

PIMCO Diversified Income Fund

Description

Seeks maximum total return, consistent with prudent investment management

Fund Inception Date

July 31, 2003

Total Fund Assets (in millions)

\$2,838.7

Management Firm

PIMCO (Pacific Investment Management Company)

Portfolio Manager

Curtis Mewbourne

Dividend Frequency

Monthly

Symbol / CUSIP

	Symbol	CUSIP Number
A Shares	PDVAX	72200Q661
B Shares	PDVBX	72200Q653
C Shares	PDICX	72200Q646

Maturity / Quality

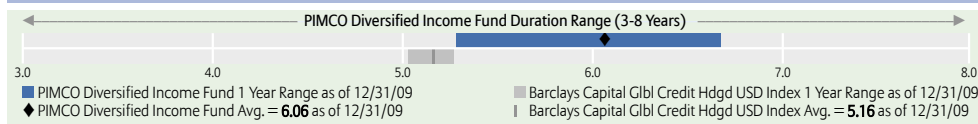
S	I	L	H	Maturity:
■	■	■	■	Intermediate
■	■	■	■	Quality:
■	■	■	■	Medium

Fund Highlights

- Access to higher yielding areas of the global fixed-income market with potentially less overall volatility than a less diversified fund.
- Active allocation and investment management from one of the country's leading fixed-income managers.
- Benefits from PIMCO's depth of expertise in corporate and emerging market investing.

Portfolio Analysis

Duration



Top Sectors

Emerging Markets	35%
Invest. Grade Credit	24%
High Yield Credit	17%
Non-U.S. Developed	12%
Mortgage	7%
Government-Related	3%
Municipal	2%

Maturity

1-3 Years	16%
3-5 Years	28%
5-10 Years	41%
10-20 Years	8%
20+ Years	7%
Average Maturity	8.43 Years
Average Duration	5.82 Years

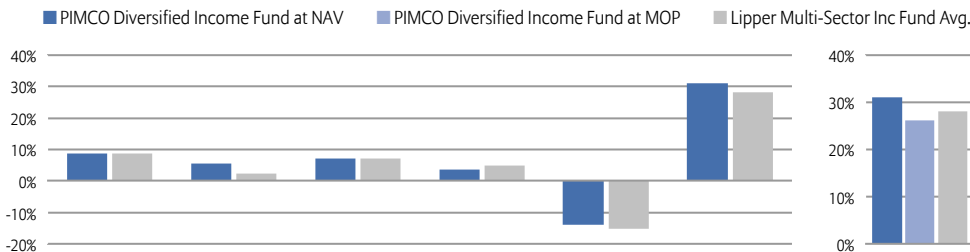
Quality¹

AA	7%
A	19%
BBB	41%
BB	18%
B	11%
<B	4%
Average Quality	BBB-

Statistics

Standard Deviation ²	10.31
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Performance Analysis



Calendar Year Returns

	'04	'05	'06	'07	'08	'09
PIMCO Fund at NAV	8.9%	5.5%	7.2%	3.6%	-13.7%	31.1%
PIMCO Fund at MOP						
Lipper Multi-Sector Inc Fund Avg.	8.8%	2.5%	7.1%	4.8%	-14.7%	28.2%
Barclays Capital Gbl Credit Hdgd USD Index	6.4%	4.1%	4.9%	3.5%	-5.9%	18.4%
Blended Index ³	9.1%	6.1%	7.6%	4.3%	-12.8%	30.2%

Average Annual Returns

	1-yr	3-yr	5-yr	Inception
PIMCO Fund at NAV	31.05%	5.42%	5.78%	7.38%
PIMCO Fund at MOP	26.14%	4.08%	4.97%	6.74%
Lipper Multi-Sector Inc Fund Avg.	28.17%	4.53%	4.64%	6.34%
Barclays Capital Gbl Credit Hdgd USD Index	18.39%	4.86%	4.71%	5.33%
Blended Index ³	30.18%	5.76%	6.19%	7.44%

If this material is used after 3/31/10, it must be accompanied by the most recent Performance Supplement.

Performance quoted represents past performance. Past performance is no guarantee of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit our Web site at www.allianzinvestors.com. The MOP returns take into account the 3.75% maximum initial sales charge. The Fund's expense ratio is 1.19%. Visit www.allianzinvestors.com to find out if this Fund's expenses are being subsidized.

Performance assumes reinvestment of dividends and capital gains distributions. Taxes on distributions or redemptions have not been deducted. The Lipper, Inc. Lipper Average is based on total return, with distributions reinvested and operating expenses deducted, though not reflecting sales charges. Fund classes share the same portfolio, but have different investment minimums and different fees and expenses.

1. The letter ratings are provided to indicate the creditworthiness of the underlying bonds in the portfolio and generally range from AAA (highest) to D (lowest). Ratings do not apply to the fund. 2. Standard Deviation is calculated by IDS GmbH-Analysis and Reporting Services, an investment analysis and reporting service which is a subsidiary of Allianz SE. 3. Blended Index: 33% Barclays Capital Global Aggregate Credit, ML-Global High Yield BB-B Rated Constrained Index, JPMorgan EMBI Global.

Best / Worst Return

	Best	Worst
3-month (ended)	14.28% (5/31/09)	-16.66% (11/30/08)
1-yr (ended)	36.55% (11/30/09)	-17.41% (11/30/08)
3-yr (ended)	8.74% (5/31/07)	-2.71% (2/28/09)

PIMCO Diversified Income Fund

Portfolio Management

PIMCO (Pacific Investment Management Company)

Founded in 1971 and based in Newport Beach, California, PIMCO is a leading institutional investment firm with a client list that includes many of the largest companies in the United States. PIMCO is one of the most respected names in fixed-income management, due in large part to its total return approach to bond investing and strong long-term performance record. While renowned for its bond management expertise, PIMCO has also developed a range of innovative investment strategies to offer investors access to other asset classes, including stocks, commodities and real estate. In recent years, the firm has expanded its global operations and today has offices in cities such as London, Munich, Singapore, Sydney and Tokyo.

Portfolio Manager



Curtis Mewbourne

Mr. Mewbourne is a Managing Director, portfolio manager and co-head of the emerging markets portfolio management team. Mr. Mewbourne has many years of trading experience in credit markets. He began his career in finance at Lehman Brothers in 1992 as a market maker for emerging market debt. Prior to joining PIMCO in 1999, Mr. Mewbourne ran Salomon Brothers emerging market trading desk in London. Mr. Mewbourne manages various portfolios and CDOs in Total Return and credit strategies including global investment grade, high yield and emerging markets. Mr. Mewbourne holds an engineering degree in computer science from the University of Pennsylvania.

Investment Process

From a neutral weighting of one-third of the total assets in global investment grade corporate bonds, one-third global high yield corporate bonds and one-third emerging markets bonds, the Fund's allocation is adjusted based on PIMCO's investment outlook. This outlook is formulated at the firm's annual Secular Forum, where investment professionals gather for a three day discussion of the economy and financial markets. The outgrowth of the Forum is PIMCO's Secular Outlook, which is its forecast for the next 3–5 years. In addition, the firm holds quarterly outlook meetings, where the longer-term view is augmented by cyclical factors. In general, the manager of PIMCO Diversified Income Fund will look to overweight the segment or segments that offer the most potential, while holding a defensive position in the other segment or segments. To do this, the manager will tap into the global expertise of the investment grade, high yield and emerging markets teams at PIMCO.



Investors should consider the investment objectives, risks, charges and expenses of this Fund carefully before investing. This and other information are contained in the Fund's prospectus, which may be obtained by contacting your financial advisor, by visiting www.allianzinvestors.com or by calling 1-888-877-4626. Please read this prospectus carefully before you invest or send money.

Past performance is no guarantee of future results. All data is as of 12/31/09 unless otherwise indicated. Holdings are subject to change. This Fund will normally invest in a diversified pool of corporate fixed-income securities of varying maturities, all of which may be below investment grade. Below investment grade securities generally involve greater risk to principal than higher-rated securities. The Fund may also invest in non-U.S. securities, in securities denominated in foreign currencies, mortgage-related securities, and emerging market securities without limit. Mortgage-backed securities are subject to prepayment risk and may be sensitive to changes in prevailing interest rates. The value of some mortgage-related or asset-backed securities may be particularly sensitive to interest rate changes, and there is no assurance that private insurers of the underlying mortgages or assets will meet their obligations. When interest rates rise, the value of fixed-income securities generally declines. Investing in non-U.S. securities may entail risk due to foreign economic and political developments; this risk may be enhanced when investing in emerging markets. This Fund may use derivative instruments for hedging purposes or as part of its investment strategy. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund could not close out a position when it would be most advantageous to do so. Portfolios investing in derivatives could lose more than the principal amount invested in those instruments.

Effective November 1, 2009, Class B shares of Allianz Funds and PIMCO Funds are no longer available for purchase, except through exchanges and dividend reinvestments.

The Barclays Capital Global Credit Hedged USD Index is an unmanaged index composed investment grade and high yield credit securities from the Multiverse represented in U.S. Dollars on a hedged basis. The Blended Index is an equally weighted blend of the following three indices: Barclays Capital Global Aggregate - Credit Component, BofA Merrill Lynch Global High Yield, BB-B Rated, Constrained Index, JPMorgan EMBI Global. The Fund believes this self-blended index reflects the Fund's investment strategy more accurately than the Barclays Capital Global Credit Hedged USD Index. The Barclays Capital Global Aggregate Index provides a broad-based measure of the global investment-grade fixed-income markets. The Global High Yield BB-B Rated Constrained Index tracks the performance of below investment grade bonds of corporate issuers domiciled in countries having an investment grade foreign currency long term debt rating (based on a composite of Moody's, S&P and Fitch). The index includes bonds denominated in U.S. dollars, Canadian dollars, sterling, euro (or euro legacy currency), but excludes all multi-currency denominated bonds. Bonds must be rated below investment grade but at least B3 based on a composite of Moody's, S&P and Fitch. Qualifying bonds are capitalization-weighted provided the total allocation to an individual issuer (defined by Bloomberg tickers) does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis. Similarly, the face value of bonds of all other issuers that fall below the 2% cap are increased on a pro-rata basis. The index is re-balanced on the last calendar day of the month. JPMorgan EMBI Global tracks total returns for United States Dollar denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities. Brady bonds, loans, Eurobonds and local market instruments. This index only tracks the particular region or country. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an index.

Standard deviation is an absolute measure of volatility measuring dispersion about an average which, for a mutual fund, depicts how widely the returns varied over a certain period of time. The credit quality of the investment in the portfolio does not apply to the stability or safety of the portfolio. Duration is a measure of a portfolio's price sensitivity expressed in years. When interest rates rise, bond prices generally fall; bonds of longer duration tend to be more sensitive to changes in interest rates, usually making them more volatile than fixed-income securities of shorter duration.

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Investment Products

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