PIMCO

PIMCO Enhanced Short Maturity Active Exchange-Traded Fund (MINT)

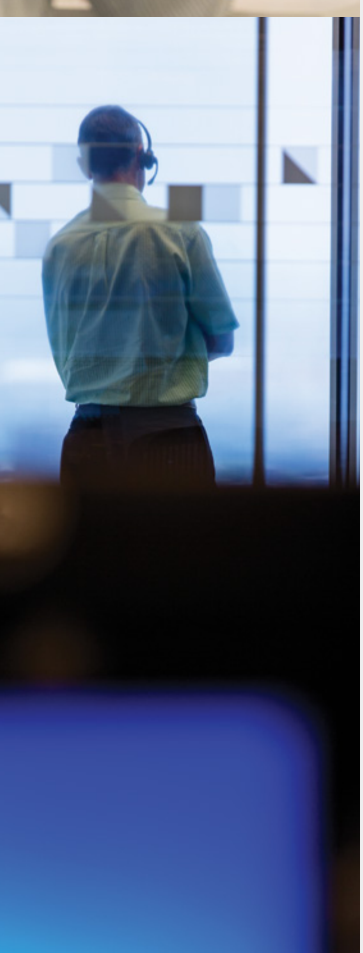
PIMCO ETFs

An actively managed alternative to low money market yields and short-duration index ETFs

Putting Cash to Work for Greater Yield Potential

MINT is an actively managed ETF that reaches just beyond the investable universe of money market funds to offer investors more attractive risk-adjusted yield potential without sacrificing liquidity.





An Active Approach to Enhanced Cash Management

Improved income potential by putting cash to work

In a short-term bond market challenged by artificially compressed yields, regulatory reform in money markets and increased competition for the most attractive securities, PIMCO sees a natural progression from the index approaches of the past to active management, including more deliberate and disciplined bond-picking strategies and diversified portfolio construction techniques.

PIMCO has successfully managed dedicated short-duration strategies for more than a quarter-century, leveraging a time-tested investment process that combines our top-down macroeconomic outlooks with sophisticated global security selection. This active approach is a cornerstone of MINT, a short-term ETF that provides:

Improved risk/return profile: For investors willing to accept a degree of additional risk, we believe MINT provides a more attractive risk/return profile than traditional money market investments.

Risk management: More than 60 credit analysts across the globe assess each investment, while our centralized risk management team ensures risk exposures are aligned with our firm-wide economic forecast.

Flexibility and agility: PIMCO's short-term management team unearths the most attractive risk-adjusted yield opportunities, advantageously rotating among sectors as market conditions change – while maintaining a constant focus on quality, liquidity and capital preservation.

Volatility mitigation: Adding MINT to a portfolio may help reduce overall volatility, as it is more diversified than the typical single-sector index ETF.

"In this new liquidity environment, it is going to take active management to not only preserve capital, but also to produce some level of incremental return."

– Jerome Schneider
Managing director and head of PIMCO's short-term and funding desk

For more information about MINT, visit pimcoetfs.com or call us at 888.400.4383.

Investors Face Cash Management Challenges

Negative real returns on "cash"

Repressive Fed policies have pushed short-term rates to historic lows. That means, after inflation, most cash-like investments (e.g., CDs and money market funds) are delivering negative returns – a steep price to pay for liquidity.

Regulatory reform alters money market funds

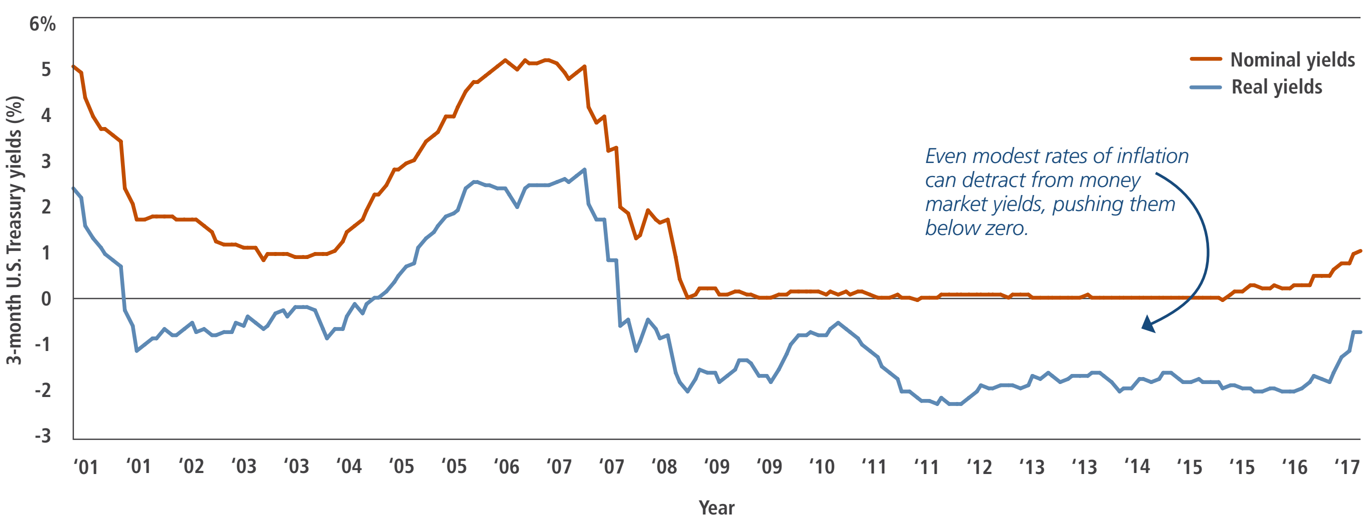
Ever since a large money market fund "broke the buck" amidst widespread redemptions during the 2008 financial crisis, regulators have been closely scrutinizing this sector. To prevent this type of shock to liquidity markets in the future, the SEC released new rules in July 2014, introducing major changes to the cash management landscape:

- Institutional prime and municipal money market funds will adopt a floating NAV
- Redemption fees will be allowed and in some cases required if a fund's holdings of liquid assets fall below certain thresholds
- All money market funds will have the ability to impose gates temporarily (i.e., suspend redemptions) if a fund's holdings of liquid assets fall below certain thresholds

Although these reforms will be rolled out gradually, they represent a significant structural change in the liquidity markets, serving as an important reminder of the challenges faced by cash investors today. To limit volatility and protect capital, money market funds are already confined to strict investment guidelines, limiting their potential for positive real returns. Ultra-short bond funds are not constrained by these requirements, offering floating NAVs and greater potential for attractive risk-adjusted returns.

THE PRICE OF LIQUIDITY: INFLATION QUIETLY ERODES CASH BALANCES

The yield on 3-month Treasuries (a common proxy for cash) fell in 2008 and remains near zero. The real yield (after inflation) is actually negative, meaning investors are losing money on these short-term securities.



As of 30 June 2017

Source: PIMCO, Bloomberg

Real yields are represented by 3-month U.S. Treasury yields less the year-over-year inflation rate as measured by the U.S. Consumer Price Index.

Money market funds may only invest in certain high quality short-term investments issued by the U.S. government, U.S. corporations, and state and local governments that are subject to strict diversification and maturity standards and ultra-short bond funds are not subject to these requirements.

The Rise of Actively Managed Short-Term Strategies

Targeting more attractive yields while maintaining liquidity

Investors are increasingly turning to actively managed short-duration strategies for cash management. For those willing to step out incrementally on the risk spectrum, these short-duration portfolios offer the potential for capital preservation and enhanced yields by investing just beyond the reach of money market funds.

A competitive marketplace

New demand for a limited supply of short-term fixed income securities has resulted in a more competitive marketplace – one in which a passive buy-and-hold approach may not be adequate. ETFs that aim to mirror the performance of an index may be at a particular disadvantage because they tend to be more concentrated than actively managed ETFs. Therefore, performance may fluctuate more dramatically. In this environment, investors will want to favor the skillful approach of professional management, active asset allocation, research-driven security selection and intelligent trading.

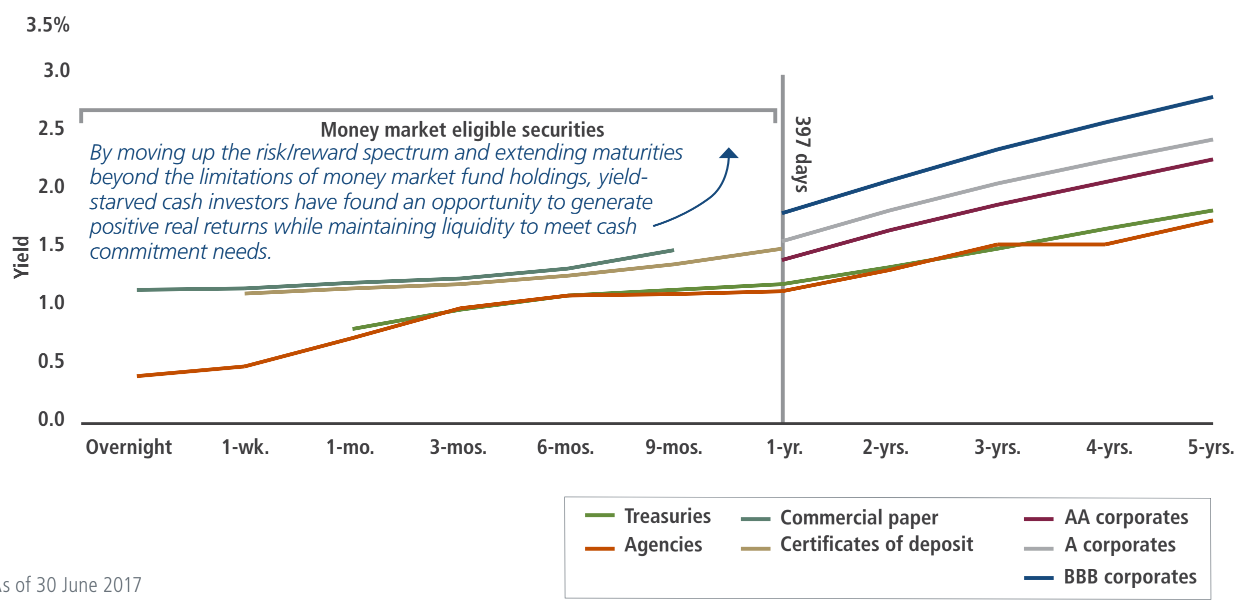
The advantage of actively managed ETFs

Actively managed ETFs offer all of the characteristics of passive ETFs – daily tradability, transparency of holdings and low investment minimums – with several valuable advantages:

- Investment flexibility and diversification
- Risk management techniques to help mitigate portfolio volatility
- In-house credit analysis
- Opportunities to take advantage of shifting market conditions

SHORT-TERM BONDS MAY OFFER A BETTER RISK/RETURN PROFILE

Money market funds are confined to securities with a maturity of 397 days or less. As this chart shows, securities in that range offer less attractive yield potential. Please note that, unlike most types of money market funds, short-term bond funds do not attempt to maintain a stable NAV of $1.00 per share.



As of 30 June 2017

Source: Bloomberg, Municipal Market Advisors and ICAP

Agencies: agency discount notes (composite of discount offered levels received from brokers and dealers for U.S. agency discount notes); Treasuries (U.S. on-the-run government bill, note and bond indexes); commercial paper, certificates of deposit and corporates are composite curves provided by Bloomberg; General repo (consolidated data provided by ICAP).

PIMCO Enhanced Short Maturity Active ETF (MINT)

Enhanced cash management within a convenient ETF structure

MINT is an actively managed enhanced cash strategy that seeks income and total return opportunities by investing in short-duration securities just beyond the reach of money market funds – primarily investment grade bonds issued in U.S. dollars. The fund has no exposure to derivatives such as futures contracts, options or swaps.

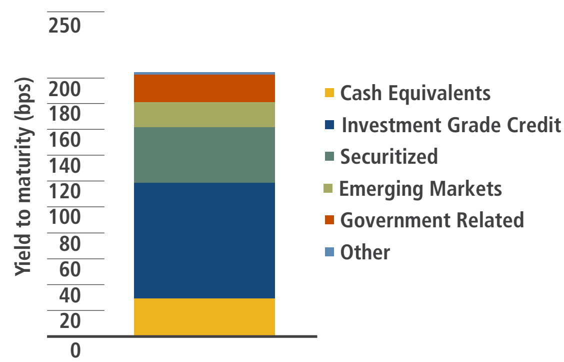
The fund's average duration is typically less than one year, which helps manage volatility.

The MINT team is led by Jerome Schneider, a 21-year industry veteran, managing director, and head of PIMCO's short-term and funding desk. He is supported by eight additional portfolio managers on PIMCO's short-term management team as well as experienced risk management, credit research and product management professionals around the world.

Enhanced Cash investments will be more volatile than money market funds and their value will fluctuate, as the investments are not managed to maintain a stable value of $1 per share. The investments may also invest a portion of their total assets in junk bonds. Short-term strategies are not federally guaranteed and may lose value.

EXPANDED INVESTABLE UNIVERSE ENHANCES DIVERSIFICATION POTENTIAL

MINT explores high quality return opportunities by actively allocating among asset classes, geographic regions and short-duration maturities.



Source: PIMCO, as of 30 June 2017

Diversification does not ensure against loss. Allocations are subject to change.

A CONSISTENTLY STRONG TRACK RECORD OF RISK-ADJUSTED PERFORMANCE

	1-year*	3-year	5-year	Since inception (November 2009)**
MINT NAV total return after fees	2.05%	1.20%	1.14%	1.24%
MINT market price returns	2.01%	1.21%	1.14%	1.23%
Money markets: Citigroup 3-Month Treasury Bill Index	0.46%	0.20%	0.15%	0.13%
MINT Sharpe Ratio	8.98	2.80	2.97	2.29
MINT standard deviation	0.16%	0.38%	0.35%	0.49%

*Risk Statistics are calculated using monthly NAV returns. 1-Year figures may not be statistically significant as they are calculated using 12 data points.

**Since 11/16/2009 for fund, and 11/30/2009 for benchmark.

As of 30 June 2017

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 sold. Performance data current to the most recent month-end is available at pimcoetfs.com or by calling 888.400.4ETF.

There is no assurance that any fund, including any fund that has experienced **high or unusual performance** for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) a fund's total return in excess of that of the fund's benchmark between reporting periods or 2) a fund's total return in excess of the fund's historical returns between reporting periods. Unusual performance is defined as a significant change in a fund's performance as compared to one or more previous reporting periods.

Differences in the Fund's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the index.

The Citigroup 3-Month Treasury Bill Index is an unmanaged index representing monthly return equivalents of yield averages of the last 3-month Treasury bill issues. It is not possible to invest directly in an unmanaged index.

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.

Exchange Traded Funds ("ETF") 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.

Investments made by a Fund and the results achieved by a Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. A Fund may be forced to sell a comparatively large portion of its portfolio to meet significant shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

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. Investments may be worth more or less than the original cost when redeemed. Investing in the bond market is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and the current low interest rate environment increases this risk. **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. 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. 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.

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 pimcoetfs.com.

ETFs are subject to secondary market trading risks. Shares of an ETF will be listed for trading on an exchange, however, there can be no guarantee that an active trading market for such shares will develop or continue. There can be no guarantee that an ETF's exchange listing or ability to trade its shares will continue or remain unchanged. Shares of an ETF may trade on an exchange at prices at, above or below their most recent NAV. 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. The trading prices of an ETF's shares may differ significantly from NAV during periods of market volatility, which may, among other factors, lead to the fund's shares trading at a premium or discount to NAV.

The NAV of the fund's shares is determined by dividing the total value of the fund's portfolio investments and other assets, less any liabilities, by the total number of shares outstanding. Fund shares are valued as of the close of regular trading (normally 4:00 p.m., Eastern time) (the "NYSE Close") on each business day. The price used to calculate market returns ("Market Price") of the fund generally is determined using the midpoint between the highest bid and the lowest offer on the national securities exchange on which shares of the fund will be primarily listed for trading, as of the time that the fund's NAV is calculated.

Investment Products

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

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About PIMCO

PIMCO is a leading global investment management firm, with offices in 11 countries throughout the Americas, Europe and Asia. Founded in 1971, PIMCO offers a wide range of innovative strategies 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.

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