

PIMCO Short-Term Fund

Potential to outperform cash investments with moderate volatility

By focusing on ultra-short, high-quality fixed income securities, PIMCO Short-Term Fund offers higher income potential than traditional cash investments—with modest additional risk. The Fund also has a history of lower volatility, making it a sensible long-term capital preservation vehicle. Note that the Fund is not designed for short-term trading.

Why invest in this fund?

Potential to provide a steady source of current income

Short-term bonds can function as an attractive option for investors who are looking for a higher level of income than savings accounts and CDs typically provide. However, unlike those investments short-term bond funds do not seek to maintain stable values and offer no guarantees.

Solid long-term track record

Compared to the average ultra-short bond mutual fund, represented by the Lipper category average shown here, PIMCO Short-Term Fund has produced a superior rate of positive returns over rolling 1-, 2- and 3-year time periods. Of course, past performance does not guarantee future results.

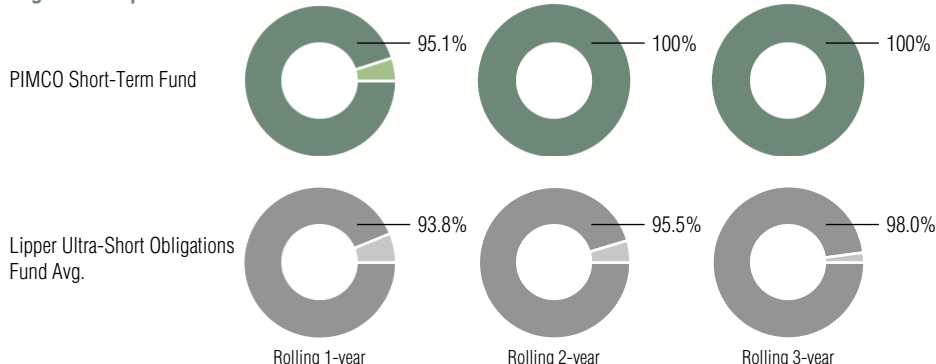
Lower potential volatility than longer-term bond funds

The Fund generally offers lower price volatility than longer-term bond funds. In fact, the Fund's net asset value (NAV) has fluctuated only moderately since its 1987 inception. This low volatility is the result of the Fund's overall ultra-short duration (The shorter the duration, the more resistant a bond or bond fund is to interest rate fluctuations.)

Expert management

The portfolio manager for PIMCO Short-Term Fund is Jerome Schneider, a PIMCO executive vice president who started his investment career in 1996. Mr. Schneider is responsible for supervising all of the firm's short-term investment strategies.

High rate of positive returns



The chart above illustrates the percentage of time over the rolling performance periods indicated that the Fund and index generated positive performance. Within the periods illustrated there may have been additional shorter periods of negative performance. Class Institutional shares used for illustration.

Average Annual Total Returns as of 9/30/11	1-yr.	3-yr.	5-yr.	10-yr.	Inception*
PIMCO Short-Term Fund Institutional at NAV	0.07%	3.03%	3.09%	2.94%	4.99%
Citigroup 3-Month T-Bill Index	0.11%	0.20%	1.62%	1.92%	3.99%
Lipper Ultra-Short Obligations Fund Average	0.26%	1.64%	1.84%	2.38%	4.53%

If this material is used after 12/31/11, 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 www.PIMCO.com/investments.

Fund Data

Fund Inception Date	October 7, 1987
Total Fund Assets (in millions)	\$11,236.1
Inst. Share Expense Ratio	0.45%
Inst. Share 30-day SEC Yield	1.44%
Portfolio Manager	Jerome M. Schneider

Calendar Year Returns	'01	'02	'03	'04	'05	'06	'07	'08	'09	'10	YTD
PIMCO Short-Term Fund Institutional at NAV	5.65%	2.86%	2.60%	1.79%	2.66%	4.52%	4.55%	-1.30%	9.44%	1.93%	0.00%
Citigroup 3-Month T-Bill Index	4.09%	1.70%	1.07%	1.24%	3.00%	4.76%	4.74%	1.80%	0.16%	0.13%	0.07%
Lipper Ultra-Short Obligations Fund Average	5.56%	2.55%	1.53%	1.21%	2.53%	4.54%	3.57%	-1.60%	4.84%	1.43%	0.13%

* Index and Lipper performance comparisons begin on 9/30/87. 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.

PIMCO Short-Term Fund

Portfolio Manager



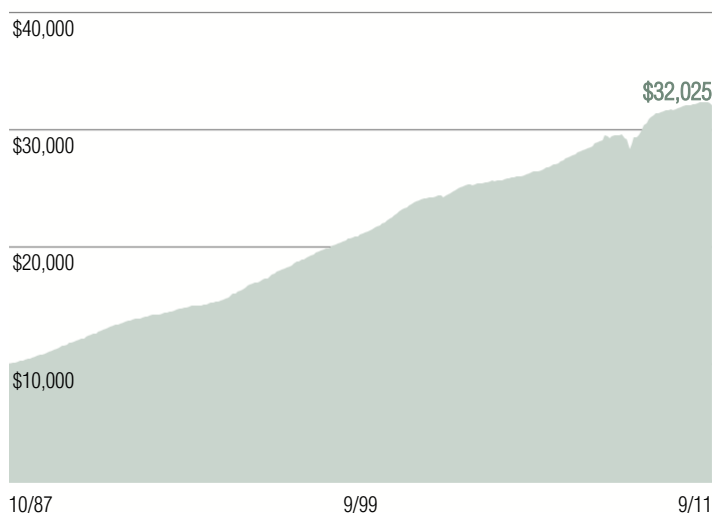
Jerome M. Schneider

Mr. Schneider is an executive vice president in the Newport Beach office and head of the short-term and funding desk. Prior to joining PIMCO in 2008, Mr. Schneider was a senior managing director with Bear Stearns. There he most recently specialized in credit and mortgage-related funding transactions and helped develop one of the first "repo" conduit financing companies. Additionally, during his tenure at Bear Stearns he held various positions on the municipal and fixed-income derivatives trading desks. He has 15 years of investment experience and holds an undergraduate degrees in economics and international relations from the University of Pennsylvania and an MBA from the Stern School of Business at New York University.

PIMCO

PIMCO is a leading global investment management firm, with offices in 10 countries throughout North America, 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.

Growth of \$10,000



Past performance is not indicative of future results. Performance shown is for Institutional shares at net asset value (NAV).

Portfolio Analysis

Sector Breakdown		Maturity	
Invest. Grade Credit	44%	<1 Year	61%
Mortgage	21%	1–3 Years	32%
Government - Agency	15%	3–5 Years	4%
High Yield Credit	6%	5–10 Years	2%
Emerging Markets	5%	10–20 Years	1%
Non-U.S. Developed	4%	<i>Average Maturity</i>	<i>1.18 Years</i>
Government - Treasury	2%	<i>Average Duration</i>	<i>0.66 Years</i>
Other	10%		
Money Market and Net Cash Equivalents	-7%		

A word about risk: Fixed income investments are subject to interest rate risk; their value will normally decline as interest rates rise. The Fund may invest in fixed-income securities, with portion of its assets in securities denominated in foreign currencies and a percentage of assets in high-yield securities, and in mortgage related securities. 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. High-yield bonds typically have a lower credit rating than other bonds. Lower rated bonds generally involve a greater risk to principal than higher rated bonds. 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. 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.

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 and summary prospectus, if available, which may be obtained by contacting your financial advisor or by visiting www.PIMCO.com/investments. Please read them carefully before you invest or send money.

Past performance is no guarantee of future results. Prior to 1/1/2011 the lead Portfolio Manager was Paul McCulley. All data is as of 9/30/11 unless otherwise indicated. Holdings are subject to change. 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. 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. The SEC Yield is a standardized annual yield based on the most recent 30-day period. It is calculated in accordance with current Securities and Exchange Commission regulations and is subject to change. 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. © 2011 PIMCO advised funds are distributed by **PIMCO Investments LLC**.

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