Diversified Income Active Exchange-Traded Fund

Your Global Investment Authority

PIMCO ETFs

OBJECTIVE: INCOME | AS OF: 31 DECEMBER 2015

<table>
<thead>
<tr>
<th>Ticker: DI</th>
<th>Fund Inception Date: 22 January 2014</th>
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</thead>
<tbody>
<tr>
<td>CUSIP: 72201R726</td>
<td>Total Net Assets (in Millions): $48.7</td>
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</tbody>
</table>

Portfolio manager
Curtis Mewbourne

Basic facts
Total expenses 0.85%
Dividend frequency Monthly

Bond risk measures
Effective maturity (yrs) 9.57
Effective duration (yrs) 5.49
# of Holdings 257

Sector diversification (%)
Invest. Grade Credit 30.3
High Yield Credit 26.6
Emerging Markets 30.9
Other 1 36.3
Net Other Short Duration -24.0
Instruments 2

Top 5 industry diversification (%)
Banks 20
Integrated Oil 5
Independent E&P 5
Media Cable 4
Wireless 4

Fund description
PIMCO Diversified Income Active Exchange-Traded Fund (Ticker: DI) is an actively managed portfolio that provides comprehensive exposure to the global credit markets within a single investment. The fund employs PIMCO’s time-tested investment process, which combines top-down and bottom-up strategies, allowing investors to make a strategic decision to invest in global credit while placing the tactical sector, country, industry and issuer decisions with PIMCO.

DI’s investment universe spans a range of credit sectors, including global investment grade and high yield corporates, emerging market debt and other global credit instruments. The fund aims to manage downside risk by investing in a highly diversified portfolio of credits which have been carefully screened by PIMCO’s global team of more than 55 credit analysts.

Investor benefits
The ETF structure enables trading throughout the day and the same expense ratio for all investors, regardless of transaction size. Fund shares are publicly traded and conveniently available to any investor who can access a major stock exchange.

Potential benefits of this fund include:

- **Enhanced income potential.** The fund may take advantage of a global opportunity set to focus on bond sectors which may provide an incremental yield advantage over government bonds. This global approach helps to improve overall diversification levels and may allow investors to benefit from regional business cycle differences and credit quality trends across credit sectors, with lower correlation to U.S. interest rates.

- **Active sector allocations and relative value trades** within credit sectors, which may provide outperformance. This active and dynamic approach allows the portfolio to be repositioned with a forward-looking perspective based on PIMCO’s time-tested process and longer-term orientation.

- **PIMCO credit research.** The fund benefits from PIMCO’s award-winning team of more than 55 credit analysts in nine global offices. This platform allows the fund to employ a robust, fundamental approach to credit selection, which may provide an advantage relative to index-based strategies that do not use independent fundamental analysis.

- **Direct access** to PIMCO’s portfolio management expertise and investment process with the full benefits and flexibility of the ETF vehicle, including intraday pricing, trading on margin and with limit and stop loss orders, daily portfolio disclosure and a low investment minimum (typically 1 share).

The fund advantage
DI provides investors with an efficient means of gaining exposure to a broad range of global credit sectors within a single, highly accessible and transparent investment vehicle. The fund takes a diversified, fundamentals-driven approach, seeking to benefit from PIMCO’s macroeconomic views on credit trend, global interest rates, duration, currencies and curve positioning. Over a long-term investment horizon, this approach is designed to provide the potential for consistent outperformance with manageable levels of downside risk, particularly compared to approaches that focus on a single asset class.
Diversified Income Active Exchange-Traded Fund

Performance (total returns)

<table>
<thead>
<tr>
<th>PIMCO ETF</th>
<th>Since Inception</th>
<th>1 yr</th>
<th>6 mos</th>
<th>3 mos</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAV</td>
<td>0.90</td>
<td>0.27</td>
<td>-1.85</td>
<td>0.60</td>
</tr>
<tr>
<td>Share price (market price)</td>
<td>1.00</td>
<td>-0.53</td>
<td>-2.53</td>
<td>0.39</td>
</tr>
<tr>
<td>Benchmark (%)</td>
<td>2.76</td>
<td>-0.20</td>
<td>-0.36</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Performance quoted represents past performance. Past performance is not a guarantee of reliable indicator of future results. Current performance may be higher or lower 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 sold. Performance data current to the most recent month-end is available at www.pimcoetfs.com or by calling 888.400.4ETF.

Full range of investment strategies

PIMCO offers access to these other investment strategies. To learn more, please visit www.pimcoinvestments.com.

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Asset Allocation</th>
<th>Core</th>
<th>Credit</th>
<th>Emerging Markets</th>
<th>Equity</th>
<th>Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation Protection</td>
<td>Tax Efficient</td>
<td></td>
<td></td>
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</tbody>
</table>

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.

* Other includes U.S.-Non-U.S. government securities, mortgage-backed securities, municipal bonds, Yankee bonds and convertible securities. 
* Net Other Short Duration Instruments includes securities and other instruments (except instruments those tied to emerging markets by country of risk) with an effective duration less than one year and rated investment grade or higher or, if unrated, determined by PIMCO to be of comparable quality, commingled liquidity funds, uninsured cash, interest receivables, net unsettled trades, broker money, short duration derivatives and derivatives offsets. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum credit rating higher than investment grade for inclusion in this category. Derivatives Offsets includes offsets associated with investments in futures, swaps and other derivatives. Such offsets may be taken at the notional value of the derivative position. 

Exchange Traded Funds ("ETFs") are afforded certain exemptions from the Investment Company Act. The exemptions allow, among other things, for individual shares to trade on the secondary market. Individual shares cannot be directly purchased from or redeemed by the fund. Purchases and redemptions directly with ETFs are only accomplished through creation unit aggregations or “baskets” of shares. Investment policies, management fees and other information can be found in the individual ETF’s prospectus.

A word about risk: Investing in the bond market is subject to certain risks including the risk that fixed income securities will decline in value because of changes in interest rates; the risk that fund shares could trade at prices other than the net asset value; and the risk that the manager’s investment decisions might not produce the desired results. High-yield, lower-rated, securities involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. 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. Investing in foreign denominated and/or domiciled securities may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. 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 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. 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 TDIC guaranteed corporate securities. Premiums (when market price is above NAV) or discounts (when market price is below NAV) reflect the differences (expressed as a percentage) between the NAV and the Market Price of the Fund on a given day, generally at the time the NAV is calculated. A discount or premium could be significant. Data in chart format displaying the frequency distribution of discounts and premiums of the Market Price against the NAV can be found on the Premium/Discount tab for each Fund at www.pimcoetfs.com.

Current holdings are subject to risk. Holdings are subject to change at any time. The per share NAV of an ETF is calculated at the end of each business day, and fluctuates with changes in the market value of the Fund’s holdings. The trading prices of an ETF’s shares fluctuate continuously throughout the trading day based on market supply and demand, which may not correlate to NAV.

In order to provide additional information regarding the intra-day value of shares of the Fund, the NYSE Arca, Inc. or a market data vendor disseminates every 15 seconds through the facilities of the Consolidated Tape Association or other widely disseminated means. In order to provide additional information regarding the intra-day value of shares of the Fund, the NYSE Arca, Inc. or a market data vendor disseminates every 15 seconds through the facilities of the Consolidated Tape Association or other widely disseminated means.

Performance characteristics

SEC 30-day yield (%) 4.59%

Trading information

Ticker symbol: DI
CUSIP: 72201R726
iNAV (indicative NAV) ticker: DI.iv
Lead Market Maker: Knight Capital Group
Exchange: NYSE Arca

About the benchmark

Barclays Global Credit Hedged USD contains investment grade and high yield credit securities from the Multiverse represented in US Dollars on a hedged basis, (Multiverse is the merger of two groups: the Global Aggregate and the Global High Yield). It is not possible to invest directly in an unmanaged index.

About PIMCO

PIMCO is a leading global investment management firm, with offices in 12 countries throughout the Americas, Europe and Asia. Founded in 1971, PIMCO offers a wide range of innovative solutions to help millions of investors worldwide meet their needs. Our goal is to provide attractive returns while maintaining a strong culture of risk management and long-term discipline.

PIMCO is owned by Allianz S.E., a leading global diversified financial services provider.

To discover more about tradable and transparent PIMCO ETFs, please contact your advisor, call 1.888.400.4ETF (1.888.400.4383) or visit www.pimcoetfs.com.

Investment products

Not FDIC Insured  May Lose Value  Not Bank Guaranteed