

## Important Notes

- I. The Principal Japanese Equity Fund will invest primarily in the equity securities of companies domiciled or with their core business in Japan, which the Adviser believes are mispriced by the market and have the potential for significant growth.
- II. The Fund invests in a single country. Compared with a well-diversified fund, its concentration risk is relatively high and hence it might be more volatile than a well-diversified fund.
- III. Investment involves risk. There is no assurance on investment returns and your investments may suffer significant loss.
- IV. The investment decision is yours but you should not invest in this Fund unless the intermediary who sells it to you has advised you that it is suitable for you and explained how it is consistent with your investment objectives.
- V. You should not invest solely in reliance on this marketing material alone. You should read the Prospectus and the relevant Supplement(s) before investing including the Special Investment Considerations and Risks section of the Prospectus.

## Investment Objective

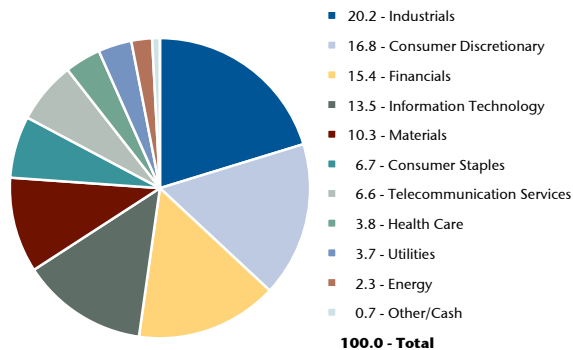
The Principal Global Investors Funds **Japanese Equity Fund** aims to provide capital growth over the medium to long term predominantly through investment in Japanese equities that we believe are mispriced by the market and have potential for significant growth.

## Why Invest in the Japanese Equity Fund?

The **Japanese Equity Fund** offers investors:

- An investment in a country that is in the early stages of significant microeconomic change that will drive a trend improvement in the return on assets.
- A chance to invest in both large companies and smaller businesses with new growth opportunities that are benefiting from a major change in company behaviour, including the breakdown of the traditional stakeholder system.
- A market likely to see a significant improvement in the trend demand for equities, given savings structures and pension liabilities.
- Access to companies that the investment manager believes exhibit improving business fundamentals, sustainable competitive advantages, rising investor expectations, and attractive relative valuation.

## GICS Sector Allocation\* (%)



## Top 10 Holdings\*

Security	Country	Sector	(%)
Toyota Motor Corp.	Japan	Consumer Discretionary	2.7
Mitsubishi Ufj Financial Group Inc.	Japan	Financials	2.6
Softbank Corp.	Japan	Telecommunication Services	1.9
Nippon Telegraph & Telephone Corp.	Japan	Telecommunication Services	1.8
Mitsui & Co. Ltd.	Japan	Industrials	1.7
Canon Inc.	Japan	Information Technology	1.7
Sumitomo Mitsui Financial Group Inc.	Japan	Financials	1.7
Ntt Docomo Inc.	Japan	Telecommunication Services	1.7
Hitachi Ltd.	Japan	Information Technology	1.7
East Japan Railway Co.	Japan	Industrials	1.6
<b>Total Top Ten</b>			<b>19.0</b>
<b>Total Number of Holdings in Fund</b>			<b>116</b>

\*In preparing the asset exposure of the Fund, we have taken into account both direct and indirect investments and the effects of futures and options contracts. Investors should be aware that the exposure of the Fund can change significantly on a daily basis. Investments do not always add up to 100% due to rounding.

## QUICK FUND FACTS

### Fund Rating

Standard & Poor's Fund  
Management Rating **A**  
Issued as at July 2008

### Lead Investment Professionals

Mark Nebelung, Brian Pattinson,  
Junichi Takayama

### Launch Date

1 August 2000

### Fund Structure

Irish Unit Trust  
(UCITS Qualified)

### Registration

Belgium, Finland, France,  
Germany, Guernsey, Hong Kong,  
Ireland, Italy, Jersey, Netherlands,  
Spain, Sweden, Switzerland & UK

### Base Currency

US\$

### Fund Size

US\$16.4 million

### Dealing Cutoff

10am Dublin  
5pm Hong Kong

### Pricing

Daily

### Investor Minimum

For minimum investment amounts,  
please contact  
Principal Global Investors

### ISIN Codes:

Accumulation Units: IE0002492019

### Lipper ID:

Accumulation Units: 60049425

### Fee Structure (A Class)

Application fee/  
Preliminary charge: max 5%  
Management fee: 1.50% pa  
Administration charge: 0.15% pa  
Trustee fee:  
Up to \$100 million: 0.02%  
Above \$100 million: 0.01%

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# Principal Global Investors Funds

## Japanese Equity Fund

November 30, 2011

### Fund Management Commentary

#### Market Review

The Japanese equity market was down sharply in November with the MSCI Japan Index dropping 4.4% in USD terms. During the month the utilities and energy sectors performed the best; while the health care, materials, and consumer discretionary sectors lagged the most.

#### Fund Review

The Fund outperformed the MSCI Japan Index during the month. Stock selection in the financials, consumer discretionary, and industrials sectors were most effective. However, stock selection in the health care, information technology, and utilities sectors were less effective.

At the end of November, the Fund's overweighted positions included Idemitsu Kosan, Keiyo Bank, Square Enix Holdings, and IT Holdings.

#### Portfolio Outlook and Strategy

The market was swayed by the fears over the growing debt crisis in Europe throughout the month. The Nikkei 225 Stock Average fell 6.11% month over month (m/m) to 8,434.61 and TOPIX declined 4.66% to 728.46 in November. The market kicked off the month by falling due to heightening anxiety over Greece. Although this has eased toward midmonth, spreading debt problems to Italy and Spain pushed the market further down. From the 21st, The Nikkei Stock Average recorded new year lows for four straight days. It then recovered toward the end of November to close the month just above 8,400, supported by a return to buying as positive initial data for U.S. Christmas sales came in.

The Fund continues to overweight stocks with improving business fundamentals, rising investor expectations, and attractive relative valuations. Our portfolio construction strategies minimize market, sector, and industry exposures relative to the index in order to isolate superior stock selection as the primary source of outperformance.

### Disclosures

The information in this document contains general information only on investment matters and should not be considered as a comprehensive statement on any matter and should not be relied upon as such. The information it contains does not take account of any investor's investment objectives, particular needs or financial situation. Past performance is not a reliable indicator of future performance and should not be relied upon as a significant basis for an investment decision. You should consider whether an investment fits your investment objectives, particular needs and financial situation before making any investment decision. Subject to any contrary provisions of applicable law, no company in the Principal Financial Group nor any of their employees or directors gives any warranty of reliability or accuracy nor accepts any responsibility arising in any other way (including by reason of negligence) for errors or omissions in this document. All figures shown in this document are in U.S. dollars unless otherwise noted. This document is issued in: Hong Kong by Principal Global Investors (Asia) Limited, which is regulated by the Securities and Futures Commission. In connection with its management of client portfolios, Principal Global Investors (Europe) Limited may delegate management authority to affiliates that are not authorized and regulated by the Financial Services Authority. In any such case, the client may not benefit from all protections afforded by rules and regulations enacted under the Financial Services and Markets Act 2000.

Performance is calculated on a NAV-to-NAV basis, includes the reinvestment of all investment income, and does not take account of application fee or tax, but does include trustee and management fees. The performance information reflects performance of the A Class accumulation units. Investors should obtain their own independent tax advice.

\*Outperforming the MSCI Japan Index is not specifically included in the objective for the Fund, and the figures shown in the table are provided as a comparison only. The two methods of calculation of performance may not be identical. From Fund inception to 31 October 2002, the source of performance is based on the previous Advisor, BT Funds Management. From 1 November 2002, the source of performance is based on the current Advisor, Principal Global Investors, LLC. Past performance is not indicative of future performance. All figures are stated in USD unless otherwise noted. This material has not been reviewed by the Securities and Futures Commission.

The information in this document has been derived from sources believed to be accurate as of November 2011.

### FUND PERFORMANCE

#### Net Accumulative Performance (%)

	PGIF	Index*
1 Month	-3.6	-4.4
Year To Date	-9.8	-15.0
1 Year	-2.1	-8.6
3 Years	13.0	12.7
5 Years	-35.5	-27.6
7 Years	-10.4	-1.0
10 Years	7.2	24.1
Since Inception	-38.0	-20.6

#### Net Annualised Performance (%)

	PGIF	Index*
2 Years	3.1	-0.6
3 Years	4.2	4.1
4 Years	-10.5	-8.2
5 Years	-8.4	-6.3
7 Years	-1.5	-0.1
10 Years	0.7	2.2

#### Net Calendar Year Performance (%)

	PGIF	Index*
2010	17.8	15.4
2009	-2.2	6.3
2008	-35.0	-29.2
2007	-7.0	-4.2
2006	-0.9	6.2
2005	36.9	25.5
2004	18.4	15.9
2003	36.5	35.9
2002	-16.4	-10.3
2001	-33.7	-29.4

### Contact Us

For more information on the Fund, please contact:

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