

PRESS RELEASE

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P I M C O

PIMCO Launches Real Income Funds, Providing Investors with a Unique Retirement Income Solution

Mutual Funds of “Laddered” TIPS are Designed to Offer Steady Income, Inflation Hedging and Liquidity for Retirees

NEWPORT BEACH, CA (September 8, 2009) – PIMCO, a leading global investment management firm, has launched the PIMCO Real Income Funds, mutual funds that are designed to provide retirees a steady stream of monthly income that is hedged against inflation. These unique, liquid funds utilize a “laddered” portfolio of primarily Treasury Inflation-Protected Securities, or TIPS, and are intended as an anchor for investors’ retirement portfolios. The funds will initially be offered in two maturities, 2019 and 2029, and are designed to provide monthly distributions of principal and interest so that all assets will be distributed upon maturity. PIMCO Senior Vice President and Portfolio Manager Gang Hu will manage the funds.

“The PIMCO Real Income Funds are an innovative investment solution for retirees,” said PIMCO Executive Vice President and Retirement Product Manager Tom Streiff. “The funds are a natural fit with annuity products and seek to supplement Social Security, defined benefit plans and other sources of retirement income in a manner that helps cushion against inflation.”

PIMCO has long been a provider of “real” or inflation-hedging investment solutions and has gained deep experience as one of the most active participants in the TIPS market since its inception in 1997. In addition to providing an explicit inflation hedge and the potential for additional yield pick up, interest and principal payments for TIPS are backed by the full faith and credit of the U.S. Government. The principal value of TIPS is adjusted monthly according to the U.S. Consumer Price Index.

Specific attributes of the PIMCO Real Income Funds include:

- A liquid vehicle invested in government-guaranteed assets that offer monthly payments that consist of both inflation-adjusted interest and principal.
- As securities in the fund mature, investors receive regular payouts until all the securities mature at a set target date (10 years or 20 years in the first two Real Income Funds).

About PIMCO

PIMCO, founded in 1971, is a global investment management firm that serves an array of clients, including retirement and other assets that reach more than 8 million people in the U.S. and millions more around the world. Our clients include state, municipal and union pension and retirement plans whose beneficiaries come from all walks of life, from educators to healthcare workers to public safety employees. We have a substantial individual investor client base, and work in partnership with financial intermediaries such as registered investment advisors, broker/dealers, trust banks and insurance companies. We are also advisors and asset managers to central banks, corporations, universities, foundations and endowments. With offices in North America, Europe, Asia and Australia, we manage investments across a full spectrum of global financial markets. PIMCO is

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owned by Allianz Global Investors, a subsidiary of the Munich-based Allianz Group, a leading global insurance company.

Investors should consider the investment objectives, risks, charges and expenses of the funds 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.

Past performance is not a guarantee or a reliable indicator of future results. Investing in the bond market is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk; investments may be worth more or less than the original cost when redeemed. Inflation-linked bonds (ILBs) issued by a government are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation; ILBs decline in value when real interest rates rise. Treasury Inflation-Protected Securities (TIPS) are ILBs issued by the U.S. Government. Certain U.S. Government securities are backed by the full faith of the government, obligations of U.S. Government agencies and authorities are supported by varying degrees but are generally not backed by the full faith of the U.S. Government; portfolios that invest in such securities are not guaranteed and will fluctuate in value. 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. The Fund is non-diversified, which means that it may concentrate its assets in a smaller number of issuers than a diversified fund.

During periods of rising inflation the amount of the monthly distribution is expected to increase and during periods of deflation the amount of the monthly distribution is expected to decrease. The monthly distribution amount may be adjusted during the term of a Fund to better enable the Fund to provide regular monthly distributions through the final maturity date. These distributions are not guaranteed.

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.

Except for the historical information and discussions contained herein, statements contained in this news release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may involve a number of risks, uncertainties and other factors that could cause actual results to differ materially, including the performance of financial markets, the investment performance of PIMCO's sponsored investment products and separately managed accounts, general economic conditions, future acquisitions, competitive conditions and government regulations, including changes in tax laws. Readers should carefully consider such factors. Further, such forward-looking statements speak only on the date at which such statements are made. PIMCO undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

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