

**INSTITUTIONAL CLASS**

As of June 30, 2009

**PORTFOLIO MANAGER**

William Gross

**FUND STATISTICS**

Effective Duration (yrs)	4.87
Effective Maturity (yrs)	6.59
Average Quality	AA+

**SECTOR DIVERSIFICATION (%)**

	Market Value Weighted
Gov't Related	38
Mortgage	55
Invest. Grade Credit	14
High Yield Credit	1
Non-U.S. Developed	0
Emerging Markets	0
Municipals	4
Other	3
Net Cash Equivalents	-15

**Ticker**  
PMBIX

**CUSIP**  
693390551

**Inception of Fund**  
12/30/1991

**Fund Assets**  
\$2.7 BN

## PIMCO Total Return Fund II

**FUND DESCRIPTION**

The Total Return Fund II is a diversified portfolio of high-quality bonds that is actively managed to maximize return in a risk-controlled framework.

**INVESTOR BENEFITS**

This Fund offers investors an actively managed core bond portfolio that can capitalize on opportunities within multiple sectors of the U.S. fixed-income market.

Potential benefits of this Fund include:

- Aims to provide excess return in a risk-controlled framework
- Portfolio diversification, income and the opportunity for capital gains through active management
- An investment strategy managed for all market environments, emphasizing both top-down macroeconomic analysis and bottom-up issue selection

**THE FUND ADVANTAGE**

As a pioneer in fixed-income total return investing, the Fund takes a diversified approach to adding value in its effort to provide consistent performance by employing multiple concurrent strategies and taking modest risk in each, thereby reducing the risk of poor performance arising from any single source. PIMCO has a substantial and experienced team specializing in all sectors of the global bond market, and a record of actively pursuing an extensive global fixed-income opportunity set and identifying innovative solutions in our effort to maximize returns.

**VALUE OF CORE STRATEGIES**

An allocation to PIMCO fixed-income strategies may be beneficial as a core part of a balanced portfolio. Bonds can provide a steady source of income and, as part of a total-return strategy, potentially produce capital gains as well. An allocation to a PIMCO fixed-income strategy in a portfolio also can offer diversification and serve as a hedge against volatility and risks in other asset classes, particularly in times of economic uncertainty or deflation. Long-duration bonds can be used to diversify a broader core allocation to fixed income and help an overall portfolio's match to longer-term liabilities.

For more information,  
call your PIMCO  
representative  
**800-927-4648**

Visit our web site for  
a full menu of products  
and services at  
**www.pimco-funds.com**

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**Core Strategies**

Extended Duration	Global Advantage	GNMA	Government Money Market	Income	Long Duration Total Return	Long-Term U.S. Government
Low Duration	Moderate Duration	Money Market	Mortgage-Backed Securities	Short-Term	Total Return	Unconstrained Bond

## INSTITUTIONAL CLASS

As of June 30, 2009

### BASIC FACTS

Total Annual Operating Expenses	0.82%
Total Annual Expenses Ex-Interest	0.50%
Dividend Frequency	Daily Accrual

### PERFORMANCE CHARACTERISTICS

Tracking Error (10 yrs)	1.72
Information Ratio (10 yrs)	0.42
SEC 30-Day Yield (%)	5.60

### ABOUT THE BENCHMARK

Benchmark Duration (yrs) 4.30

Barclays Capital U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. It is not possible to invest directly in an unmanaged index. Prior to November 1st, 2008, this index was published by Lehman Brothers.

## PERFORMANCE (net of fees)

	15 yrs	10 yrs	5 yrs	3 yrs	1 yr	6 mos	3 mos
PIMCO Fund (%)	7.23	6.73	6.04	8.51	9.56	7.10	6.32
Benchmark (%)	6.59	5.98	5.01	6.43	6.05	1.90	1.78

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and principal value will fluctuate, so that Fund shares may be worth more or less than their original cost when redeemed. Performance data current to the most recent month-end is available at [www.pimco-funds.com](http://www.pimco-funds.com) or by calling (800) 927-4648.

### LIPPER CLASSIFICATION

Intermediate Investment Grade Debt Funds

### LIPPER RANKINGS\*

	10 yrs	5 yrs	3 yrs	1 yr
Fund Rank	6	7	2	16
No. of Funds	210	395	462	566
Quartile	1st	1st	1st	1st

\* Based on total return performance, with distributions reinvested, and operating expenses deducted.

### ABOUT PIMCO

PIMCO, founded in 1971, is a global asset management firm serving a full range of institutional and retail investors worldwide. Our reputation as one of the world's top asset managers rests on our combination of a long-term investment approach, superior client servicing and cutting edge technology. With offices in nine countries in North America, Europe and Asia, we manage investments across a full spectrum of global financial markets. Our success is built on our ability to consistently provide attractive returns while maintaining a strong culture of risk management and long-term discipline.

*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 PIMCO representative. Please read the prospectus carefully before you invest or send money.*

The performance figures presented reflect total return performance, changes in share price, and reinvestment of dividend and capital gain distributions. All periods longer than one year are annualized. Interest expenses netted from the Total Expenses are based on the amounts incurred during the Fund's most recent fiscal year as a result of entering into certain investments; the amount of interest expense (if any) will vary.

Tracking error measures the dispersion or volatility of excess returns relative to a benchmark. Information Ratio is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns. Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change. Gov't Related may include nominal and inflation-protected Treasuries, agencies, interest rate swaps, Treasury futures and options, and FDIC-guaranteed corporate securities.

Mortgage and asset-backed securities may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. Diversification does not ensure against loss.

The value of most bond funds and fixed income securities are impacted by changes in interest rates. Bonds and bond funds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

Past rankings are no guarantee of future rankings. Rankings begin with the inception of the actual share class. Lipper does not take into account sales charges.

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