2010 to 30th April 2011, the Fund's 'A' class produced a total return of 5.94% and the 'C' class produced a total return of 6.74%. The Fund's benchmark, the S&P 500 Index, produced a total return of 7.57% over the year.*

Market Background

U.S. stocks rose during the twelve month period through 30th April 2011. The market's gains were fueled by better-than-expected economic reports, strong corporate profits and the Federal Reserve's \$600 billion bond buying program.

However, unrest in the Middle East and North Africa weighed on stocks late in the period. Stocks pulled back in late February of 2011 as the civil unrest that began in Tunisia and Egypt spread to Libya, OPEC's 10th largest crude oil exporter. Oil prices surged higher as oil producers began closing down operations in the country, disrupting supplies.

Reports released during the period boosted hopes the economy was moving from a recovery phase into expansion. Manufacturing expanded the jobs market and consumer confidence rose.

During the period, energy was the best performing sector in the S&P 500 Index, while telecommunications, materials, and industrials were also strong performers with each gaining over 20%. Conversely, financials and technology sectors underperformed.

Portfolio Review

Over the past twelve-months, sector allocation had positive contribution to the performance of the Allianz RCM US Equity Fund (UK), while stock selection detracted from performance.

Leading contributors to relative performance included National Oilwell Varco (+76% in the twelve month period ending April 2011), Freeport-McMoRan Copper & Gold (+49%), the Williams Cos. (+44%), as well as not owning Microsoft (-13%). Leading detractors included Cisco Systems (-35%), Lockheed Martin (-3%), Northern Trust (-7%), and Johnson & Johnson (+6%).¹

As mentioned, sector allocation had a positive affect on relative returns during the quarter. An overweight in energy and underweight in financials had the leading positive impact, while an overweight in health care and industrials had the largest negative impact.

Outlook

The prospects for U.S. equities in 2011 continue to look favorable. The economic recovery has entered into its second year and real GDP is growing at a 2.5%–3.0% year/year pace. Prospects for capital spending in the economy, and industrial sector stocks in particular, have improved with strong growth in the emerging market economies, advantageous tax provisions for equipment spending in 2011, strong profit and cash flow growth, and a rising capacity utilization rate.

Consumer spending growth remains somewhat guarded as home prices are still falling, and prices of essential goods like energy, food and clothing have been on the rise. However, private payroll employment growth has stabilized in recent months and appears to be holding up consumer confidence. Payroll growth is a critical area we continue to monitor.

In terms of policy, while the Fed's quantitative easing program will lapse at the end of June, there is no indication a tightening campaign will start before 2012, as current inflation pressures are judged to be transitory. Measures to rein in the fiscal deficit over the intermediate term are also under serious discussion, and we would expect clear proposals to be formed as the debt ceiling limit approaches. Higher oil prices present the most immediate threat to U.S. economic prospects. We are closely watching developments in the Middle East and North Africa.

In the coming months, we will continue to adhere to our investment process and remain focused on identifying undervalued companies undergoing positive change.

13th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices. Returns for the Fund and the S&P 500 Index are stated in GBP.

¹ Stock returns are stated in local currency (USD).

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets |
|---|--------------------|-----------------|
| NORTH AMERICA 96.78% (2010 - 95.44%) | | |
| United States 96.78% (2010 - 95.44%) | | |
| Aerospace & Defence 6.25% (2010- 10.68%) | | |
| 122,700 Boeing | 5,868 | 4.41 |
| 115,740 FLIR Systems | 2,445 | 1.84 |
| | 8,313 | 6.25 |
| Banks 8.55% (2010 - 4.93%) | | |
| 117,500 JP Morgan Chase | 3,214 | 2.41 |
| 85,250 Northern Trust | 2,554 | 1.92 |
| 46,890 PNC Financial | 1,753 | 1.32 |
| 92,430 US Bancorp | 1,431 | 1.08 |
| 139,460 Wells Fargo | 2,433 | 1.82 |
| | 11,385 | 8.55 |
| Beverages 2.92% (2010 - 2.30%) | | |
| 94,190 PepsiCo | 3,889 | 2.92 |
| Chemicals 1.70% (2010 - 1.55%) | | |
| 39,440 Air Products & Chemicals | 2,257 | 1.70 |
| Fixed Line Telecommunications 4.71% (2010 - 3.87%) | | |
| 202,600 AT&T | 3,779 | 2.84 |
| 109,700 Verizon Communications | 2,483 | 1.87 |
| | 6,262 | 4.71 |
| Food & Drug Retailers 0.00% (2010 - 1.98%) | | |
| Food Producers 2.80% (2010 - 1.86%) | | |
| 168,230 Archer Daniels Midland | 3,733 | 2.80 |
| General Finance 2.23% (2010 - 2.80%) | | |
| 76,420 Morgan Stanley | 1,198 | 0.90 |
| 132,200 SEI Investments | 1,769 | 1.33 |
| | 2,967 | 2.23 |
| General Industrials 4.36% (2010 - 3.75%) | | |
| 473,060 General Electric | 5,800 | 4.36 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|--|-----------------------|--------------------|
| General Retailers 4.46% (2010 - 5.64%) | | |
| 136,800 eBay | 2,821 | 2.12 |
| 94,400 Wal-Mart | 3,111 | 2.34 |
| | 5,932 | 4.46 |
| Health Care Equipment & Services 3.53% (2010 - 5.37%) | | |
| 117,490 Medtronic | 2,939 | 2.21 |
| 41,720 Varian Medical Systems | 1,756 | 1.32 |
| | 4,695 | 3.53 |
| Household Goods 2.27% (2010 - 2.81%) | | |
| 77,710 Procter & Gamble | 3,023 | 2.27 |
| Industrial Engineering 0.63% (2010 - 0.71%) | | |
| 12,150 Caterpillar | 841 | 0.63 |
| Industrial Metals 2.11% (2010 - 1.09%) | | |
| 85,200 Freeport-McMoran | 2,810 | 2.11 |
| Leisure Goods 1.84% (2010 - 1.16%) | | |
| 191,290 Activision Blizzard | 1,305 | 0.98 |
| 94,990 Electronic Arts | 1,149 | 0.86 |
| | 2,454 | 1.84 |
| Life Insurance 2.07% (2010 - 1.48%) | | |
| 98,500 MetLife | 2,761 | 2.07 |
| Non-Life Insurance 0.97% (2010 - 1.16%) | | |
| 32,920 Chubb | 1,287 | 0.97 |
| Oil & Gas Producers 7.53% (2010 - 6.89%) | | |
| 61,230 ChevronTexaco | 4,018 | 3.01 |
| 113,940 Exxon Mobil | 6,010 | 4.52 |
| | 10,028 | 7.53 |
| Oil Equipment, Services & Distribution 8.44% (2010 - 8.18%) | | |
| 68,190 Cameron International | 2,155 | 1.62 |
| 54,200 National Oilwell | 2,492 | 1.87 |
| 78,400 Schlumberger | 4,218 | 3.17 |
| 118,900 Williams | 2,365 | 1.78 |
| | 11,230 | 8.44 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| Pharmaceuticals & Biotechnology 9.05% (2010 - 9.81%) | | |
| 102,200 Abbott Laboratories | 3,188 | 2.40 |
| 98,000 Amgen | 3,340 | 2.50 |
| 66,510 Johnson & Johnson | 2,620 | 1.97 |
| 230,600 Pfizer | 2,898 | 2.18 |
| | 12,046 | 9.05 |
| Software & Computer Services 5.45% (2010 - 3.26%) | | |
| 160,180 Adobe | 3,222 | 2.42 |
| 81,460 Autodesk | 2,196 | 1.65 |
| 71,900 Nuance Communications | 892 | 0.67 |
| 28,330 Intuit | 944 | 0.71 |
| | 7,254 | 5.45 |
| Technology Hardware & Equipment 13.67% (2010 - 12.03%) | | |
| 8,750 Apple | 1,831 | 1.38 |
| 41,700 Brocade Communication Systems | 156 | 0.12 |
| 205,000 Cisco Systems | 2,153 | 1.62 |
| 246,600 Corning | 3,094 | 2.32 |
| 169,720 EMC | 2,883 | 2.17 |
| 256,950 Intel | 3,566 | 2.68 |
| 81,800 Qualcomm | 2,787 | 2.09 |
| 80,720 Texas Instruments | 1,719 | 1.29 |
| | 18,189 | 13.67 |
| Travel & Leisure 1.24% (2010 - 2.13%) | | |
| 35,300 McDonald's | 1,657 | 1.24 |
| Investment assets | 128,813 | 96.78 |
| Net other assets | 4,283 | 3.22 |
| Net assets | 133,096 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales | Proceeds £000s |
|-------------------------------------|---------------|---------------------------------|-------------------|
| General Electric | 3,187 | Lockheed Martin | 2,135 |
| Abbott Laboratories | 3,102 | Johnson & Johnson | 1,757 |
| Exxon Mobil | 3,022 | Walgreen | 1,425 |
| Qualcomm | 2,983 | Baxter | 1,411 |
| Boeing | 2,977 | National Oilwell | 1,365 |
| Northern Trust | 2,856 | Genzyme | 1,327 |
| Freeport-McMoran | 2,822 | Bank Of America | 1,112 |
| Adobe | 2,629 | Raytheon | 1,084 |
| Wells Fargo | 2,433 | Freeport-McMoran | 1,035 |
| PepsiCo | 2,399 | Starbucks | 1,033 |
| Schlumberger | 2,106 | Weatherford | 978 |
| AT&T | 2,103 | McDonald's | 907 |
| Archer Daniels Midland | 2,082 | Wal-Mart | 876 |
| Corning | 2,079 | Intuit | 750 |
| JP Morgan Chase | 1,885 | Qualcomm | 698 |
| Amgen | 1,882 | Texas Instruments | 617 |
| Cisco Systems | 1,863 | Cameron International | 603 |
| Intel | 1,857 | L 3 Communications | 584 |
| Williams | 1,804 | Cisco Systems | 521 |
| MetLife | 1,792 | Apple | 520 |
| Chevron Texaco | 1,739 | | |
| PNC Financial | 1,666 | | |
| EMC | 1,511 | | |
| Wall-Mart | 1,509 | | |
| Verizon Communications | 1,495 | | |
| Medtronic | 1,493 | | |
| McDonald's | 1,448 | | |
| Other purchases | 22,241 | Other sales | 5,712 |
| Total purchases for the year | 80,965 | Total sales for the year | 26,450 |

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|---------------|---------------|---------------|
| Income | | | | | |
| Net capital gains | 2 | | 6,095 | | 6,521 |
| Revenue | 3 | 1,686 | | 404 | |
| Expenses | 4 | (1,109) | | (366) | |
| Net revenue before taxation | | 577 | | 38 | |
| Taxation | 5 | (248) | | (60) | |
| Net revenue (expense) after taxation | | | 329 | | (22) |
| Total return before distributions | | | 6,424 | | 6,499 |
| Finance costs: Distributions | 6 | | (329) | | (21) |
| Change in net assets attributable to shareholders from investment activities | | | 6,095 | | 6,478 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|----------------|---------------|---------------|
| Opening net assets attributable to shareholders | | 71,461 | | 13,092 |
| Amounts receivable on issue of shares | 82,332 | | 54,277 | |
| Less: Amounts payable on cancellation of shares | (27,225) | | (2,477) | |
| | | 55,107 | | 51,800 |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | 6,095 | | 6,478 |
| Retained distribution on accumulation shares | | 433 | | 91 |
| Closing net assets attributable to shareholders | | 133,096 | | 71,461 |

Notes to the financial statements are from pages 91 to 97.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|----------------|---------------|----------------|
| Assets | | | | | |
| Investment assets | | | 128,813 | | 68,202 |
| Debtors | 7 | 3,115 | | 2,169 | |
| Cash and bank balances | | 3,580 | | 3,369 | |
| Total other assets | | | 6,695 | | 5,538 |
| Total assets | | | 135,508 | | 73,740 |
| Liabilities | | | | | |
| Creditors | 8 | (2,412) | | (2,279) | |
| Total other liabilities | | | (2,412) | | (2,279) |
| Total liabilities | | | (2,412) | | (2,279) |
| Net assets attributable to shareholders | | | 133,096 | | 71,461 |

Notes to the financial statements are from pages 91 to 97.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM US Equity Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital gains

| | 2011 | 2010 |
|------------------------------------|--------------|--------------|
| | £000s | £000s |
| Gains on non-derivative securities | 6,145 | 6,613 |
| Losses on currency | (31) | (74) |
| Handling charges | (19) | (18) |
| Net capital gains | 6,095 | 6,521 |

3. Revenue

| | 2011 | 2010 |
|----------------------------------|--------------|--------------|
| | £000s | £000s |
| Bank interest | 1 | 0 |
| Overseas dividends - non-taxable | 1,685 | 380 |
| Overseas dividends - taxable | 0 | 24 |
| Total revenue | 1,686 | 404 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 £000s | 2010 £000s |
|--|---------------|---------------|
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 1,040 | 326 |
| Company secretarial costs | 1 | 1 |
| | 1,041 | 327 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 24 | 8 |
| Safe custody fees | 7 | 2 |
| | 31 | 10 |
| Other expenses: | | |
| Audit fee | 10 | 10 |
| Distribution costs | 4 | 1 |
| FT publication fees | 3 | 2 |
| Printing costs | 4 | 2 |
| Registration fees | 18 | 12 |
| Taxation advice | 2 | 1 |
| VAT recovered | (5) | (2) |
| Other expenses | 1 | 3 |
| | 37 | 29 |
| Total expenses | 1,109 | 366 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| a. Analysis of tax charge for the year: | | |
| Overseas tax suffered | 248 | 60 |
| Total current tax for the year (see Note 5(b)) | 248 | 60 |
| b. Factors affecting current tax charge for the year: | | |
| The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%). | | |
| The differences are explained below: | | |
| Net revenue before taxation | 577 | 38 |
| Corporation tax at 20% | 115 | 8 |
| Effects of: | | |
| Overseas dividends - non-taxable | (337) | (76) |
| Overseas tax suffered | 248 | 60 |
| Surplus allowable expenses arising in the year | 222 | 68 |
| Current tax charge for the year (see Note 5(a)) | 248 | 60 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

The Fund has not recognised a deferred tax asset of £1,125,000 (2010 - £903,000) arising as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Final | 433 | 91 |
| Add: Revenue deducted on cancellation shares | 43 | 0 |
| Less: Revenue received on issue of shares | (147) | (70) |
| Net distributions for the year | 329 | 21 |
| Reconciliation of net revenue (expense) after taxation to net distribution for the year: | | |
| Net revenue (expense) after taxation | 329 | (22) |
| Net revenue shortfall taken to capital | 0 | 43 |
| Net distributions for the year | 329 | 21 |

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued revenue | 159 | 56 |
| Amounts receivable on issue of shares | 1,693 | 2,099 |
| Foreign currency receivable | 1,070 | 0 |
| Sales awaiting settlement | 193 | 14 |
| | 3,115 | 2,169 |

8. Creditors

| | 2011 | 2010 |
|-------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's annual fee | 235 | 104 |
| Foreign currency payable | 1,066 | 0 |
| Purchases awaiting settlement | 1,082 | 2,154 |
| Other accrued expenses | 29 | 21 |
| | 2,412 | 2,279 |

Notes to the Financial Statements continued

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 -£Nil).

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

11. Shareholders funds

The Fund currently has two share classes; A and C. The ACD's annual fee on the share classes is as follows:

Class A: 1.50%

Class C: 0.75%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 81.

The distribution per share is given in the Distribution Table on page 83.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

Notes to the Financial Statements continued

13. Derivatives and other financial instruments**a. Currency exposure**

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | | Other Assets | | Other Liabilities | | Net Currency Exposure | |
|------------------------------------|----------------|--------------|----------------|----------------|-------------------|--------------|-----------------------|---------------|
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 0 | 4,808 | (678) | 4,130 | 0 | 4,274 | (125) | 4,149 |
| US Dollar | 128,813 | 1,887 | (1,734) | 128,966 | 68,202 | 1,264 | (2,154) | 67,312 |
| Total per the balance sheet | 128,813 | 6,695 | (2,412) | 133,096 | 68,202 | 5,538 | (2,279) | 71,461 |

b. Interest rate risk profile

The table below summarises in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on page 6-7 explains the different types of risks the Fund may face.

| Currency | Floating Rate Interest | | Nil Interest | | Floating Rate Interest | | Nil Interest | |
|---|------------------------|--------------|----------------|----------------|------------------------|---------------|---------------|------------|
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Financial assets | | | | | | | | |
| Sterling | | 2,458 | 0 | 2,458 | 2,175 | 0 | 2,175 | |
| US Dollar | | 1,122 | 128,813 | 129,935 | 1,194 | 68,202 | 69,396 | |
| Total financial assets | | 3,580 | 128,813 | 132,393 | 3,369 | 68,202 | 71,571 | |
| Total financial instruments | | 3,580 | 128,813 | 132,393 | 3,369 | 68,202 | 71,571 | |
| Short term debtors and creditors | | | | 703 | | | (110) | |
| Net assets per the balance sheet | | | | 133,096 | | | 71,461 | |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

Notes to the Financial Statements continued

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 80,902 | | 55,568 |
| Commissions | 63 | | 43 | |
| Total purchase costs | | 63 | | 43 |
| Gross purchase total | | 80,965 | | 55,611 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 26,472 | | 6,707 |
| Commissions | (22) | | (6) | |
| Total sales costs | | (22) | | (6) |
| Total sales net of transaction costs | | 26,450 | | 6,701 |

Allianz RCM Total Return Asian Equity Fund

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Fund Information

Investment Objective and Policy

The objective of the Fund is to maximise total return through dividend yield and capital appreciation.

The ACD aims to achieve the objective by investing in high yielding or undervalued securities of companies in Asia, excluding Japan. The portfolio will consist of a concentrated range of securities from any sector in the MSCI AC Far East (ex Japan) Index and may include the securities of smaller companies.

The ACD may also utilise deposits and money market instruments in the management of the portfolio. The Fund may also invest in collective investment schemes.

Fund Details

| | | |
|--|--|--|
| Fund Manager | Ronald Chan | |
| Benchmark | MSCI AC Far East (ex Japan) | |
| Income allocation dates | 30th April 31st October | |
| Income pay dates | 30th June 31st December | |
| Launch dates | A Shares | 20th June 2002 |
| | C Shares | 2nd November 2006 |
| ISA status | Yes (A Shares only) | |
| Share Classes and types of Shares | A (Accumulation Shares) C (Income Shares) | |
| Minimum investment | A Shares | Lump sum £500 Monthly saving £50 |
| | C Shares | Lump sum £100,000 Available only at the discretion of the ACD |
| Initial charge | A Shares | 4% |
| | C Shares | Nil |
| Annual ACD fee | A Shares | 1.75% |
| | C Shares | 1% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2009 | 36,922 | 10,835,991 | 340.7 |
| | 30th April 2010 | 48,328 | 10,039,771 | 481.4 |
| | 30th April 2011 | 46,884 | 8,294,354 | 565.3 |
| C Shares | 30th April 2009 | 8,276 | 2,479,734 | 333.8 |
| | 30th April 2010 | 9,732 | 2,095,824 | 464.4 |
| | 30th April 2011 | 9,976 | 1,848,785 | 539.6 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| A Shares | 2006 | 359.0 | 290.4 |
| | 2007 | 529.3 | 341.9 |
| | 2008 | 473.9 | 226.7 |
| | 2009 | 452.8 | 270.4 |
| | 2010 | 576.4 | 413.2 |
| | 2011 ² | 590.2 | 522.4 |
| C Shares | 2006 ¹ | 359.5 | 328.3 |
| | 2007 | 530.5 | 342.9 |
| | 2008 | 470.8 | 225.9 |
| | 2009 | 437.9 | 264.7 |
| | 2010 | 551.2 | 399.8 |
| | 2011 ² | 564.4 | 500.3 |

¹ For the period 2nd November 2006 to 31st December 2006

² For the period to 30th April 2011

Investment Performance continued

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------|
| A Shares | 2006 | 0.6275 |
| | 2007 | 6.1760 |
| | 2008 | 7.8494 |
| | 2009 | 6.6920 |
| | 2010 | 9.8385 |
| | 2011 ¹ | 2.3451 |
| C Shares | 2007 | 6.6607 |
| | 2008 | 6.1453 |
| | 2009 | 6.7654 |
| | 2010 | 9.5172 |
| | 2011 ¹ | 2.2550 |

¹ For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|---------|
| A Shares | 30th April 2010 | 2.00 |
| | 30th April 2011 | 1.99 |
| C Shares | 30th April 2010 | 1.23 |
| | 30th April 2011 | 1.24 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

Interim

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 31st October 2010

| Share Class | Net Distribution 31st December 2010 per Share (p) | Equalisation 31st December 2010 per Share (p) | Distribution paid 31st December 2010 per Share (p) | Distribution paid 31st December 2009 per Share (p) |
|----------------------------|--|---|---|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 7.3988 | - | 7.3988 | 4.4219 |
| Group 2 | 3.0947 | 4.3041 | 7.3988 | 4.4219 |
| Income Shares | | | | |
| C Shares | | | | |
| Group 1 | 7.1342 | - | 7.1342 | 4.3549 |
| Group 2 | 4.4745 | 2.6597 | 7.1342 | 4.3549 |

Final

Group 1: Shares purchased prior to 1st November 2010

Group 2: Shares purchased on or after 1st November 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 2.3451 | - | 2.3451 | 2.4397 |
| Group 2 | 1.9569 | 0.3882 | 2.3451 | 2.4397 |
| Income Shares | | | | |
| C Shares | | | | |
| Group 1 | 2.2550 | - | 2.2550 | 2.3830 |
| Group 2 | 1.0702 | 1.1848 | 2.2550 | 2.3830 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, 1st May 2010 to 30th April 2011, the Fund's 'A' class produced a total return of 17.43%. The Fund's benchmark, the MSCI AC Far East ex Japan index, produced a total return of 13.63% over the year.*

The key reasons for this out performance were due to our overweight position in the Taiwan smart phone sector, our overweight position in the regional chemical sector and our selective position in the China consumer sector.

Market Background

The regional markets continued to benefit from the global economic recovery and the US easing monetary policy over the last review period through another round of Quantitative Easing (QE2), notwithstanding the fact that inflation is becoming an ever imminent problem. China's inflation rate climbed to over 5% in April, Korea to over 4% and Indonesia over 6%. In response to higher inflation rates, the Asian government hiked interest rates and has begun letting its currency appreciate.

We believe the underlying fundamentals of the Asian economy are still strong. The public debt to GDP ratio in the G20 emerging markets continued to improve between the period 2007 and 2010 while the G20 advanced countries are just the opposite. In Asia, most countries are running a current account surplus and their foreign reserves continue to increase.

Portfolio Review

We constructed our portfolio by bottom up stock picking after taking into consideration growth prospects, management

quality and valuation. We are also actively looking for stocks which have a turnaround opportunity. In the coming year, we believe the following business trends will be important drivers for our portfolio:

1. Chemical Super Cycle: New capacity growth in the chemical sector will be limited in the next 3 years based on the current construction schedule. This will most likely push chemical prices to higher levels.
2. Consumption growth in China: The Chinese government is trying hard to drive consumption as fixed asset investment is already at high level and it will become harder to push GDP growth through even more fixed asset investment.
3. Proliferation of smart phone usage: In the coming year, smart phone penetration will move from high end phone to lower end phone and we would like to capture this change in trend.

Outlook

We believe the underlying tone of the regional market is still positive but the near term upside may be capped by inflationary concerns. We believe that Price/Earnings valuations of between 10x and 13x are reasonable. Once there are clear signs of inflation peaking, the regional market should have more impetus to move higher.

The risks are a hard landing in China, the impact of QE2 lapsing in June, and higher oil prices.

19th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets |
|---|--------------------|-----------------|
| EQUITIES 97.76% (2010 - 97.86%) | | |
| Australia 0.69% (2010 - 0.00%) | | |
| 159,984 Incitec Pivot | 394 | 0.69 |
| Bermuda 2.04% (2010 - 1.93%) | | |
| 41,200 Jardine Matheson | 1,162 | 2.04 |
| China 16.18% (2010 - 20.71%) | | |
| 4,508,350 China Construction Bank | 2,554 | 4.49 |
| 910,000 CNOOC | 1,342 | 2.36 |
| 901,000 Digital China | 1,036 | 1.82 |
| 3,478,805 Industrial & Commercial Bank | 1,761 | 3.10 |
| 250,000 Ping An Insurance | 1,634 | 2.87 |
| 1,060,000 Poly (Hong Kong) | 507 | 0.89 |
| 922,000 Shenzhen Expressway | 367 | 0.65 |
| | 9,201 | 16.18 |
| Hong Kong 25.68% (2010 - 19.99%) | | |
| 222,000 Aeon Stores | 278 | 0.49 |
| 649,000 AIA | 1,315 | 2.31 |
| 71,100 ASM Pacific Technology | 572 | 1.01 |
| 604,000 Bank of China (Hong Kong) | 1,135 | 1.99 |
| 192,500 Beijing Enterprise | 609 | 1.07 |
| 100,500 China Mobile (Hong Kong) | 553 | 0.97 |
| 1,060,000 China Oilfield Services | 1,252 | 2.20 |
| 862,000 China Petroleum & Chemical | 519 | 0.91 |
| 694,000 China Resources Gas | 604 | 1.06 |
| 88,500 Hong Kong Exchanges & Clearing | 1,209 | 2.13 |
| 154,000 Hutchison Whampoa | 1,056 | 1.86 |
| 203,000 Kerry Properties | 646 | 1.14 |
| 886,000 Kunlun Energy | 938 | 1.65 |
| 174,000 Li & Fung | 532 | 0.94 |
| 680,000 SJM | 879 | 1.55 |
| 117,000 Swire Pacific | 1,068 | 1.88 |
| 359,000 Yingde Gases | 194 | 0.34 |
| 758,000 Zhongsheng | 848 | 1.49 |
| 166,000 Zhuzhou CSR Times Electric | 392 | 0.69 |
| | 14,599 | 25.68 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| Indonesia 3.49% (2010 - 3.37%) | | |
| 1,242,235 Bank Mandiri | 618 | 1.09 |
| 968,500 Semen Gresik (Persero) | 644 | 1.13 |
| 463,000 Tambang Batubara Bukit Asam | 721 | 1.27 |
| | 1,983 | 3.49 |
| Malaysia 3.39% (2010 - 1.27%) | | |
| 300,400 CIMB | 497 | 0.88 |
| 189,400 Genting Berhad | 443 | 0.78 |
| 674,600 Petronas Chemicals | 986 | 1.73 |
| | 1,926 | 3.39 |
| Singapore 4.77% (2010 - 7.74%) | | |
| 168,300 Keppel | 981 | 1.72 |
| 144,000 Singapore Exchange | 551 | 0.97 |
| 123,000 United Overseas Bank | 1,182 | 2.08 |
| | 2,714 | 4.77 |
| South Korea 21.87% (2010 - 22.33%) | | |
| 26,670 Dongbu Insurance | 755 | 1.33 |
| 3,952 Hyundai Heavy Industries | 1,181 | 2.08 |
| 8,380 Hyundai Home Shopping Network | 591 | 1.04 |
| 8,880 Hyundai Steel | 673 | 1.18 |
| 17,167 Kia Motors | 738 | 1.30 |
| 2,205 LG Chemical | 653 | 1.15 |
| 4,609 LG Electronics | 264 | 0.46 |
| 4,593 Lotte Shopping Centre | 1,254 | 2.20 |
| 2,530 Orion | 588 | 1.03 |
| 58,770 S&T Dynamics | 546 | 0.96 |
| 5,043 Samsung Electronic | 2,517 | 4.43 |
| 6,708 Samsung Fire & Marine | 857 | 1.51 |
| 6,002 Samsung SDI | 641 | 1.13 |
| 13,057 SFA Engineering | 448 | 0.79 |
| 24,848 Shinhan Financial | 728 | 1.28 |
| | 12,434 | 21.87 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| Taiwan 14.01% (2010 - 15.16%) | | |
| 562,000 Career Technology | 712 | 1.25 |
| 376,000 Catcher Technology | 1,413 | 2.49 |
| 177,869 Delta Electronic | 477 | 0.84 |
| 531,000 Formosa Chemicals & Fibre | 1,273 | 2.24 |
| 1,104,900 Fubon Financial | 970 | 1.70 |
| 277,178 Hon Hai Precision | 627 | 1.10 |
| 281,000 Powertech Technology | 612 | 1.08 |
| 1,030,000 Siliconware Precision | 823 | 1.45 |
| 313,096 Synnex Technology International | 478 | 0.84 |
| 288,000 Taiwan Fertilizer | 582 | 1.02 |
| | 7,967 | 14.01 |
| Thailand 3.15% (2010 - 3.74%) | | |
| 559,200 PTT Chemical (Alien Market) | 1,791 | 3.15 |
| United States 2.49% (2010 - 1.62%) | | |
| 463 Allianz RCM IIS Asian Small Cap - IT- USD | 279 | 0.49 |
| 140,345 Taiwan Semicon Manufacturing | 1,135 | 2.00 |
| | 1,414 | 2.49 |
| Investment assets | 55,585 | 97.76 |
| Net other assets | 1,275 | 2.24 |
| Net assets | 56,860 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales | Proceeds £000s |
|-------------------------------------|-----------------------|--------------------------------------|---------------------------|
| Ping An Insurance | 1,983 | China Life Insurance | 1,968 |
| Hyundai Heavy Industries | 1,266 | Sun Hung Kai Properties | 1,836 |
| AIA | 1,142 | Samsung | 1,691 |
| Formosa Chemicals & Fibre | 1,140 | Honam Petrochemical | 1,584 |
| Swire Pacific | 1,021 | Hon Hai Precision | 1,241 |
| Lotte Shopping Centre | 1,010 | Perusahaan Gas | 1,183 |
| Li & Fung | 950 | Utd Overseas Bank | 1,006 |
| Kunlun | 906 | Cnooc | 987 |
| Siliconware Precision | 879 | Indofood Agri Resources | 964 |
| Hyundai Steel | 871 | Brilliance China Automotive | 931 |
| Hutchison Whampoa | 870 | Acer | 885 |
| Samsung | 821 | Taiwan Synthetic Rubber | 823 |
| Powertech Technology | 816 | Industrial & Commercial Bank | 805 |
| Petronas Chemicals | 767 | Hyundai Engineering and Construction | 769 |
| S&T Dynamics | 690 | Synnex Technology International | 760 |
| Hyundai | 688 | SJM | 750 |
| Catcher Technolog | 687 | Li & Fung | 704 |
| Poly (Hong Kong) | 683 | Eva Airways | 697 |
| Kia Motors | 680 | Singapore Technology | 667 |
| Semen Gresik (Persero) | 648 | PTT Chemical (Alien Market) | 664 |
| Other purchases | 13,705 | Other sales | 20,830 |
| Total purchases for the year | 32,223 | Total sales for the year | 41,745 |

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|---------------|---------------|---------------|
| Income | | | | | |
| Net capital gains | 2 | | 8,268 | | 18,115 |
| Revenue | 3 | 1,345 | | 1,284 | |
| Expenses | 4 | (1,018) | | (1,002) | |
| Finance costs: Interest | 6 | (2) | | (5) | |
| Net revenue before taxation | | 325 | | 277 | |
| Taxation | 5 | (123) | | (80) | |
| Net revenue after taxation | | | 202 | | 197 |
| Total return before distributions | | | 8,470 | | 18,312 |
| Finance costs: Distributions | 6 | | (1,063) | | (892) |
| Change in net assets attributable to shareholders from investment activities | | | 7,047 | | 17,420 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Opening net assets attributable to shareholders | | 58,060 | | 45,198 |
| Amounts receivable on issue of shares | 2,911 | | 1,682 | |
| Less: Amounts payable on cancellation of shares | (12,358) | | (6,962) | |
| | | (9,447) | | (5,280) |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | 7,407 | | 17,420 |
| Retained distribution on accumulation shares | | 840 | | 722 |
| Closing net assets attributable to shareholders | | 56,860 | | 58,060 |

Notes to the financial statements are from pages 111 to 118.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|---------------|---------------|---------------|
| Assets | | | | | |
| Investment assets | | | 55,585 | | 56,817 |
| Debtors | 7 | 175 | | 385 | |
| Cash and bank balances | | 1,349 | | 1,234 | |
| Total other assets | | | 1,524 | | 1,619 |
| Total assets | | | 57,109 | | 58,436 |
| Liabilities | | | | | |
| Creditors | 8 | (207) | | (326) | |
| Distribution payable on income shares | | (42) | | (50) | |
| Total other liabilities | | | (249) | | (376) |
| Total liabilities | | | (249) | | (376) |
| Net assets attributable to shareholders | | | 56,860 | | 58,060 |

Notes to the financial statements are from pages 111 to 118.

Notes to the Financial Statements

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM Total Return Asian Equity Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital gains

| | 2011 | 2010 |
|------------------------------------|--------------|---------------|
| | £000s | £000s |
| Gains on non-derivative securities | 8,253 | 18,111 |
| Gains on currency | 34 | 23 |
| Handling charges | (19) | (19) |
| Net capital gains | 8,268 | 18,115 |

3. Revenue

| | 2011 | 2010 |
|----------------------------------|--------------|--------------|
| | £000s | £000s |
| ACD's fee rebates | 0 | 4 |
| Bank interest | 1 | 0 |
| Overseas dividends - non-taxable | 1,314 | 872 |
| Overseas dividends - taxable | 0 | 242 |
| Stock dividends | 30 | 166 |
| Total revenue | 1,345 | 1,284 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 £000s | 2010 £000s |
|--|---------------|---------------|
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee ¹ | 891 | 868 |
| Company secretarial costs | 1 | 1 |
| | 892 | 869 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 18 | 17 |
| Safe custody fees | 39 | 38 |
| | 57 | 55 |
| Other expenses: | | |
| Audit fee | 11 | 11 |
| Distribution costs | 10 | 10 |
| FT publication fees | 3 | 3 |
| Legal fees | 0 | 3 |
| Printing costs | 6 | 5 |
| Registration fees | 36 | 40 |
| Taxation advice | 4 | 6 |
| VAT recovered | (4) | (3) |
| Other expenses | 3 | 3 |
| | 69 | 78 |
| Total expenses | 1,018 | 1,002 |

¹ For the purpose of the distribution, the ACD's annual fee is borne by the capital account (see Note 6).

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 £000s | 2010 £000s |
|---|---------------|---------------|
| a. Analysis of tax charge for the year: | | |
| Overseas tax suffered | 123 | 80 |
| Total current tax for the year (see Note 5(b)) | 123 | 80 |
| b. Factors affecting current tax charge for the year: | | |
| The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%). | | |
| The differences are explained below: | | |
| Net revenue before taxation | 325 | 277 |
| Corporation tax at 20% | 65 | 55 |
| Effects of: | | |
| Movement in revenue taxable in different periods | 0 | 18 |
| Overseas dividends - non-taxable | (263) | (174) |
| Overseas tax expensed | 0 | (2) |
| Overseas tax suffered | 123 | 80 |
| Non-taxable dividends (stock dividends) | (6) | (33) |
| Surplus allowable expenses arising in the year | 204 | 127 |
| Tax on capital items | 0 | 9 |
| Current tax charge for the year (see Note 5(a)) | 123 | 80 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

The Fund has not recognised a deferred tax asset of £331,000 (2010 - £127,000) arising as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Interim | 762 | 584 |
| Final | 236 | 295 |
| | 998 | 879 |
| Add: Revenue deducted on cancellation of shares | 71 | 24 |
| Less: Revenue received on issue of shares | (6) | (11) |
| Net distributions for the year | 1,063 | 892 |
| Overdraft interest | 2 | 5 |
| Total finance costs | 1,065 | 897 |
| Reconciliation of net revenue after taxation to net distribution for the year: | | |
| Net revenue after taxation | 202 | 197 |
| Add: Capitalised expenses | 891 | 868 |
| Stock dividends | (30) | (166) |
| Tax relief on capitalised fees | 0 | (7) |
| Net distributions for the year | 1,063 | 892 |

Notes to the Financial Statements continued

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's fee rebates | 3 | 4 |
| Accrued revenue | 161 | 176 |
| Amounts receivable on issue of shares | 7 | 0 |
| Overseas tax recoverable | 4 | 0 |
| Sales awaiting settlement | 0 | 205 |
| | 175 | 385 |

8. Creditors

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's annual fee | 151 | 159 |
| Amounts payable on cancellation of shares | 14 | 130 |
| Other accrued expenses | 42 | 37 |
| | 207 | 326 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Income shares, it is refunded as part of a shareholder's first distribution. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Notes to the Financial Statements continued

11. Shareholders funds

The Fund currently has two share classes; A and C. The ACD's annual fee on the share classes is as follows:

Class A: 1.75%

Class C: 1.00%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 101.

The distribution per share is given in the Distribution Table on page 103.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

13. Derivatives and other financial instruments**a. Currency exposure**

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | | Other Assets | | Other Liabilities | | Net Currency Exposure | | Net Currency Exposure | |
|------------------------------------|---------------|--------------|--------------|---------------|-------------------|--------------|-----------------------|---------------|-----------------------|------------|
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 0 | 772 | (249) | 523 | 0 | 1,147 | (376) | 771 | | |
| Australian Dollar | 394 | 0 | 0 | 394 | 0 | 0 | 0 | 0 | | |
| Chinese Yuan | | | | | | | | | | |
| Renminbi | 0 | 12 | 0 | 12 | 0 | 63 | 0 | 63 | | |
| Hong Kong Dollar | 23,800 | 70 | 0 | 23,870 | 23,632 | 36 | 0 | 23,668 | | |
| Indonesia Rupiah | 1,983 | 4 | 0 | 1,987 | 1,957 | 51 | 0 | 2,008 | | |
| Korean Won | 12,434 | 23 | 0 | 12,457 | 12,965 | 23 | 0 | 12,988 | | |
| Malaysian Ringitt | 1,926 | 0 | 0 | 1,926 | 735 | 0 | 0 | 735 | | |
| Singapore Dollar | 2,714 | 18 | 0 | 2,732 | 4,493 | 34 | 0 | 4,527 | | |
| Taiwan Dollar | 7,967 | 588 | 0 | 8,555 | 8,488 | 40 | 0 | 8,528 | | |
| Thailand Baht | 1,791 | 16 | 0 | 1,807 | 2,172 | 0 | 0 | 2,172 | | |
| US Dollar | 2,576 | 21 | 0 | 2,597 | 2,375 | 225 | 0 | 2,600 | | |
| Total per the balance sheet | 55,585 | 1,524 | (249) | 56,860 | 56,817 | 1,619 | (376) | 58,060 | | |

Notes to the Financial Statements continued

b. Interest rate risk profile

The table below summarises in sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on pages 6-7 explains the different types of risk the Fund may face.

| Currency | Floating Rate | Nil | Floating Rate | Nil | Total | |
|---|---------------|---------------|---------------|--------------|---------------|---------------|
| | Interest | Interest | Interest | Interest | Total | |
| | 30th April | 30th April | 30th April | 30th April | 30th April | |
| | 2011 | 2011 | 2011 | 2010 | 2010 | |
| | £000s | £000s | £000s | £000s | £000s | |
| Financial assets | | | | | | |
| Sterling | 761 | 0 | 761 | 1,143 | 0 | 1,143 |
| Australian Dollar | 0 | 394 | 394 | 0 | 0 | 0 |
| Hong Kong Dollar | 0 | 23,800 | 23,800 | 0 | 23,632 | 23,632 |
| Indonesia Rupiah | 0 | 1,983 | 1,983 | 51 | 1,957 | 2,008 |
| Korean Won | 0 | 12,434 | 12,434 | 0 | 12,965 | 12,965 |
| Malaysian Ringgit | 0 | 1,926 | 1,926 | 0 | 735 | 735 |
| Singapore Dollar | 0 | 2,714 | 2,714 | 0 | 4,493 | 4,493 |
| Taiwan Dollar | 588 | 7,967 | 8,555 | 40 | 8,488 | 8,528 |
| Thailand Baht | 0 | 1,791 | 1,791 | 0 | 2,172 | 2,172 |
| US Dollar | 0 | 2,576 | 2,576 | 0 | 2,375 | 2,375 |
| Total financial assets | 1,349 | 55,585 | 56,934 | 1,234 | 56,817 | 58,051 |
| Total financial instruments | 1,349 | 55,585 | 56,934 | 1,234 | 56,817 | 58,051 |
| Short term debtors and creditors | | | (74) | | | 9 |
| Net assets per the balance sheet | | | 56,860 | | | 58,060 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Financial Statements continued

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 32,138 | | 39,030 |
| Commissions | 85 | | 102 | |
| Total purchase costs | | 85 | | 102 |
| Gross purchase total | | 32,223 | | 39,132 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 41,895 | | 43,451 |
| Commissions | (150) | | (148) | |
| Total sales costs | | (150) | | (148) |
| Total sales net of transaction costs | | 41,745 | | 43,303 |

Allianz RCM BRIC Stars Fund

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Fund Information

Investment Objective and Policy

The Fund aims to achieve capital growth in the long term by investing mainly in the equity markets of Brazil, Russia, India and China.

The ACD will invest at least two thirds of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts) issued by companies that have their registered office in the Federal Republic of Brazil, the Russian Federation, the Republic of India or the People's Republic of China ("BRIC countries"), or which generate a significant proportion of their sales and/or earnings in BRIC countries. The following may also be acquired and counted towards the two third limit; warrants, index certificates, certificates on adequately diversified equity baskets that apply to at least 10 equities and other transferable securities. Up to one third of the Fund's assets may be invested outside the BRIC countries including developed economies and/or other emerging markets.

The ACD may also utilise deposits in the management of the portfolio. The Fund may also invest in collective investment schemes. Money market instruments may be acquired and their value, together with money market funds, may make up to a maximum of 20% of the the Fund's assets. Subject to any constraints imposed by the regulations of the Financial Services Authority, exceeding the above limits or failing to reach them is permitted if the overall market risk remains within the limits set out above.

Fund Details

| | | |
|--|---|---|
| Fund Manager | Michael Konstantinov | |
| Benchmark | 25% MSCI Brazil, 25% MSCI Russia, 25% MSCI India and 25% MSCI China (total return net) rebasing annually to 1st January | |
| Income allocation date | 30th April | |
| Income pay date | 30th June | |
| Launch date | A Shares | 22nd February 2006 |
| | C Shares | 25th March 2004 |
| ISA status | Yes (A Shares only) | |
| Share Classes and types of Shares | A (Accumulation Shares) C (Accumulation Shares) | |
| Minimum investment | A Shares | Lump sum £500 Monthly saving £50 |
| | C Shares | Lump sum £100,000 Available only at the discretion of the ACD |
| Initial charge | A Shares | 4% |
| | C Shares | Nil |
| Annual ACD fee | A Shares | 1.75% |
| | C Shares | 1% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2009 | 322,330 | 292,973,789 | 110.0 |
| | 30th April 2010 | 730,730 | 410,782,424 | 177.9 |
| | 30th April 2011 | 760,736 | 414,724,485 | 183.4 |
| C Shares | 30th April 2009 | 16,201 | 14,444,432 | 112.2 |
| | 30th April 2010 | 115,510 | 62,801,071 | 183.9 |
| | 30th April 2011 | 141,760 | 74,095,216 | 191.3 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| A Shares | 2006 ¹ | 125.9 | 83.4 |
| | 2007 | 199.0 | 119.6 |
| | 2008 | 202.7 | 72.9 |
| | 2009 | 168.2 | 80.6 |
| | 2010 | 190.1 | 155.3 |
| | 2011 ² | 194.0 | 174.5 |
| C Shares | 2006 | 126.5 | 83.6 |
| | 2007 | 200.9 | 120.1 |
| | 2008 | 204.8 | 74.0 |
| | 2009 | 172.4 | 82.1 |
| | 2010 | 196.4 | 159.3 |
| | 2011 ² | 200.8 | 180.4 |

¹ For the period 22nd February 2006 to 31st December 2006

² For the period to 30th April 2011

Investment Performance continued

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------------|
| A Shares | 2006 ¹ | 0.0000 |
| | 2007 | 0.0000 |
| | 2008 | 0.0000 |
| | 2009 | 0.4109 |
| | 2010 | 0.0000 |
| | 2011 ² | 0.0000 |
| C Shares | 2006 | 0.0000 |
| | 2007 | 0.0000 |
| | 2008 | 0.0000 |
| | 2009 | 1.3114 |
| | 2010 | 0.5024 |
| | 2011 ² | 0.7424 |

¹ For the period 22nd February 2006 to 31st December 2006

² For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|------------|
| A Shares | 30th April 2010 | 1.93 |
| | 30th April 2011 | 1.94 |
| C Shares | 30th April 2010 | 1.18 |
| | 30th April 2011 | 1.19 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

For the year ended 30th April 2010

Final

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 0.0000 | - | 0.0000 | 0.0000 |
| Group 2 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Accumulation Shares | | | | |
| C Shares | | | | |
| Group 1 | 0.7424 | - | 0.7424 | 0.5024 |
| Group 2 | 0.0000 | 0.7424 | 0.7424 | 0.5024 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, from 1st May 2010 to 30th April 2011, the Funds 'A' class shares produced a total return of 3.14%, the 'C' class returned 3.91%. The Fund's benchmark, a customised BRIC Index consisting of 25% MSCI Brazil, 25% MSCI Russia, 25% MSCI India and 25% MSCI China, produced a total return of 5.19% over the period.*

Market Background

The last few weeks have seen BRIC markets correcting on the back of ongoing inflation concerns and fears of further fiscal and monetary tightening. Despite the correction, the earnings growth for the BRIC equity markets remains strong with approximately 25% EPS growth for 2011. Hence, the market set back has increased the valuation discount to the 5 year average. We expect inflationary pressures to subside towards the middle of 2011 which should provide substantial support for BRIC equity prices. Russia outperformed during the reporting period as it profited mainly from the strong increase in oil prices.

Portfolio Review

We positioned the Fund with an underweight in India and an overweight in Russia. That was on the back of high valuations in India and rising inflationary fears in 4Q 2010. On the other hand the increased outlook for global economic growth lead us to expect a higher oil price, which we translated into a significant overweight in Russia and Energy in 4Q 2010. After a strong rally, especially in the Russian oil names, we have trimmed the positions more recently and added to interesting stock ideas in the Chinese internet space.

Outlook

Our long-term outlook on the BRIC markets remains positive. The BRIC economies are continuing their growth path despite the turbulence in the developed world. The most important growth driver for all the BRICs is domestic demand. We believe that this decade is going to be the decade of the BRIC consumer and the global economic balance will shift towards Emerging Markets and especially the BRIC countries.

We believe that in China, given the current policy stance and economic conditions, its policymakers will still watch the inflationary development closely. However, we anticipate that inflationary pressure will subside towards the middle of 2011. We expect Brazil to return to its sustainable growth path of 4.5% in 2011 on the back of strong consumption and investment growth. In Russia, we see rising public investments and a significant rebound in the GDP growth resulting from higher oil prices. The ongoing regulatory reforms in major sectors should offer more transparency and long-term growth opportunities. India's GDP is expected to grow by 8.2% in 2011.

The main driver remains acceleration in domestic demand, especially consumption and infrastructure led investment. Long term growth will be driven by reforms in infrastructure, fiscal, and financial sectors. A potential risk factor for the Indian market remains inflation. Inflation is mainly food price driven and we expect it to subside also in India towards the middle of 2011. This should bring investors' interest back towards the superior earnings growth in BRIC.

27th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets | |
|--|---|-----------------|--------------|
| EQUITIES 95.01% (2010 - 97.43%) | | | |
| Brazil 23.30% (2010 - 25.41%) | | | |
| 662,250 | Anhanguera Educacional | 8,785 | 0.97 |
| 1,679,330 | Banco Bradesco Sponsored ADR (US listed) | 20,358 | 2.26 |
| 1,562,702 | Banco Itau Financeira ADR (Representing 50 ordinary shares - US listed) | 22,242 | 2.46 |
| 2,173,900 | Cia Vale Rio Doce ADR (US listed) | 38,957 | 4.32 |
| 1,491,400 | Equatorial Energia | 7,572 | 0.84 |
| 1,020,470 | Fleury | 8,947 | 0.99 |
| 1,649,250 | Julio Simoes | 6,915 | 0.77 |
| 1,056,010 | Localiza Rent a Car | 10,860 | 1.20 |
| 282,200 | Magazine Luiza | 1,721 | 0.19 |
| 1,469,230 | Metalrio Solution | 6,664 | 0.74 |
| 1,807,000 | MRV Engenharia | 9,367 | 1.04 |
| 991,270 | OdontoPrev | 9,503 | 1.05 |
| 657,000 | OGX Petroleo e GAS Participacoes | 4,207 | 0.47 |
| 2,239,000 | Petroleo Brasileiro Petrobras Sponsored ADR (US listed) | 44,781 | 4.96 |
| 2,106,500 | Randon | 9,394 | 1.04 |
| | | 210,273 | 23.30 |
| China 18.01% (2010 - 16.91%) | | | |
| 41,000,000 | Agricultural Bank of China | 14,525 | 1.61 |
| 265,000 | Allianz RCM China - A - USD | 2,032 | 0.23 |
| 24,018,000 | China Construction Bank | 13,607 | 1.51 |
| 3,369,500 | China Mobile | 18,530 | 2.05 |
| 13,190,000 | China National Building Material | 16,615 | 1.84 |
| 7,677,000 | China Overseas Land | 8,853 | 0.98 |
| 16,010,000 | China Petroleum | 9,639 | 1.07 |
| 5,490,500 | China Shenhua Energy | 15,362 | 1.70 |
| 9,774,000 | CNOOC | 14,409 | 1.60 |
| 321,000 | Ctrip.com | 9,376 | 1.04 |
| 54,423,000 | Industry & Commerce Bank | 27,556 | 3.05 |
| 14,028,000 | Petrochina | 12,040 | 1.33 |
| | | 162,544 | 18.01 |
| Hong Kong 3.60% (2010 - 2.10%) | | | |
| 9,988,783 | AIA | 20,238 | 2.25 |
| 3,104,500 | Li Ning | 3,177 | 0.35 |
| 11,110,000 | Shimao Property | 9,056 | 1.00 |
| | | 32,471 | 3.60 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|--|-----------------------|--------------------|
| India 17.82% (2010 - 21.92%) | | |
| 13,094 BGR Energy Systems | 97 | 0.01 |
| 285,503 Grasim Industries | 9,512 | 1.05 |
| 1,815,370 Housing Development Finance | 17,361 | 1.92 |
| 1,259,000 ICICI Bank | 18,902 | 2.10 |
| 551,633 Infosys Technologies | 21,688 | 2.41 |
| 603,000 Larsen & Toubro | 13,041 | 1.44 |
| 1,669,971 Motherson Sumi Systems | 5,181 | 0.57 |
| 2,753,000 Opto Circuits | 11,275 | 1.25 |
| 1,601,600 Reliance Industries | 21,396 | 2.37 |
| 312,000 State Bank of India | 11,879 | 1.32 |
| 809,000 TATA Motors | 13,734 | 1.52 |
| 1,028,000 TATA Steel | 8,581 | 0.95 |
| 3,640,000 Voltas | 8,179 | 0.91 |
| | 160,826 | 17.82 |
| Israel 0.00% (2010 - 0.08%) | | |
| Japan 0.00% (2010 - 1.82%) | | |
| Luxembourg 1.06% (2010 - 0.81%) | | |
| 642 Allianz RCM India Fund | 443 | 0.05 |
| 833,800 MHP GDR (Representing 1 ordinary share) | 9,123 | 1.01 |
| | 9,566 | 1.06 |
| Russia 23.50% (2010 - 25.59%) | | |
| 9,961 Armada | 85 | 0.01 |
| 171,476 Evraz GDR (UK IOB listed) | 3,481 | 0.39 |
| 7,991,400 Gazprom ADR (Representing 4 ordinary shares - UK IOB listed) | 80,779 | 8.95 |
| 843,794 JSC MMC Norilsk Nickel ADR (Representing 1 ordinary share - US listed) | 13,962 | 1.55 |
| 15,000 Kuban Energy | 43 | 0.00 |
| 433,000 Lukoil Oil Company ADR (US listed) | 17,964 | 1.99 |
| 183,855 Magnit | 14,330 | 1.59 |
| 179,450 Novatek Oao GDR (UK IOB listed) | 15,105 | 1.67 |
| 276,200 Novolipetsk Steel GDR (UK IOB listed) | 6,286 | 0.69 |
| 63,800 Pharmstandard | 3,340 | 0.37 |
| 84,357 Pharmstandard GDR (Representing 0.25 ordinary shares - UK IOB listed) | 1,300 | 0.14 |
| 179,686 Protek | 148 | 0.02 |
| 752,800 RBC Info Systems | 638 | 0.07 |
| 3,674,300 Rosneft | 19,661 | 2.18 |
| 15,964,600 Sberbank of Russia | 34,983 | 3.88 |
| | 212,105 | 23.50 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| South Africa 0.00% (2010 - 0.92%) | | |
| United Kingdom 0.70% (2010 - 0.73%) | | |
| 478,441 Avangard GDR (10 GDR representing 1 ordinary share) | 5,536 | 0.61 |
| 571,000 Volga Gas | 821 | 0.09 |
| | 6,357 | 0.70 |
| United States of America 7.02% (2010 - 1.14%) | | |
| 1,400,841 Etalon | 5,879 | 0.65 |
| 377,503 MAIL.RU GDR (Representing 1 ordinary share) | 6,948 | 0.76 |
| 595,000 NetEase.com | 17,569 | 1.95 |
| 579,000 Perfect World | 9,439 | 1.05 |
| 163,300 Sohu.com | 10,354 | 1.15 |
| 770,000 Trina Solar | 13,134 | 1.46 |
| | 63,323 | 7.02 |
| Investment assets | 857,465 | 95.01 |
| Net other assets | 45,031 | 4.99 |
| Net assets | 902,496 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

IOB is a reference to the International Order Book.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales | Proceeds £000s |
|---|----------------|--|-------------------|
| Gazprom ADR (Representing 4 ordinary shares - UK IOB listed) | 57,767 | Gazprom ADR (Representing 4 ordinary shares - UK IOB listed) | 31,923 |
| Petroleo Brasileiro Petrobras Sponsored ADR (US listed) | 36,100 | Lukoil Oil Company ADR (US listed) | 25,839 |
| Lukoil Oil Company ADR (US listed) | 24,160 | Petroleo Brasileiro Petrobras Sponsored ADR (US listed) | 23,065 |
| Larsen & Toubro | 21,405 | Bharti Airtel | 16,065 |
| NetEase.com | 17,730 | China Construction Bank | 15,964 |
| AIA | 17,445 | CNOOC | 15,095 |
| Shimao Property | 17,364 | Anhanguera Educacional | 14,917 |
| Agricultural Bank Of China | 14,491 | China Life Insurance | 14,586 |
| TATA Motors | 14,381 | Chaoda Modern | 14,367 |
| Trina Solar | 13,681 | Sohu.com | 14,155 |
| Mechel ADR (Representing 1 ordinary shares) | 13,415 | Vimpel Communications Sponsored ADR (Representing 4 Convertible shares - US listed) | 14,078 |
| Petrochina | 12,166 | OGX Petroleo e GAS Participacoes | 13,848 |
| Sberbank of Russia | 11,748 | OdontoPrev | 13,847 |
| Banco Bradesco Sponsored ADR | 11,707 | Mechel ADR (Representing 1 ordinary shares) | 13,553 |
| Voltas | 11,430 | Sony | 12,942 |
| China Petroleum | 11,016 | Sberbank of Russia | 12,191 |
| Banco Bradesco Sponsored ADR (US listed) | 10,889 | Mobile Telesystems ADR (US listed) | 11,798 |
| Industry & Commerce Bank | 10,576 | Dr. Reddy's Laboratories | 11,617 |
| China Overseas Land | 10,138 | Reliance Industries | 11,541 |
| Opto Circuits | 10,045 | Infosys Technologies | 11,512 |
| Other purchases | 213,885 | Other sales | 249,947 |
| Total purchases for the year | 561,539 | Total sales for the year | 562,850 |

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|---------------|---------------|----------------|
| Income | | | | | |
| Net capital gains | 2 | | 31,539 | | 258,591 |
| Revenue | 3 | 16,685 | | 9,366 | |
| Expenses | 4 | (16,185) | | (11,312) | |
| Finance costs: Interest | 6 | (52) | | (1) | |
| Net revenue (expense) before taxation | | 448 | | (1,947) | |
| Taxation | 5 | (1,413) | | (736) | |
| Net expense after taxation | | | (965) | | (2,683) |
| Total return before distributions | | | 30,574 | | 255,908 |
| Finance costs: Distributions | 6 | | (367) | | 146 |
| Change in net assets attributable to shareholders from investment activities | | | 30,207 | | 256,054 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|----------------|---------------|----------------|
| Opening net assets attributable to shareholders | | 846,240 | | 338,531 |
| Amounts receivable on issue of shares | 111,110 | | 275,938 | |
| Less: Amounts payable on cancellation of shares | (85,606) | | (24,592) | |
| Stamp duty reserve tax | | 25,504 | | 251,346 |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | (5) | | (7) |
| Retained distribution on accumulation shares | | 30,207 | | 256,054 |
| | | 550 | | 316 |
| Closing net assets attributable to shareholders | | 902,496 | | 846,240 |

Notes to the financial statements are from pages 131 to 138.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|----------------|---------------|----------------|
| Assets | | | | | |
| Investment assets | | | 857,465 | | 824,494 |
| Debtors | 7 | 9,460 | | 2,737 | |
| Cash and bank balances | | 43,341 | | 28,144 | |
| Total other assets | | | 52,801 | | 30,881 |
| Total assets | | | 910,266 | | 855,375 |
| Liabilities | | | | | |
| Creditors | 8 | (7,770) | | (8,872) | |
| Bank overdraft | | 0 | | (263) | |
| Total other liabilities | | | (7,770) | | (9,135) |
| Total liabilities | | | (7,770) | | (9,135) |
| Net assets attributable to shareholders | | | 902,496 | | 846,240 |

Notes to the financial statements are from pages 131 to 138.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM BRIC Stars Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital gains

| | 2011 £000s | 2010 £000s |
|------------------------------------|---------------|----------------|
| Gains on non-derivative securities | 33,953 | 258,894 |
| Losses on currency | (2,205) | (166) |
| Handling charges | (209) | (137) |
| Net capital gains | 31,539 | 258,591 |

3. Revenue

| | 2011 £000s | 2010 £000s |
|----------------------------------|---------------|---------------|
| ACD's fee rebates | 46 | 60 |
| Bank interest | 1 | 0 |
| Overseas dividends - non-taxable | 8,358 | 6,512 |
| Overseas dividends - taxable | 6,980 | 2,783 |
| Stock dividends | 1,300 | 11 |
| Total revenue | 16,685 | 9,366 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 | 2010 |
|--|---------------|---------------|
| | £000s | £000s |
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 14,477 | 10,192 |
| Company secretarial costs | 1 | 1 |
| | 14,478 | 10,193 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 118 | 85 |
| Safe custody fees | 1,304 | 863 |
| | 1,422 | 948 |
| Other expenses: | | |
| Audit fee | 11 | 11 |
| Commissions paid | 215 | 107 |
| Distribution costs | 1 | 1 |
| FT publication fees | 3 | 3 |
| Printing costs | 7 | 5 |
| Registration fees | 42 | 39 |
| Taxation advice | 17 | 13 |
| VAT recovered | (18) | (10) |
| Other expenses | 7 | 2 |
| | 285 | 171 |
| Total expenses | 16,185 | 11,312 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| a. Analysis of tax charge for the year: | | |
| Overseas tax suffered | 1,413 | 736 |
| Total current tax for the year (see Note 5(b)) | 1,413 | 736 |
| b. Factors affecting current tax charge for the year: | | |
| The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%). | | |
| The differences are explained below: | | |
| Net revenue (expense) before taxation | 448 | (1,947) |
| Corporation tax at 20% | 90 | (389) |
| Effects of: | | |
| Movement in revenue taxable in different periods | (121) | 360 |
| Non-taxable dividends (stock dividends) | (260) | (2) |
| Overseas dividends - non-taxable | (1,672) | (1,303) |
| Overseas tax expensed | (190) | (71) |
| Overseas tax suffered | 1,413 | 736 |
| Surplus allowable expenses arising in the year | 2,153 | 1,338 |
| Tax on capital items | 0 | 67 |
| Current tax charge for the year (see Note 5(a)) | 1,413 | 736 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

The Fund has not recognised a deferred tax asset of £3,491,000 (2010 - £1,338,000) as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Final | 550 | 316 |
| Add: Revenue deducted on cancellation of shares | 93 | 45 |
| Less: Revenue received on issue of shares | (276) | (507) |
| Net distributions for the year | 367 | (146) |
| Overdraft interest | 52 | 1 |
| Total finance costs | 419 | (145) |

Reconciliation of net expense after taxation to net distributions for the year:

| | | |
|--|------------|--------------|
| Net expense after taxation | (965) | (2,683) |
| Stock dividends | (1,300) | (11) |
| Tax on capital items | 3 | 73 |
| Net revenue shortfall taken to capital | 2,629 | 2,475 |
| Net distributions for the year | 367 | (146) |

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's fee rebates | 6 | 19 |
| Accrued revenue | 1,839 | 1,600 |
| Amounts receivable on issue of shares | 1,191 | 1,117 |
| Sales awaiting settlement | 6,424 | 0 |
| Other prepaid expenses | 0 | 1 |
| | 9,460 | 2,737 |

Notes to the Financial Statements continued

8. Creditors

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| Accrued ACD's annual fee | 2,486 | 2,307 |
| Amounts payable on cancellation of shares | 156 | 1,838 |
| Purchases awaiting settlement | 4,837 | 4,581 |
| Other accrued expenses | 291 | 146 |
| | 7,770 | 8,872 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Notes to the Financial Statements continued

11. Shareholders funds

The Fund currently has two share classes; A and C. The ACD's annual fee on the share classes is as follows:

Class A: 1.75%

Class C: 1.00%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 121.

The distribution per share is given in the Distribution Table on page 123.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

13. Derivatives and other financial instruments

a. Currency exposure

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | Other Assets | Other Liabilities | Net Currency Exposure | | Other Assets | Other Liabilities | Net Currency Exposure |
|------------------------------------|-----------------|-----------------|-------------------|-----------------------|-----------------|-----------------|-------------------|-----------------------|
| | 30th April 2011 | 30th April 2011 | 30th April 2011 | 30th April 2011 | 30th April 2010 | 30th April 2010 | 30th April 2010 | 30th April 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 821 | 31,432 | (2,933) | 29,320 | 1,570 | 27,182 | (4,291) | 24,461 |
| Brazilian Real | 83,935 | 277 | (1,721) | 82,491 | 104,826 | 248 | 0 | 105,074 |
| Chinese Yuan | | | | | | | | |
| Renminbi | 0 | 1,491 | (2,864) | (1,373) | 0 | 533 | 0 | 533 |
| Euro | 0 | 103 | 0 | 103 | 0 | 42 | 0 | 42 |
| Hong Kong Dollar | 183,607 | 0 | 0 | 183,607 | 158,149 | 0 | 0 | 158,149 |
| Indian Rupee | 160,826 | 1,890 | 0 | 162,716 | 181,817 | 2,044 | 0 | 183,861 |
| Japanese Yen | 0 | 0 | 0 | 0 | 15,372 | 55 | 0 | 15,427 |
| Russian Ruble | 0 | 290 | 0 | 290 | 0 | 25 | 0 | 25 |
| Taiwan Dollar | 0 | 12 | 0 | 12 | 0 | 12 | 0 | 12 |
| South African Rand | 0 | 0 | 0 | 0 | 7,818 | 0 | 0 | 7,818 |
| US Dollar | 428,276 | 17,306 | (252) | 445,330 | 354,942 | 740 | (4,844) | 350,838 |
| Total per the balance sheet | 857,465 | 52,801 | (7,770) | 902,496 | 824,494 | 30,881 | (9,135) | 846,240 |

Notes to the Financial Statements continued

b. Interest rate risk profile

The table below summarises in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on pages 6-7 explains the different types of risk the Fund may face.

| Currency | Floating Rate | Nil | Floating Rate | | Nil | Total 30th April 2010 £000s |
|---|---------------|----------------|----------------|---------------|----------------|--------------------------------------|
| | Interest | Interest | Total | Interest | Interest | |
| | 30th April | 30th April | 30th April | 30th April | 30th April | |
| | 2011 | 2011 | 2011 | 2010 | 2010 | |
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Financial assets | | | | | | |
| Sterling | 30,235 | 821 | 31,056 | 26,045 | 1,570 | 27,615 |
| Brazilian Real | 0 | 83,935 | 83,935 | 0 | 104,826 | 104,826 |
| Euro | 103 | 0 | 103 | 42 | 0 | 42 |
| Hong Kong Dollar | 0 | 183,607 | 183,607 | 0 | 158,149 | 158,149 |
| Indian Rupee | 1,890 | 160,826 | 162,716 | 2,045 | 181,817 | 183,862 |
| Japanese Yen | 0 | 0 | 0 | 0 | 15,372 | 15,372 |
| South African Rand | 0 | 0 | 0 | 0 | 7,818 | 7,818 |
| Taiwan Dollar | 12 | 0 | 12 | 12 | 0 | 12 |
| US Dollar | 11,101 | 428,276 | 439,377 | 0 | 354,942 | 354,942 |
| Total financial assets | 43,341 | 857,465 | 900,806 | 28,144 | 824,494 | 852,638 |
| Financial liabilities | | | | | | |
| US Dollar | 0 | 0 | 0 | (263) | 0 | (263) |
| Total financial liabilities | 0 | 0 | 0 | (263) | 0 | (263) |
| Total financial instruments | 43,341 | 857,465 | 900,806 | 27,881 | 824,494 | 852,375 |
| Short term debtors and creditors | | | 1,690 | | | (6,135) |
| Net assets per the balance sheet | | | 902,496 | | | 846,240 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Financial Statements continued

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|----------------|---------------|----------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 560,162 | | 460,913 |
| Commissions | 1,085 | | 887 | |
| Taxes | 292 | | 336 | |
| Total purchase costs | | 1,377 | | 1,223 |
| Gross purchase total | | 561,539 | | 462,136 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 564,259 | | 229,355 |
| Commissions | (1,142) | | (487) | |
| Taxes | (267) | | (146) | |
| Total sales costs | | (1,409) | | (633) |
| Total sales net of transaction costs | | 562,850 | | 228,722 |

Allianz RCM Global EcoTrends Fund

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Fund Information

Investment Objective and Policy

The Fund aims to achieve long-term capital growth by investing in companies across the globe that are directly or indirectly active in the following sectors: “eco-energy” (alternative energy sources and energy efficiency), “pollution control” (environment quality, waste management and recycling) and “clean water” (water treatment and supply). It is the general intention of the ACD to invest predominantly in securities which constitute the FTSE ET50 Index.

The ACD may also utilise deposits in the management of the portfolio. The Fund may also invest in collective investment schemes.

Fund Details

| | | |
|--|--|--|
| Fund Manager | Vipin Ahuja (since July 2010) | |
| Benchmark | FTSE ET50 Index | |
| Income allocation date | 30th April | |
| Income pay date | 30th June | |
| Launch date | 14th February 2008 | |
| ISA status | Yes (A Shares only) | |
| Share Classes and types of Shares | A (Accumulation Shares) C (Accumulation Shares) | |
| Minimum investment | A Shares | Lump sum £500 Monthly saving £50 |
| | C Shares | Lump sum £100,000 Available only at the discretion of the ACD |
| Initial charge | A Shares | 4% |
| | C Shares | Nil |
| Annual ACD fee | A Shares | 1.75% |
| | C Shares | 1% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2009 | 12,104 | 16,426,038 | 73.7 |
| | 30th April 2010 | 18,489 | 22,272,725 | 83.0 |
| | 30th April 2011 | 11,345 | 13,828,908 | 82.0 |
| C Shares | 30th April 2009 | 3,861 | 5,194,659 | 74.3 |
| | 30th April 2010 | 3,350 | 3,953,455 | 84.7 |
| | 30th April 2011 | 2,045 | 2,436,961 | 83.9 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| A Shares | 2008 ¹ | 112.5 | 58.9 |
| | 2009 | 82.4 | 61.0 |
| | 2010 | 85.6 | 66.9 |
| | 2011 ² | 84.5 | 77.1 |
| C Shares | 2008 ¹ | 112.7 | 59.2 |
| | 2009 | 83.3 | 61.1 |
| | 2010 | 86.9 | 68.1 |
| | 2011 ² | 86.3 | 78.7 |

¹ For the period 14th February 2008 to 31st December 2008

² For the period to 30th April 2011

Investment Performance continued

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------------|
| A Shares | 2008 ¹ | 0.0000 |
| | 2009 | 0.0000 |
| | 2010 | 0.0000 |
| | 2011 ² | 0.0000 |
| C Shares | 2008 ¹ | 0.0000 |
| | 2009 | 0.0000 |
| | 2010 | 0.0052 |
| | 2011 ² | 0.0000 |

¹For the period 14th February 2008 to 31st December 2008

²For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|------------|
| A Shares | 30th April 2010 | 1.95 |
| | 30th April 2011 | 1.96 |
| C Shares | 30th April 2010 | 1.27 |
| | 30th April 2011 | 1.26 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund.

Distribution Table

For the year ended 30th April 2011

Final

Group 1: Shares purchased prior to 1st May 2010

Group 2: Shares purchased on or after 1st May 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 0.0000 | - | 0.0000 | 0.0000 |
| Group 2 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Accumulation Shares | | | | |
| C Shares | | | | |
| Group 1 | 0.0000 | - | 0.0000 | 0.0052 |
| Group 2 | 0.0000 | 0.0000 | 0.0000 | 0.0052 |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Over the year under review, 1st May 2010 to 30th April 2011, the Fund's 'A' class produced a total return of -1.32%, and the Fund's 'C' class produced a total return of -0.65%. The Fund's benchmark, the FTSE Environmental Technology 50, produced a total return of -5.54% over the year.*

The key reason for this relative out performance was as a result of strong stock picking. Stock selection with Energy Efficiency and Pollution Control Consulting were two sub-sectors where stock selection contributed most to performance. The best performing stock over the period was Austrian hydro turbine producer Andritz, which saw its share price increase by over 50% in the year and which we continue to have high conviction in. Spectris (electronic control and process instrumentation) continued to be a top performer for the fund in the energy efficiency sector and was up over 65% for the portfolio over the period held as the stock received continued support from increasing earnings estimates and strong business recovery in the second half of 2010. Spectris also made an acquisition of a small networking products business called N-Tron for \$51m, which was earnings accretive.

Strong stock picking positioned the fund positively against the benchmark, although the fund did still produce slightly negative absolute returns as currency had a large impact on the markets. The benchmark itself was up over 2.5% in USD terms but down over 5% in GBP.

Market Background

The tragedy in Japan after the earthquake, tsunami and nuclear crisis had a large impact on the environmental stocks late into the reporting period as investors focused attention on low carbon energy alternatives.

Although the full scope of the tragedy in Japan is still unfolding, the ramifications of the nuclear crisis have potentially significant longer term implications for companies in the environmental technology sector. There is a high risk that development of new nuclear plants or even life extensions of existing plants will either be delayed or cancelled in the western world - it was suggested by UBS that around 30 nuclear plants may be closed as a result of Fukushima.

However a lot of these gains seen in March were given back in April. The wind names gave up most of the gains they had made after nuclear disaster in Japan, as the investors realised that little had changed in the wind demand-supply fundamentals in the short term. Solar companies were hit by fears of sharply falling selling prices of solar panels as demand was soft in Europe.

Portfolio Review

The process for the strategy has not changed over the reporting period. To provide outperformance, we seek quality companies with attractive valuation and sound macro and sector support, within the themes of eco-energy, pollution control and clean water. We continue to find greatest opportunities within the energy efficiency sub sector of eco-energy. The energy efficiency sector shows good signs of growth, in particular LED companies: TV LED (in the near term) and Lighting LED (in the longer term). Fundamentals for longer term growth in solar are getting stronger as the cost of production continues to fall and in the aftermath of the nuclear crisis in Japan.

Outlook

We believe the prospects for renewables such as wind and solar have significantly improved over the long term in the aftermath of the nuclear crisis in Japan. Wind will be a major beneficiary as the cheapest renewable source of electricity. Wind and natural gas have been the largest contributors to new power additions in the US and Europe over recent years. In Europe the majority of new addition has been renewables and the balance dominated by natural gas. Installation growth may accelerate if nuclear life extension or new plants are not considered an option. Even in China, wind now accounts for almost 20% of new power capacity addition.

We believe reconsideration of nuclear options could lead to energy mix changes in many countries and result in policy changes that will be helpful to the renewable energy sector and energy efficiency. However, it is important to remember that the many themes in which the fund invests are multi-year in duration. In the US, the Environmental Protection Agency's expected rulings in 2011 with regards to tougher pollution control requirements for coal plants will be critical for green technology growth.

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices.

Investment Review continued

We are studying options to increase exposure to China as we get more conviction on the investment plans by companies, driven by the direction from the government. As stated in China's 5-year plan, we think the extent of China's support for clean technology will become evident overtime. Also, due to concerns over inflation and other negative macro developments, we think we can find some interesting companies at attractive valuations.

Within Eco-energy, a difficult macro environment in the US & Europe is likely to result in only modest growth for wind turbine manufactures and developers, although downside risk at current levels in these companies is limited. We believe the large Chinese wind developers are well placed to benefit from the government's incentives to raise installed capacity from 42GW to 90-100GW by 2015 and 200GW by 2020.

Longer term, Solar remains a great opportunity, but we believe the sector still suffers from the need to reduce selling prices drastically over the next 6-12 months that will hurt margins as further cost reduction slows. This is in response to reductions in feed-in tariffs in Italy and Germany.

Growth in 2011 is likely to be modest due to strong growth during 2010. China is the low cost producer with the scale to increase market share, although earnings/returns may be downgraded.

We expect penetration of LEDs in LCD TVs to increase to 40-50% by the end of 2011. Chinese demand for LED equipment is likely to be strong. The phasing out of incandescent bulbs and technology development provides long term growth in LED lighting.

Water related companies' business models should continue to benefit from tightening regulation on water quality and water quality control in developed markets as well as continued investments in basic water and waste water infrastructure in emerging markets.

27th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets |
|--|-----------------------|--------------------|
| EQUITIES 95.59% (2010 - 96.12%) | | |
| Australia 2.20% (2010 - 1.88%) | | |
| 25,685 Sims | 294 | 2.20 |
| Austria 3.74% (2010- 3.05%) | | |
| 8,093 Andritz | 501 | 3.74 |
| Belgium 1.73% (2010 - 0.00%) | | |
| 468,559 Hansen Transmissions | 231 | 1.73 |
| Brazil 0.00% (2010 - 0.73%) | | |
| Canada 0.38% (2010 - 0.89%) | | |
| 2,738 Stantec | 51 | 0.38 |
| China 8.72% (2010 - 7.36%) | | |
| 757,426 China Datang | 132 | 0.99 |
| 270,000 China Everbright | 73 | 0.54 |
| 694,000 Fook Woo | 129 | 0.96 |
| 176,000 Kunlun Energy | 186 | 1.39 |
| 320,000 Nine Dragons Paper | 218 | 1.63 |
| 35,362 Suntech Power ADR (Representing 1 ordinary share) | 190 | 1.42 |
| 9,343 Trina Solar | 159 | 1.19 |
| 10,606 Yingli Green Energy ADR (Representing 1 ordinary share) | 80 | 0.60 |
| | 1,167 | 8.72 |
| Denmark 4.89% (2010 - 12.94%) | | |
| 3,683 Novozymes | 382 | 2.85 |
| 12,819 Vestas Wind System | 273 | 2.04 |
| | 655 | 4.89 |
| Finland 2.45% (2010 - 2.15%) | | |
| 8,612 Outotec | 328 | 2.45 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| France 2.69% (2010 - 5.36%) | | |
| 3,090 Bureau Veritas | 160 | 1.20 |
| 2,944 EDF Energies Nouvelles | 105 | 0.78 |
| 6,842 Suez Environnement | 95 | 0.71 |
| | 360 | 2.69 |
| Germany 8.75% (2010 - 8.03%) | | |
| 19,542 Aixtron | 499 | 3.73 |
| 1,041 Rational | 172 | 1.28 |
| 2,061 Siemens | 180 | 1.34 |
| 1,886 SMA Solar Technology | 134 | 1.00 |
| 1,259 Wacker Chemie | 187 | 1.40 |
| | 1,172 | 8.75 |
| Hong Kong 3.73% (2010 - 0.00%) | | |
| 312,000 China Water Affairs | 70 | 0.52 |
| 1,001,000 GCL-Poly Energy | 429 | 3.21 |
| | 499 | 3.73 |
| Ireland 1.71% (2010 - 1.23%) | | |
| 39,302 Kingspan | 229 | 1.71 |
| India 0.63% (2010 - 0.00%) | | |
| 33,988 Jain Irrigation Systems | 84 | 0.63 |
| Japan 2.69% (2010 - 5.88%) | | |
| 9,615 Horiba | 173 | 1.29 |
| 10,744 Kurita Water Industries | 187 | 1.40 |
| | 360 | 2.69 |
| Netherlands 0.37% (2010 - 0.97%) | | |
| 3,257 Arcadis | 50 | 0.37 |
| Philippines 0.43% (2010 - 1.64%) | | |
| 612,428 PNOG Energy Development | 58 | 0.43 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|--|-----------------------|--------------------|
| Portugal 0.54% (2010 - 1.43%) | | |
| 15,564 EDP Renovaveis | 72 | 0.54 |
| Russia 1.79% (2010 - 0.00%) | | |
| 23,714 Gazprom ADR (Representing 4 ordinary shares) | 240 | 1.79 |
| Spain 3.85% (2010 - 5.09%) | | |
| 48,914 Gamesa Corporacion Tecnologica | 276 | 2.06 |
| 87,432 Iberdrola Renovables | 240 | 1.79 |
| | 516 | 3.85 |
| Switzerland 0.99% (2010 - 1.10%) | | |
| 8,072 ABB | 133 | 0.99 |
| Taiwan 2.06% (2010 - 2.15%) | | |
| 42,000 Epistar | 83 | 0.62 |
| 16,580 Epistar GDR (Representing 5 ordinary shares) | 165 | 1.23 |
| 11,000 Tong Hsing Electron | 28 | 0.21 |
| | 276 | 2.06 |
| United Kingdom 4.82% (2010 - 9.15%) | | |
| 8,355 Aveva | 134 | 1.00 |
| 96,798 RPS | 221 | 1.65 |
| 19,547 Spectris | 290 | 2.17 |
| | 645 | 4.82 |
| United States of America 36.43% (2010 - 25.09%) | | |
| 5,802 Covanta | 60 | 0.45 |
| 11,421 Cree | 279 | 2.08 |
| 10,004 Danaher | 331 | 2.47 |
| 10,313 Donaldson | 378 | 2.82 |
| 4,174 Eaton | 134 | 1.00 |
| 3,655 Enernoc | 39 | 0.29 |
| 1,165 Esco Technologies | 26 | 0.20 |
| 2,801 First Solar | 234 | 1.75 |
| 6,231 ITT | 216 | 1.61 |
| 7,886 Itron | 257 | 1.92 |
| 22,454 Nalco | 393 | 2.94 |
| 621 Ormat Technologies | 9 | 0.07 |
| 12,082 Pall | 423 | 3.16 |
| 5,621 Polypore International | 208 | 1.55 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| United States of America (continued) | | |
| 11,371 Range Resources | 385 | 2.88 |
| 1,932 Rubicon Technology | 33 | 0.25 |
| 12,618 Southwestern Energy | 332 | 2.48 |
| 6,487 Stericycle | 355 | 2.65 |
| 8,526 Tetra | 121 | 0.90 |
| 5,254 Thermo Fisher Scientific | 189 | 1.41 |
| 15,540 Veeco Instruments | 476 | 3.55 |
| | 4,878 | 36.43 |
| Investment assets | 12,799 | 95.59 |
| Net other assets | 591 | 4.41 |
| Net assets | 13,390 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

Note: Comparative figures show percentages for each category of holding at 30th April 2010.

Summary of Portfolio Changes

For the year ended 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the start of the year, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales | Proceeds £000s |
|--|---------------|---|-------------------|
| First Solar | 909 | Vestas Wind System | 1,028 |
| Range Resources | 416 | First Solar | 760 |
| Pall | 386 | Novozymes | 547 |
| Southwestern Energy | 242 | Kurita Water Industries | 502 |
| Gazprom ADR (Representing 4 ordinary shares) | 241 | Suez Environnement | 443 |
| GCL-Poly Energy | 217 | Andritz | 429 |
| Donaldson | 204 | Aixtron | 398 |
| Cree | 196 | Covanta | 386 |
| Kunlun Energy | 195 | Nalco | 365 |
| Trina Solar | 178 | Gamesa Corporacion Tecnologica | 347 |
| Polypore International | 177 | Honda Motor | 317 |
| Fook Woo | 165 | Guangdong Investment | 311 |
| Wacker Chemie | 155 | Arriva | 305 |
| China Datang | 146 | SMA Solar Technology | 301 |
| Aixtron | 136 | PNOC Energy Development | 282 |
| Renewable Energy | 133 | Veeco Instruments | 265 |
| Vestas Wind System | 121 | Spectris | 264 |
| Itron | 108 | Outotec | 257 |
| Jain Irrigation Systems | 93 | Stericycle | 237 |
| China Everbright | 92 | Suntech Power ADR (Representing 1 ordinary share) | 231 |
| Other purchases | 600 | Other sales | 4,406 |
| Total purchases for the year | 5,110 | Total sales for the year | 12,381 |

Statement of Total Return

For the year ended 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|---|-------|---------------|----------------|---------------|---------------|
| Income | | | | | |
| Net capital (losses) gains | 2 | | (904) | | 2,392 |
| Revenue | 3 | 161 | | 268 | |
| Expenses | 4 | (289) | | (343) | |
| Net expense before taxation | | (128) | | (75) | |
| Taxation | 5 | (17) | | (29) | |
| Net expense after taxation | | | (145) | | (104) |
| Total return before distributions | | | (1,049) | | 2,288 |
| Finance costs: Distributions | 6 | | (1) | | 5 |
| Change in net assets attributable to shareholders from investment activities | | | (1,050) | | 2,293 |

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30th April 2011

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Opening net assets attributable to shareholders | | 21,839 | | 15,965 |
| Amounts receivable on issue of shares | 2,464 | | 6,443 | |
| Less: Amounts payable on cancellation of shares | (9,862) | | (2,861) | |
| | | (7,398) | | 3,582 |
| Stamp duty reserve tax | | (1) | | (1) |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | (1,050) | | 2,293 |
| Closing net assets attributable to shareholders | | 13,390 | | 21,839 |

Notes to the financial statements are from pages 153 to 160.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|-------|---------------|---------------|---------------|---------------|
| Assets | | | | | |
| Investment assets | | | 12,799 | | 20,992 |
| Debtors | 7 | 72 | | 96 | |
| Cash and bank balances | | 602 | | 858 | |
| Total other assets | | | 674 | | 954 |
| Total assets | | | 13,473 | | 21,946 |
| Liabilities | | | | | |
| Creditors | 8 | (83) | | (107) | |
| Total other liabilities | | | (83) | | (107) |
| Total liabilities | | | (83) | | (107) |
| Net assets attributable to shareholders | | | 13,390 | | 21,839 |

Notes to the financial statements are from pages 153 to 160.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM Global EcoTrends Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital (losses) gains

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| (Losses) gains on non-derivative securities | (902) | 2,399 |
| Gains on currency | 12 | 6 |
| Handling charges | (14) | (13) |
| Net capital (losses) gains | (904) | 2,392 |

3. Revenue

| | 2011 | 2010 |
|----------------------------------|--------------|--------------|
| | £000s | £000s |
| Bank interest | 4 | 0 |
| Overseas dividends - non-taxable | 124 | 103 |
| Overseas dividends - taxable | 12 | 137 |
| UK dividends | 21 | 28 |
| Total revenue | 161 | 268 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 | 2010 |
|--|--------------|--------------|
| | £000s | £000s |
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | | |
| ACD's annual fee | 256 | 301 |
| Company secretarial costs | 1 | 1 |
| | 257 | 302 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 6 | 7 |
| Safe custody fees | 3 | 4 |
| | 9 | 11 |
| Other expenses: | | |
| Audit fee | 11 | 11 |
| Distribution costs | (3) | 0 |
| FT publication fees | 3 | 3 |
| Printing costs | 2 | 7 |
| Registration fees | 3 | 3 |
| Taxation advice | 3 | 8 |
| VAT recovered | (2) | (3) |
| Other expenses | 6 | 1 |
| | 23 | 30 |
| Total expenses | 289 | 343 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 | 2010 |
|---|--------------|--------------|
| | £000s | £000s |
| a. Analysis of tax charge for the year: | | |
| Overseas tax suffered | 17 | 29 |
| Total current tax for the year (see Note 5(b)) | 17 | 29 |
| b. Factors affecting current tax charge for the year: | | |
| The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company (20%) (2010 - 20%). | | |
| The differences are explained below: | | |
| Net expense before taxation | (128) | (75) |
| Corporation tax at 20% | (26) | (15) |
| Effects of: | | |
| Overseas dividends - non-taxable | (25) | (21) |
| Overseas tax expensed | 0 | (4) |
| Overseas tax suffered | 17 | 29 |
| Surplus allowable expenses arising in the year | 55 | 45 |
| UK dividends not subject to corporation tax | (4) | (5) |
| Current tax charge for the year (see Note 5(a)) | 17 | 29 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

The Fund has not recognised a deferred tax asset of £125,000 (2010 - £70,000) arising as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 | 2010 |
|--|--------------|--------------|
| | £000s | £000s |
| Add: Revenue deducted on cancellation of shares | 1 | 3 |
| Less: Revenue received on issue of shares | 0 | (8) |
| Net distributions for the year | 1 | (5) |
| Reconciliation of net expense after taxation to net distributions for the year: | | |
| Net expense after taxation | (145) | (104) |
| Net revenue shortfall taken to capital | 146 | 99 |
| Net distributions for the year | 1 | (5) |

7. Debtors

| | 2011 | 2010 |
|---------------------------------------|--------------|--------------|
| | £000s | £000s |
| Accrued revenue | 7 | 25 |
| Amounts receivable on issue of shares | 60 | 63 |
| Foreign currency receivable | 0 | 1 |
| Overseas tax recoverable | 5 | 6 |
| Sales awaiting settlement | 0 | 1 |
| | 72 | 96 |

Notes to the Financial Statements continued

8. Creditors

| | 2011 £000s | 2010 £000s |
|---|---------------|---------------|
| Accrued ACD's annual fee | 35 | 58 |
| Amounts payable on cancellation of shares | 28 | 27 |
| Foreign currency payable | 0 | 1 |
| Other accrued expenses | 20 | 21 |
| | 83 | 107 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the year, including commissions paid and any balances due at the year end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the year, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil (2010 - £Nil).

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Notes to the Financial Statements continued

11. Shareholders funds

The Fund currently has two share classes; A and C. The ACD's annual fee on these share classes is as follows:

Class A: 1.75%

Class C: 1.00%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 141.

The distribution per share is given in the Distribution Table on page 143.

12. Contingent liabilities and commitments

As at 30th April 2011 there were no contingent liabilities (2010 - £Nil).

13. Derivatives and other financial instruments

a. Currency exposure

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | | Other Assets | | Other Liabilities | | Net Currency Exposure | | Other Assets | | Other Liabilities | | Net Currency Exposure | |
|------------------------------------|---------------|------------|--------------|---------------|-------------------|------------|-----------------------|---------------|--------------|------------|-------------------|------------|-----------------------|------------|
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 | 2010 | 2010 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s | £000s |
| Sterling | 875 | 661 | (83) | 1,453 | 1,998 | 931 | (107) | 2,822 | | | | | | |
| Australian Dollar | 294 | 0 | 0 | 294 | 411 | 1 | 0 | 412 | | | | | | |
| Brazilian Real | 0 | 0 | 0 | 0 | 159 | 8 | 0 | 167 | | | | | | |
| Canadian Dollar | 52 | 0 | 0 | 52 | 195 | 0 | 0 | 195 | | | | | | |
| Danish Kroner | 655 | 0 | 0 | 655 | 2,825 | 1 | 0 | 2,826 | | | | | | |
| Euro | 3,228 | 7 | 0 | 3,235 | 5,962 | 5 | 0 | 5,967 | | | | | | |
| Hong Kong Dollar | 1,237 | 0 | 0 | 1,237 | 746 | 1 | 0 | 747 | | | | | | |
| Indian Rupee | 84 | 0 | 0 | 84 | 0 | 0 | 0 | 0 | | | | | | |
| Japanese Yen | 360 | 1 | 0 | 361 | 1,286 | 6 | 0 | 1,292 | | | | | | |
| Phillipine Peso | 58 | 0 | 0 | 58 | 359 | 0 | 0 | 359 | | | | | | |
| Swiss Franc | 133 | 0 | 0 | 133 | 241 | 0 | 0 | 241 | | | | | | |
| Taiwan Dollar | 112 | 5 | 0 | 117 | 91 | 1 | 0 | 92 | | | | | | |
| US Dollar | 5,711 | 0 | 0 | 5,711 | 6,719 | 0 | 0 | 6,719 | | | | | | |
| Total per the balance sheet | 12,799 | 674 | (83) | 13,390 | 20,992 | 954 | (107) | 21,839 | | | | | | |

Notes to the Financial Statements continued

b. Interest rate risk profile

The table below summarises in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on page 6-7 explains the different types of risks the Fund may face.

| Currency | Floating Rate | | Nil | | Total | |
|---|---------------|---------------|---------------|------------|---------------|---------------|
| | Interest | Interest | Total | Interest | Interest | Total |
| | 30th April | 30th April | 30th April | 30th April | 30th April | 30th April |
| | 2011 | 2011 | 2011 | 2010 | 2010 | 2010 |
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Financial assets | | | | | | |
| Sterling | 597 | 875 | 1,472 | 856 | 1,998 | 2,854 |
| Australian Dollar | 0 | 294 | 294 | 0 | 411 | 411 |
| Brazilian Real | 0 | 0 | 0 | 0 | 159 | 159 |
| Canadian Dollar | 0 | 52 | 52 | 0 | 195 | 195 |
| Danish Kroner | 0 | 655 | 655 | 0 | 2,825 | 2,825 |
| Euro | 0 | 3,228 | 3,228 | 0 | 5,962 | 5,962 |
| Hong Kong Dollar | 0 | 1,237 | 1,237 | 0 | 746 | 746 |
| Indian Rupee | 0 | 84 | 84 | 0 | 0 | 0 |
| Japanese Yen | 0 | 360 | 360 | 0 | 1,286 | 1,286 |
| Phillipine Peso | 0 | 58 | 58 | 0 | 359 | 359 |
| Swiss Franc | 0 | 133 | 133 | 0 | 241 | 241 |
| Taiwan Dollar | 5 | 112 | 117 | 2 | 91 | 93 |
| US Dollar | 0 | 5,711 | 5,711 | 0 | 6,719 | 6,719 |
| Total financial assets | 602 | 12,799 | 13,401 | 858 | 20,992 | 21,850 |
| Total financial instruments | 602 | 12,799 | 13,401 | 858 | 20,992 | 21,850 |
| Short term debtors and creditors | | | (11) | | | (11) |
| Net assets per the balance sheet | | | 13,390 | | | 21,839 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand (2010 - same).

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Financial Statements continued

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s | 2010 £000s | 2010 £000s |
|--|---------------|---------------|---------------|---------------|
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | | 5,102 | | 12,216 |
| Commissions | 8 | | 19 | |
| Total purchase costs | | 8 | | 19 |
| Gross purchase total | | 5,110 | | 12,235 |
| Analysis of total sale costs | | | | |
| Gross sales in the year before transaction costs | | 12,397 | | 7,644 |
| Commissions | (16) | | (9) | |
| Total sales costs | | (16) | | (9) |
| Total sales net of transaction costs | | 12,381 | | 7,635 |

Allianz RCM Brazil Fund

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Fund Information

Investment Objective and Policy

The Fund aims to achieve capital growth in the long term by investing mainly in the equity markets of Brazil.

The ACD will invest at least 70% of the Fund's assets in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts) issued by companies that have their registered head office in Brazil.

Up to 30% of the Fund's assets may be invested in equities and securities equivalent to equities (e.g. American Depositary Receipts, Global Depositary Receipts) issued by companies that have their registered head office in other Latin American countries or elsewhere internationally. Companies with registered head offices elsewhere internationally may be acquired and included in the 30% limit provided they generate a significant proportion of their sales and/or earnings in Brazil or the ACD reasonably anticipates that an increasing proportion of their sales and/or earnings will be generated in Brazil.

The following may also be acquired and counted towards the above limits; warrants, index certificates, certificates on adequately diversified equity baskets that apply to at least 10 equities and other transferable securities.

The ACD may also utilise deposits in the management of the portfolio. The Fund may also invest in collective investment schemes. Money market instruments may be acquired and their value, together with money market funds, may make up to a maximum of 20% of the Fund's assets. Subject to any constraints imposed by the regulations of the Financial Services Authority, exceeding the above limits or failing to reach them is permitted if the overall market risk remains within the limits set out above.

Fund Details

| | | |
|--|--|--|
| Fund Manager | Michael Konstantinov | |
| Benchmark | MSCI Brazil 10/40 | |
| Income allocation date | 30th April | |
| Income pay date | 30th June | |
| Launch date | 30th September 2010 | |
| ISA status | Yes (A Shares only) | |
| Share Classes and types of Shares | A (Accumulation Shares) C (Accumulation Shares) | |
| Minimum investment | A Shares | Lump sum £500 Monthly saving £50 |
| | C Shares | Lump sum £100,000 Available only at the discretion of the ACD |
| Initial charge | A Shares | 4% |
| | C Shares | Nil |
| Annual ACD fee | A Shares | 1.75% |
| | C Shares | 1% |

Investment Performance

Net Asset Value

| Share Class | Year Ended | Net Asset Value (£000s) | Number of Shares in Issue | Net Asset Value per Share (p) |
|-------------|-----------------|----------------------------|------------------------------|-------------------------------------|
| A Shares | 30th April 2011 | 31,391 | 33,567,500 | 93.5 |
| C Shares | 30th April 2011 | 797 | 848,932 | 93.9 |

Highest and Lowest Prices

| Share Class | Calendar Year | Highest Price (p) | Lowest Price (p) |
|-------------|-------------------|----------------------|---------------------|
| A Shares | 2010 ¹ | 101.6 | 92.8 |
| | 2011 ² | 100.8 | 87.5 |
| C Shares | 2010 ¹ | 101.6 | 92.9 |
| | 2011 ² | 100.9 | 87.6 |

¹ For the period from 30th September 2010 to 31st December 2010

² For the period to 30th April 2011

Investment Performance continued

Distribution History

| Share Class | Calendar Year | Net Distribution per Share (p) |
|-------------|-------------------|--------------------------------|
| A Shares | 2010 ¹ | 0.0000 |
| | 2011 ² | 0.5947 |
| C Shares | 2010 ¹ | 0.0000 |
| | 2011 ¹ | 0.7662 |

¹ For the period from 30th September 2010 to 31st December 2010

² For the period to 30th April 2011

Total Expense Ratio

| Share Class | Year Ended | TER (%) |
|-------------|-----------------|---------|
| A Shares | 30th April 2011 | 2.02 |
| C Shares | 30th April 2011 | 1.52 |

Total Expense Ratio (TER) represents all operating charges and expenses and is expressed as a percentage of the average net asset value. It includes the annual ACD fee as well as all the administrative expenses incurred by the Fund. As the accounting period is less than a year, the TERs have been annualised.

Distribution Table

For the period from 30th September to 30th April 2011

Final

Group 1: Shares purchased prior to 30th September 2010

Group 2: Shares purchased on or after 30th September 2010 to 30th April 2011

| Share Class | Net Distribution 30th June 2011 per Share (p) | Equalisation 30th June 2011 per Share (p) | Distribution payable 30th June 2011 per Share (p) | Distribution paid 30th June 2010 per Share (p) |
|----------------------------|--|---|--|---|
| Accumulation Shares | | | | |
| A Shares | | | | |
| Group 1 | 0.5947 | - | 0.5947 | n/a |
| Group 2 | 0.4675 | 0.1272 | 0.5947 | n/a |
| Accumulation Shares | | | | |
| C Shares | | | | |
| Group 1 | 0.7662 | - | 0.7662 | n/a |
| Group 2 | 0.7429 | 0.0233 | 0.7662 | n/a |

Investors are reminded that distribution is not guaranteed.

Investment Review

Performance Summary

Since Fund launch (30 Sep 2010), the Fund's 'A' class shares produced a total return of -6.27% and the Fund's 'C' class of -6.10%. The Fund's benchmark, the MSCI Brazil 10/40 Index, produced a total return of 0.06% over the period.*

Market Background

Despite attractive valuations (P/E multiples of 10x for 2011) and ongoing robust earnings growth of 18% for 2011, the Brazilian equity market has remained lackluster. The main concern for investors remains the inflationary outlook. As a result of food inflation and various bottlenecks in the economy, inflationary expectations have been increasing towards the upper end of the central banks inflation target. As a result the Brazilian Central Bank has been tightening monetary policy, creating fears of an economic slow-down. Overall it looks as if they will continue the policy agenda of the previous government, namely fiscal responsibility, independent monetary policy and support for the poor through various government initiatives. This is positive as it provides the market with confidence. We expect inflationary pressures to subside towards the middle of this year as food prices are coming down.

Portfolio Review

The Brazilian economy remains solid: although industrial production has recently slowed down on the back of the tightening measures, consumer confidence remains at high levels as the unemployment rate of 6.4% continues to stick at decade lows. The economic growth outlook has recently come down to approximately 4% for 2011. We think this moderate slowdown is positive as it puts Brazil back on a sustainable growth path. We continue to position the Fund with overweight positions in industrials, healthcare and consumer discretionary, where we see significant outperformance potential given appealing sector growth dynamics and an attractive risk-reward profile. The main focus in the period under review is on stock selection where we monitor our existing equity positions for further share price appreciation potential while evaluating new, promising investment ideas.

Outlook

The economic growth outlook is strong. Expectations are currently for 4.5% GDP growth for 2011. The main driver is domestic demand, which is expected to grow by 7% in 2011. Improved access to credit, low interest rates – at least in a Brazilian context – and rising wages spur consumption. Retail sales for example grew by nearly 10% in one year. Consumer confidence remains high and consumers continue to be willing to spend. Brazilian retailers are optimistic about business prospects. The labour market remains tight with record low levels of unemployment. Strength in commodity prices adds further impetus. On a company level, balance sheets are strong and companies are eager to make new investments. The outlook for corporate earnings growth remains strong. EPS growth is expected to be at 22% in 2011 mainly driven by top line growth.

Going forward we expect inflationary pressures to subside as food inflation is correcting and as a result the rising interest rate cycle should be coming to an end. This should take off some pressure on share prices of domestic demand related sectors such as retail, consumer and housing which have been correcting during the monetary tightening cycle.

27th May 2011

The contents of this Investment Review are based on the views of the manager at the time of writing, which may be subject to change.

* Source: Allianz Global Investors/Datastream. Fund performance based on end of day prices, net of fees and expenses, with net revenue re-invested in Sterling. Benchmark performance based on end of day prices.

Portfolio Statement

As at 30th April 2011

| Holding | Market Value £000s | % of Net Assets |
|--|---|---------------------------|
| BRAZIL 96.26% | | |
| Automobiles & Parts 0.97% | | |
| 37,400 | lochpe-Maxion | 312 0.97 |
| Banks 21.64% | | |
| 247,000 | Banco Bradesco Sponsored ADR (Representing 1 preference share - US listed) | 2,994 9.30 |
| 55,200 | Banco Do Brasil | 608 1.89 |
| 200,700 | Banco Itau Financeira ADR (Representing 50 ordinary shares - US listed) | 2,857 8.88 |
| 72,700 | Banco Santander ADR (Representing 1 unit) | 506 1.57 |
| | | 6,965 21.64 |
| Beverages 4.83% | | |
| 79,686 | Companhia de Bebidas das Americas | 1,556 4.83 |
| Construction & Materials 1.58% | | |
| 82,200 | Duratex | 509 1.58 |
| Electricity 4.90% | | |
| 75,000 | CEMIG | 938 2.91 |
| 55,300 | CESP - Companhia Energetica de Sao Paulo Eletrobras | 639 1.99 |
| | | 1,577 4.90 |
| Financial Services 5.14% | | |
| 235,100 | BM&F Bovespa | 1,058 3.29 |
| 38,500 | Bradespar Preference | 596 1.85 |
| | | 1,654 5.14 |
| Food & Drug Retailers 2.29% | | |
| 12,800 | Companhia Brasileira De Distribuicao (Grupo Pao de Acucar) Preference Shares | 340 1.06 |
| 67 | Companhia Brasileira De Distribuicao (Grupo Pao de Acucar) Rights 4/5/2011 | 0 0.00 |
| 43,000 | Raia | 397 1.23 |
| | | 737 2.29 |
| Food Producers 1.33% | | |
| 53,500 | Hypermarcas | 428 1.33 |
| Gas, Water & Multiutilities 2.54% | | |
| 78,300 | Ultrapar Participacoes | 819 2.54 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| General Retailers 5.60% | | |
| 89,300 Localiza Rent a Car | 918 | 2.86 |
| 34,200 Lojas Rener | 757 | 2.35 |
| 20,600 Magazine Luiza | 126 | 0.39 |
| | 1,801 | 5.60 |
| Health Care Equipment & Services 4.97% | | |
| 38,500 Anhanguera Educacional | 511 | 1.59 |
| 51,000 Diagnosticos da America | 409 | 1.27 |
| 40,300 Fleury | 353 | 1.10 |
| 34,100 OdontoPrev | 327 | 1.01 |
| | 1,600 | 4.97 |
| Industrial Engineering 3.55% | | |
| 73,990 Autometal | 501 | 1.56 |
| 94,300 MarcoPolo | 253 | 0.78 |
| 87,200 Randon | 389 | 1.21 |
| | 1,143 | 3.55 |
| Industrial Metals & Mining 11.09% | | |
| 152,800 Cia Vale Rio Doce ADR (Representing 1 preference share - US listed) | 2,738 | 8.51 |
| 114,800 Gerdau | 830 | 2.58 |
| | 3,568 | 11.09 |
| Industrial Transportation 5.59% | | |
| 42,800 Companhia de Concessoes Rodoviaras | 795 | 2.47 |
| 126,900 EcoRodovias | 667 | 2.07 |
| 33,100 Tegma Gestao Logistica | 336 | 1.05 |
| | 1,798 | 5.59 |
| Mobile Telecommunications 3.66% | | |
| 257,700 TIM Participacoes | 842 | 2.62 |
| 174 TIM Participacoes Rights 19/5/2011 | 0 | 0.00 |
| 13,400 Vivo Participacoes | 336 | 1.04 |
| | 1,178 | 3.66 |
| Non-Life Insurance 1.24% | | |
| 600 Brasil Insurance | 400 | 1.24 |

Portfolio Statement continued

| Holding | Market Value £000s | % of Net Assets |
|---|-----------------------|--------------------|
| Oil & Gas Producers 10.70% | | |
| 106,300 OGX Petroleo e GAS Participacoes | 681 | 2.11 |
| 123,600 Petrol Brasileiros | 2,764 | 8.59 |
| | 3,445 | 10.70 |
| Real Estate 3.60% | | |
| 105,700 MRV Engenharia | 548 | 1.70 |
| 173,800 PDG Realty SA Empreendimentos e Participacoes | 612 | 1.90 |
| | 1,160 | 3.60 |
| Software & Computer Services 1.04% | | |
| 29,500 TOTVS | 334 | 1.04 |
| Investment assets | 30,984 | 96.26 |
| Net other assets | 1,204 | 3.74 |
| Net assets | 32,188 | 100.00 |

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

There are no comparative figures as the Fund launched on 30th September 2010.

Summary of Portfolio Changes

For the period from 30th September 2010 to 30th April 2011

The summaries below identify those purchases and sales exceeding 2% of the net assets of the Fund at the end of the period, subject to a minimum disclosure of the twenty largest purchases and sales.

| Purchases | Cost £000s | Sales ¹ | Proceeds £000s |
|--|---------------|---|-------------------|
| Bco Bradesco | 3,250 | Redecard | 417 |
| Banco Itau Financeira ADR (Representing 50 ordinary shares - US listed) | 3,123 | Gafisa | 405 |
| Cia Vale Rio Doce ADR (Representing 1 preference share - US listed) | 2,784 | OGX Petroleo e GAS Participacoes | 399 |
| Petrol Brasileiros | 2,740 | Bradespar Preference | 390 |
| BM&F Bovespa | 1,469 | Cia Brasileira Distr(Pao De Acucar) | 386 |
| Companhia de Bebidas das Americas | 1,469 | Hypermarcas | 360 |
| OGX Petroleo e GAS Participacoes | 1,412 | Usinas Sid Minas Gerais Usiminas | 352 |
| Banco Santander ADR (Representing 1 unit) | 1,113 | Banco Santander ADR (Representing 1 unit) | 349 |
| Gerdau | 1,090 | Vivo Participacoes | 343 |
| Bradespar Preference | 1,054 | WEG | 265 |
| Localiza Rent A Car | 950 | BM&F Bovespa | 222 |
| Hypermarcas | 932 | Tegma Gestao Logistica | 202 |
| CEMIG | 832 | Eletronbras | 125 |
| Ultrapar Participacoes | 793 | Gerdau | 95 |
| Lojas Rener | 762 | MarcoPolo | 86 |
| Companhia de Concessoes Rodoviaras | 758 | Duratex | 58 |
| Tim Participacoes | 734 | Hypermarcas (Rights 13/12/10) | 0 |
| Bco Do Brasil | 688 | | |
| PDG Realty SA Empreendimentos e Participacoes | 681 | | |
| MRV Engenharia | 667 | | |
| Duratex | 652 | | |
| Other purchases | 8,795 | | |
| Total purchases for the period | 36,748 | Total sales for the period | 4,454 |

¹ The table above shows all the sales during the period.

Statement of Total Return

For the period from 30th September 2010 to 30th April 2011

| | Notes | 2011 £000s | 2011 £000s |
|---|-------|---------------|----------------|
| Income | | | |
| Net capital losses | 2 | | (1,648) |
| Revenue | 3 | 519 | |
| Expenses | 4 | (307) | |
| Finance costs: Interest | 6 | (1) | |
| Net revenue before taxation | | 211 | |
| Taxation | 5 | (28) | |
| Net revenue after taxation | | | 183 |
| Total return before distributions | | | (1,465) |
| Finance costs: Distributions | 6 | | (183) |
| Change in net assets attributable to shareholders from investment activities | | | (1,648) |

Statement of Change in Net Assets Attributable to Shareholders

For the period from 30th September 2010 to 30th April 2011

| | 2011 £000s | 2011 £000s |
|--|---------------|---------------|
| Opening net assets attributable to shareholders | | 0 |
| Amounts receivable on issue of shares | 36,444 | |
| Less: Amounts payable on cancellation of shares | (2,814) | |
| | | 33,630 |
| Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above) | | (1,648) |
| Retained distribution on accumulation shares | | 206 |
| Closing net assets attributable to shareholders | | 32,188 |

Notes to the financial statements are from pages 173 to 180.

Balance Sheet

As at 30th April 2011

| | Notes | 2011 £000s | 2011 £000s |
|--|-------|---------------|---------------|
| Assets | | | |
| Investment assets | | | 30,984 |
| Debtors | 7 | 788 | |
| Cash and bank balances | | 1,256 | |
| Total other assets | | | 2,044 |
| Total assets | | | 33,028 |
| Liabilities | | | |
| Creditors | 8 | (840) | |
| Total other liabilities | | | (840) |
| Total liabilities | | | (840) |
| Net assets attributable to shareholders | | | 32,188 |

Notes to the financial statements are from pages 173 to 180.

Notes to the Financial Statements as at 30th April 2011

1. Accounting Policies

The applicable accounting policies adopted by the Allianz RCM Brazil Fund are included on page 11 of the Notes to the Aggregated Financial Statements.

2. Net capital losses

| | 2011 |
|-------------------------------------|----------------|
| | £000s |
| Losses on non-derivative securities | (1,686) |
| Gains on currency | 53 |
| Handling charges | (15) |
| Net capital losses | (1,648) |

3. Revenue

| | 2011 |
|----------------------------------|--------------|
| | £000s |
| Overseas dividends - non-taxable | 332 |
| Overseas dividends - taxable | 187 |
| Total revenue | 519 |

Notes to the Financial Statements continued

4. Expenses

| | 2011 |
|--|--------------|
| | £000s |
| Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them: | |
| ACD's annual fee | 254 |
| Company secretarial costs | 1 |
| | 255 |
| Payable to the Depositary, associates of the Depositary and agents of either of them: | |
| Depositary's fees | 5 |
| Safe custody fees | 11 |
| | 16 |
| Other expenses: | |
| Audit fee | 11 |
| Commissions paid | 7 |
| Distribution costs | 3 |
| FT publication fees | 1 |
| Legal fees | 1 |
| Printing costs | 3 |
| Registration fees | 3 |
| Taxation advice | 7 |
| VAT recovered | (1) |
| Other expenses | 1 |
| | 36 |
| Total expenses | 307 |

All expenditure stated above is inclusive of VAT where applicable.

Notes to the Financial Statements continued

5. Taxation

| | 2011 |
|---|--------------|
| | £000s |
| a. Analysis of tax charge for the period: | |
| Overseas tax suffered | 28 |
| Total current tax for the period (see Note 5(b)) | 28 |
| b. Factors affecting current tax charge for the period: | |
| The taxation assessed for the period is lower than the standard rate of corporation tax in the UK for a sub-fund of an Open Ended Investment Company 20%. | |
| The differences are explained below: | |
| Net revenue before taxation | 211 |
| Corporation tax at 20% | 42 |
| Effects of: | |
| Overseas dividends - non-taxable | (66) |
| Overseas tax expensed | (6) |
| Overseas tax suffered | 28 |
| Surplus allowable expenses arising in the period | 30 |
| Current tax charge for the period (see Note 5(a)) | 28 |

As OEICs are exempt from tax on capital gains, capital returns are not included in the above reconciliation.

The Fund has not recognised a deferred tax asset of £30,000 arising as a result of having unutilised management expenses. We do not expect this asset to be utilised in the foreseeable future.

Notes to the Financial Statements continued

6. Finance costs**Distributions and interest**

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

| | 2011 |
|---|--------------|
| | £000s |
| Final | 206 |
| Add: Revenue deducted on cancellation of shares | 5 |
| Less: Revenue received on issue of shares | (28) |
| Net distributions for the period | 183 |
| Overdraft interest | 1 |
| Total finance costs | 184 |

7. Debtors

| | 2011 |
|---------------------------------------|--------------|
| | £000s |
| Accrued revenue | 152 |
| Amounts receivable on issue of shares | 84 |
| Sales awaiting settlement | 552 |
| | 788 |

Notes to the Financial Statements continued

8. Creditors

| | 2011 |
|---|--------------|
| | £000s |
| Accrued ACD's annual fee | 90 |
| Amounts payable on cancellation of shares | 54 |
| Purchases awaiting settlement | 671 |
| Other accrued expenses | 25 |
| | 840 |

9. Related party transactions

The ACD is deemed to be a related party under the definition of Financial Reporting Standard 8, which requires the disclosure of details of material transactions between the Fund and any related party.

Details of any related party transactions occurring during the period, including commissions paid and any balances due at the period end are disclosed in the Balance Sheet, the Statement of Change in Net Assets Attributable to Shareholders and Notes 4, 7 and 8 to the financial statements. All issues and cancellations were transacted with the ACD.

During the period, the aggregate value of commissions paid on transactions in the Fund's investments with the related parties and associates thereof was £Nil.

10. Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of net revenue included in the purchase price of all Group 2 shares. In the case of Accumulation shares, it is automatically reinvested in the Fund at the first distribution payment date after the shares were purchased. Being a capital repayment it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Notes to the Financial Statements continued

11. Shareholders funds

The Fund currently has two share classes; A and C. The ACD's annual fee on these share classes is as follows:

Class A: 1.75%

Class C: 1.00%

The net asset value per share and the number of shares in issue are given in the Net Asset Value table on page 163.

The distribution per share is given in the Distribution Table on page 165.

12. Contingent liabilities and commitments

As at 30th April 2011 there were contingent liabilities in respect of rights of £2,152.

13. Derivatives and other financial instruments

a. Currency exposure

The majority of the net assets and liabilities of the Fund are denominated in currencies other than Sterling, with the effect that the total net assets and total return can be affected by currency movements.

| Currency | Investments | Other | Other | Net |
|------------------------------------|---------------|--------------|--------------|---------------|
| | 30th April | Assets | Liabilities | Currency |
| | 2011 | 30th April | 30th April | Exposure |
| | £000s | £000s | £000s | £000s |
| Sterling | 0 | 1,303 | (170) | 1,133 |
| Brazilian Real | 15,465 | 633 | (634) | 15,464 |
| US Dollar | 15,519 | 108 | (36) | 15,591 |
| Total per the balance sheet | 30,984 | 2,044 | (840) | 32,188 |

Notes to the Financial Statements continued

b. Interest rate risk profile

The table below summarises in Sterling terms the financial assets and financial liabilities whose values are affected by changes in interest rates. The narrative on pages 6-7 explains the different types of risks the Fund may face.

| Currency | Floating Rate Interest 30th April 2011 £000s | Nil Interest 30th April 2011 £000s | Total 30th April 2011 £000s |
|---|--|--|--------------------------------------|
| Financial assets | | | |
| Sterling | 1,218 | 0 | 1,218 |
| Brazilian Real | 3 | 15,465 | 15,468 |
| US Dollar | 35 | 15,519 | 15,554 |
| Total financial assets | 1,256 | 30,984 | 32,240 |
| Total financial instruments | 1,256 | 30,984 | 32,240 |
| Short term debtors and creditors | | | (52) |
| Net assets per the balance sheet | | | 32,188 |

Cash is deposited and overdraft facilities utilised on normal commercial terms and earns/bears interest calculated on a variable rate with reference to LIBOR or its overseas equivalent.

c. Maturity of financial liabilities

All liabilities are due in one year or less or on demand.

d. Fair value disclosure

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Financial Statements continued

14. Portfolio transaction costs

| | 2011 £000s | 2011 £000s |
|--|---------------|---------------|
| Analysis of total purchase costs | | |
| Purchases in the period before transaction costs | | 36,675 |
| Commissions | 73 | |
| Total purchase costs | | 73 |
| Gross purchase total | | 36,748 |
| Analysis of total sale costs | | |
| Gross sales in the period before transaction costs | | 4,465 |
| Commissions | (11) | |
| Total sales costs | | (11) |
| Total sales net of transaction costs | | 4,454 |

Authorised Corporate Director's Report to the Shareholders

REPORT OF THE AUTHORISED CORPORATE DIRECTOR TO
THE SHAREHOLDERS OF THE ALLIANZ INTERNATIONAL
INVESTMENT FUNDS FOR THE YEAR ENDED 30TH APRIL 2011.

In accordance with the requirements of the Regulations, we
hereby certify the report on behalf of the Directors of Allianz
Global Investors (UK) Limited.

J. Doran
26th July 2011

G. Hardy

Depositary's Report to the Shareholders

REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS OF THE ALLIANZ INTERNATIONAL INVESTMENT FUNDS ("the Company") FOR THE YEAR ENDED 30TH APRIL 2011.

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of revenue that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed by the Authorised Corporate Director in accordance with the Financial Services Authority's Collective Investment Scheme Sourcebook ("the COLL Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ("the OEIC Regulations") and the Company's Instrument of Incorporation and Prospectus, as appropriate, in relation to the pricing of, and dealings in, shares in the Company; the application of revenue of the Company; and the investment and borrowing powers of the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Authorised Corporate Director:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the COLL Sourcebook and where applicable, the OEIC Regulations and the Company's Instrument of Incorporation and Prospectus; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Bournemouth
26th July 2011

**J.P. Morgan Trustee and
Depositary Company Limited**
Depositary

Independent Auditors' Report

INDEPENDENT AUDITORS'S REPORT TO THE MEMBERS OF ALLIANZ INTERNATIONAL INVESTMENT FUNDS ICVC

We have audited the financial statements of Allianz International Investment Funds ICVC (the "Company") for the year ended 30 April 2011 which comprise the aggregated statement of total return, the aggregated statement of change in net assets attributable to shareholders, the aggregated balance sheet and related notes and for each of the Company's sub-funds, the statement of total return, the statement of change in net assets attributable to shareholders, the balance sheet, the related notes and the distribution tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Management Association (the "Statement of Recommended Practice for Authorised Funds").

Respective responsibilities of director and auditors

As explained more fully in the Authorised Corporate Director's Responsibilities Statement the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Authorised Corporate Director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Authorised Corporate Director's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company and each of the sub-funds at 30 April 2011 and of the net revenue(expense) and the net gains(losses) of the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Statement of Recommended Practice for Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Opinion on other matters prescribed by the Collective Investment Schemes sourcebook

In our opinion:

- we have obtained all the information and explanations we consider necessary for the purposes of the audit; and
- the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Collective Investment Schemes sourcebook requires us to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London
26th July 2011

The accounts are published at www.allianzgi.co.uk, which is a website maintained by the Authorised Corporate Director. The maintenance and integrity of the Allianz Global Investors website is the responsibility of the Authorised Corporate Director; the work carried out by the auditors does not involve consideration of these matters, and accordingly, the auditors accept no responsibility for any changes that may have occurred to the accounts since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the accounts may differ from legislation in their jurisdiction.

Additional Information

How will I be kept informed of my investment?

You will receive interim and annual short form reports as at 31st October and 30th April, respectively. You will also receive a full statement of your investments as at 5th April and 5th October sent to you at the end of April and end of October respectively. You can also request a valuation at any time by calling 0800 073 2001.

In addition, the share prices are published daily in The Financial Times and on our website at www.allianzglobalinvestors.co.uk.

Interim and audited annual long form reports as at 31st October and 30th April can be obtained from our website or by calling the number above.

Taxation

Capital gains tax

If your realised gains from all investments do not exceed the capital gains tax exemption (£10,100 for 2010/2011 tax year and £10,600 for 2011/2012 tax year), you will not pay any capital gains tax. From 6th April 2011 gains above the basic rate income tax band of £35,000 will be taxed at 28%. Gains below the basic rate tax band will continue to be taxed at 18%.

Income tax

Distributions, whether they are paid out or accumulated, are treated as income for tax purposes.

Dividend distributions (Equity Funds)

These carry a tax credit of 10%. Non-taxpayers can no longer reclaim this credit. If you are a basic rate taxpayer, you will not pay any further tax. Higher rate and additional rate taxpayers will be liable to income tax on their grossed up dividend income at the rate of 32.5% and 42.5% respectively but may offset the 10% tax credit against this. Higher rate and additional rate taxpayers will therefore be liable to pay income tax equivalents at a rate of 25% and 36.1% respectively of their net receipt. It is not possible for investors to reclaim any amount in respect of the tax credit.

Interest distributions (Bond Funds)

Income tax at the rate of 20% will be deducted from payments of interest distributions to UK resident investors who will then receive a credit for the tax deducted. A basic rate taxpayer has no further tax liability. Higher rate and additional rate (currently 40% and 50% respectively) taxpayers must account to HM Revenue & Customs for any further tax

due on the gross amount of the interest. In line with current legislation, we will report all interest distribution payments to HM Revenue & Customs.

Risk warning

Investors are reminded that the value of shares of a Fund and the income from the shares may go down as well as up and is not guaranteed. An investor may not get back the amount he/she has invested. The past is no guide to future performance. Details of the risk factors are published in the full prospectus which may be accessed at www.allianzglobalinvestors.co.uk. Alternatively, call our Investor Services team on 0800 317 573 to request a copy free of charge.

Complaints

A copy of our leaflet, "Allianz Global Investors Complaints Process", is available on request. Any eligible complainant having any complaint in respect of the Fund should inform Allianz Global Investors in writing of the details of the complaint. This will then be investigated and a reply provided as soon as possible and any appropriate remedial action taken. In addition, eligible complainants will have a right of complaint directly to the Financial Ombudsman Service if he/she is not satisfied with the outcome of the investigation into the complaint. Details of the Financial Services Compensation Scheme established under the Financial Services and Market Act 2000, under which an investor may be entitled to receive compensation if the ACD is unable to meet any of its liabilities to the investor are available on written request from the ACD.

Telephones

For our mutual protection, calls are recorded and may be used for quality control and training purposes, however, Allianz Global Investors (UK) Limited reserves the right to use such recordings in the event of a dispute.

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