

Nicholas-Applegate Convertible & Income Fund II (NCZ)

Description

Seeks total return through a combination of capital appreciation and high current income.

Fund Inception Date

July 31, 2003

Total Fund Assets (in millions)

Common	\$470.0
Preferred	\$274.0
Total	\$744.0

Management Firm

Nicholas-Applegate Capital Management (NACM)

Portfolio Managers

Douglas Forsyth & Justin Kass

Dividend Frequency

Monthly

Net Asset Value (NAV) / Market Price at Inception

\$14.32 / \$15.00

NAV / Market Price (as of 9/30/09)

\$7.79 / \$7.98

High / Low Ranges (52-Week)

High / Low NAV \$9.11 / \$4.07
High / Low Market Price \$8.14 / \$2.75

Premium / (Discount) to NAV

2.44%

Fund Data (Common Shares)

Shares Outstanding 60,362,747
Average Daily Volume 314,813

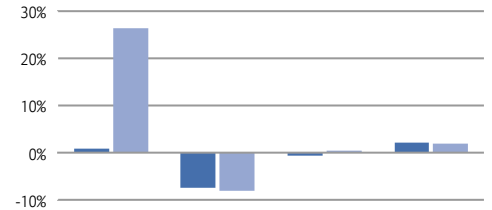
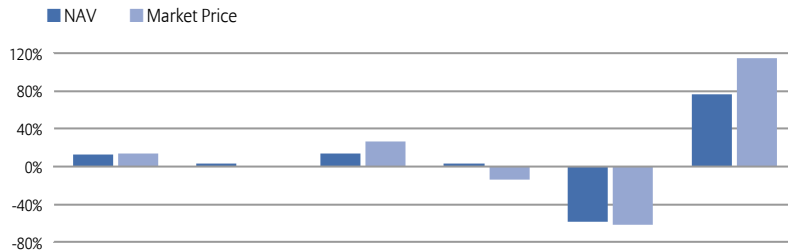
Fund Data (Preferred Shares)

Shares Outstanding 10,960
Share Price \$25,000
% of Total Fund Assets (Leverage) 36.83
Average Quarterly Rate (% Annualized) 0.22
Average Maturity (Days) 7

Fund Highlights

- Invests in a diversified portfolio of domestic convertible securities and non-convertible high-yield bonds rated below investment grade.
- Seeks to invest at least 50% of its portfolio in convertibles, but determines its allocation based on changes in equity prices, changes in interest rates and other economic and market factors. For the convertible portion, NACM seeks to capture approximately 70%-80% of any increase in the market price of the underlying equities (upside potential) and 50% or less of any decrease in the market price of the underlying equities (downside exposure).
- In searching for investment opportunities, the manager looks for issuers that will successfully adapt to change, exceed minimum credit statistics and exhibit the most promising operating performance potential.

Performance and Dividend Analysis—Common Shares



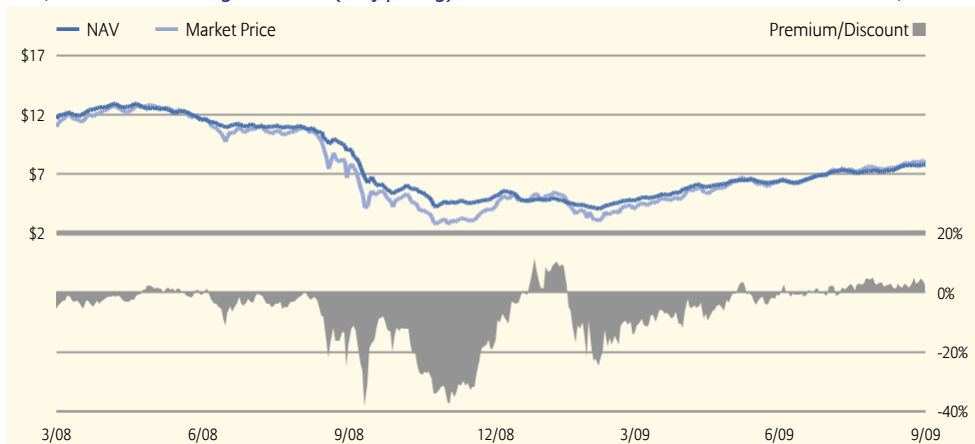
Calendar Year Returns

	'04	'05	'06	'07	'08	YTD
NAV	13.2%	3.0%	14.0%	3.1%	-58.0%	75.9%
Market Price	13.7%	-0.5%	26.8%	-13.2%	-60.5%	114.8%

Average Annual Returns

	1-yr	3-yr	5-yr	Inception
Market Price	26.36%	-7.83%	0.46%	1.96%
NAV	0.91%	-7.14%	-0.31%	2.11%

NAV/Market Price-Trailing 18 Months (daily pricing)



Fund Premium/Discount

Current Yield

Market Price Yield (%)	12.78
NAV Yield (%)	13.09
Undistributed Net Investment Income (as of 5/31/09)	\$0.1289

Distribution History (last six payments)

Declaration Date	Type	Amount Per Share
9/01/09	Dividend	\$0.085
8/03/09	Dividend	\$0.085
7/01/09	Dividend	\$0.085
6/01/09	Dividend	\$0.085
5/01/09	Dividend	\$0.085
4/01/09	Dividend	\$0.085

Investment Products

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

Visit www.allianzinvestors.com for more information.

Past performance is no guarantee of future results. An investment in the Fund involves risk, including loss of principal. Investment return and the value of shares will fluctuate. Returns are calculated by determining the percentage change in net asset value (NAV) or market share price (as applicable) with all distributions reinvested. The Fund's performance at market price will differ from its results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's shares or changes in Fund distributions. The returns do not reflect broker sales charges or commissions. NAV is total assets less total liabilities divided by the number of shares outstanding. This material is presented only to provide information and is not intended for trading purposes. The Fund is a closed-end exchange traded management investment company. A closed-end fund, unlike an open-end fund, is not continuously offered. After the initial public offering, shares are sold on the open market through a stock exchange. Changes to investment policies, current management fees, and other matters of interest to investors may be found in each closed-end fund's most recent annual report to shareholders. The current semi annual report also will contain important updated information for investors. See reverse for more information. For the period covered by the most recent shareholder report, the expense ratio is 1.71%.

