

NewsRelease

Wells Fargo Advantage Funds®

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WELLS FARGO'S FIRST MULTI-STRATEGY LIQUID ALTERNATIVES FUND CELEBRATES ONE-YEAR ANNIVERSARY

SAN FRANCISCO— Wells Fargo Funds Management, LLC, is pleased to announce the one-year anniversary of its multi-strategy *Wells Fargo Advantage Alternative Strategies Fund*. This milestone celebrates the successful collaboration between Wells Fargo Asset Management and The Rock Creek Group, LP, in creating a compelling offering in the liquid alternative mutual fund space.

The fund was designed to provide a truly diversified portfolio by complementing traditional asset classes with investments that offer the potential for different outcomes when responding to changes in the investment climate. The fund gives investors access to a broad range of hedge fund–like strategies designed with the goal of providing consistent returns and lower volatility in a variety of market environments. As the overlay subadvisor, Rock Creek employs a multi-strategy, multi-manager approach that provides access to experienced institutional hedge fund managers within the structure of an Investment Company Act of 1940 mutual fund.

“Over the course of the past year, investors experienced a shifting macroeconomic landscape that was additionally influenced by consistently low interest rates,” explains Jeff Whitmoyer, head of Asset Allocation and Alternative Investments for Wells Fargo Funds Management. “Oil prices fell by 50%; the European Central Bank commenced its bond-buying program; the U.S. dollar saw significant appreciation relative to most foreign currencies; and while U.S. equities avoided a correction, results were mixed.”

Whitmoyer continues, “With these events as a backdrop, as of April 30, 2015, the fund’s one-year return for the Institutional Class was 8.1% with a standard deviation of 3.1%, which is approximately midway between the returns of the broad stock and bond markets, as measured by the S&P 500 Index and the Barclays U.S. Aggregate Bond Index. It ranked in the eighth percentile in Morningstar’s multialternative category. While acknowledging that a year is a short period in which to evaluate a fund’s results, we believe that the fund’s performance provides a strong data point that helps validate our investment approach.”

Rock Creek's management team structures portfolios to pursue a specific outcome for investors, first by forming qualitative judgments to take advantage of market trends and then by using quantitative analysis to monitor and validate assessments.

They strategically select hedge fund strategies and managers to play a specific complementary role in the fund's overall portfolio. Rock Creek's manager selection criteria include a customized, proprietary due diligence process that assesses the operations, performance, manager structure, portfolio construction, and risk of underlying investment managers.

The fund invests in four alternative investment strategies:

- The **equity hedged** strategy takes both long and short positions in equities or related instruments believed to be under- and overvalued.
- The **global macro** strategy analyzes economic variables in an attempt to forecast future movements in equity, fixed-income, currency, and commodity markets.
- The **relative value** strategy seeks to identify and capitalize on valuation discrepancies between related financial instruments rather than on the direction of the general market.
- The **event driven** strategy seeks to capitalize on the movements in security prices of companies currently or prospectively involved in a wide variety of corporate transactions.

Why alternatives? A range of resources for advisors.

Wells Fargo Funds Management is providing an increasing number of resources for investment professionals and their clients who want to deepen their understanding of the role alternatives may play in a broader portfolio. These include educational materials, thought leadership pieces, blog articles, videos, and Wells Fargo product information. The most recently launched resource is the research paper "Investing With 5-D Vision in Liquid Alternatives," written by members of Rock Creek's management team.

To access the paper and obtain additional information, investment professionals may visit wellsfargoadvantagefunds.com/alts

About Wells Fargo Funds Management

Wells Fargo Funds Management, LLC, a wholly owned subsidiary of Wells Fargo & Company, provides investment advisory and administrative services for *Wells Fargo Advantage Funds*. Other affiliates of Wells Fargo & Company provide subadvisory and other services for the funds. The funds are distributed by **Wells Fargo Funds Distributor, LLC**, Member FINRA/SIPC, an affiliate of Wells Fargo & Company.

The fund does not invest directly in hedge funds but pursues similar strategies to those typically used by hedge funds. The fund invests using alternative investment strategies such as equity hedged, event driven, global macro, and relative value, which are speculative and entail a high degree of risk. Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. Changes in market conditions and government policies may lead to periods of heightened volatility in the bond market and reduced liquidity for certain bonds held by the fund. In general, when interest rates rise, bond values fall and investors may

lose principal value. Interest-rate changes and their impact on the fund and its share price can be sudden and unpredictable. Foreign investments are especially volatile and can rise or fall dramatically due to differences in the political and economic conditions of the host country. These risks are generally intensified in emerging markets. The use of derivatives may reduce returns and/or increase volatility. Borrowing money to purchase securities or cover short positions magnifies losses and incurs expenses. Short selling is generally considered speculative, has the potential for unlimited loss, and may involve leverage. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). This fund is exposed to high-yield securities risk, mortgage- and asset-backed securities risk, convertible securities risk, loan risk, and smaller-company securities risk. Consult a fund's prospectus for additional information on these and other risks.

Figures quoted represent past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance shown without sales charges would be lower if sales charges were reflected. Current performance may be lower or higher than the performance data quoted and assumes the reinvestment of dividends and capital gains.

Standard deviation of return measures the average deviations of a return series from its mean and is often used as a measure of risk. [Standard deviation is based on historical performance and does not represent future results.]

Wells Fargo Asset Management (WFAM) is a trade name used by the asset management businesses of Wells Fargo & Company. Wells Fargo Funds Management, LLC, a wholly owned subsidiary of Wells Fargo & Company, provides investment advisory and administrative services for Wells Fargo Advantage Funds[®]. Other affiliates of Wells Fargo & Company provide subadvisory and other services for the funds. This material is being prepared by **Wells Fargo Funds Distributor, LLC**, Member FINRA/SIPC, an affiliate of Wells Fargo & Company. 233812 05-14

Some of the information contained herein may include forward-looking statements about the expected investment activities of the funds. These statements provide no assurance as to the funds' actual investment activities or results. The reader must make his/her own assessment of the information contained herein and consider such other factors as he/she may deem relevant to his/her individual circumstances.

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