

Principal®**Global
Investors**

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Principal Global Investors Funds

U.S. Equity Fund

November 30, 2011

Important Notes

- I. The Principal U.S. Equity Fund will invest primarily in the equity securities of companies domiciled or with their core business in the United States, 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

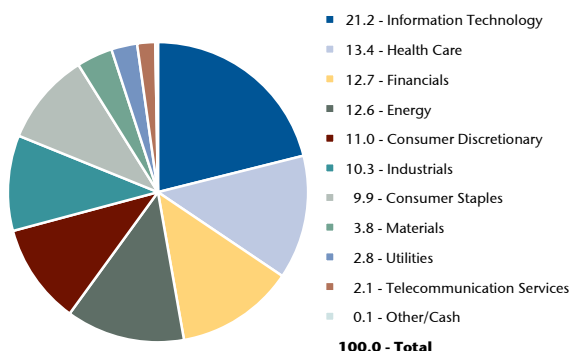
The Principal Global Investors Funds **U.S. Equity Fund** seeks to provide capital growth over the medium to long term predominantly through investment in equity securities of companies domiciled or with their core business in the United States, which we believe are mispriced by the market and have the potential for significant growth.

Why Invest in the U.S. Equity Fund?

The **U.S. Equity Fund** offers investors:

- The opportunity to invest in a portfolio that will provide returns similar to the U.S. equity market as measured by the S&P 500 Index.
- A chance to invest in a diversified portfolio of predominantly large-cap stocks, with the flexibility to invest in small- and mid-cap stocks, which will provide enhanced total return potential.
- 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	(%)
Apple Inc.	United States	Information Technology	4.5
Chevron Corp.	United States	Energy	3.6
Philip Morris International Inc.	United States	Consumer Staples	3.0
Pfizer Inc.	United States	Health Care	2.9
Exxon Mobil Corp.	United States	Energy	2.8
Wal-Mart Stores Inc.	United States	Consumer Staples	2.5
Google Inc.	United States	Information Technology	2.5
Microsoft Corp.	United States	Information Technology	2.3
General Electric Co.	United States	Industrials	2.1
Unitedhealth Group Inc.	United States	Health Care	2.1
Total Top Ten			28.4
Total Number of Holdings in Fund			91

*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 **AA**
Issued as at November 2008

Lead Investment Professionals

Jeff Schwarte , Mustafa Sagun

Launch Date

1 December 2003

Fund Structure

Irish Unit Trust
(UCITS Qualified)

Registration

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

Base Currency

US\$

Fund Size

US\$95.8 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: IE0033958335

Lipper ID:

Accumulation Units: 60091855

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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Fund Management Commentary

Market Review

The S&P 500 Index declined 0.2% during November. During the month large-cap stocks underperformed small-cap stocks and value stocks underperformed growth stocks. During the period stocks in the consumer staples, energy, and utilities sectors performed the best; while the financials, information technology, and consumer discretionary sectors declined the most.

Fund Review

The Fund underperformed the S&P 500 Index for the month. Stock selection in the consumer staples, consumer discretionary and financials sectors were the most effective, while stock selection in the telecommunications services, energy and materials sectors were less effective.

Our investment strategy struggled during the period as investors fled to safety buying low beta stocks and not focusing on fundamentals or valuation.

At the end of November the fund's main overweight positions were Chevron, Wal-Mart, and Philip Morris International. Chevron engages in petroleum and chemicals. Upstream operations consist of exploring for, developing, and producing crude oil and natural gas; transporting crude oil by international oil export pipelines; transporting, storage, and marketing of natural gas, and a gas-to-liquids project. Downstream operations consist of refining of crude oil into petroleum products and marketing of crude oil and refined products. Chevron has significantly more upstream exposure which provides higher EPS growth potential versus peers. Valuation is attractive at 8.2 times forward earnings. Wal-Mart Stores, Inc. operates retail stores. The Company operates in three business segments: Wal-Mart United States, International, and Sam's. The International segment consists of retail operations in 14 countries and Puerto Rico. Philip Morris International Inc. is engaged in the manufacturing and sale of cigarettes and other tobacco products in markets outside of the United States of America. Fundamentals continue to improve driven by increased pricing and volumes and no exposure to U.S.-based issues of menthol regulation or racketeering litigation. Valuation is attractive at 14 times forward earning with a dividend yield of 3.6%.

The Fund's main underweighted positions included IBM, Johnson & Johnson, and Procter & Gamble. All three stocks continue to disappoint investors and have deteriorating business fundamentals and expensive relative valuations.

Portfolio Outlook and Strategy

We remain committed to our investment philosophy and will continue to invest in securities with improving business fundamentals, rising investor expectations, and attractive valuations. Our portfolio construction strategies neutralize market, sector, and industry exposures, relative to the index, in order to isolate superior stock selection as the major source of portfolio 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 S&P 500 Index is not specifically included in the objective of the Fund, and the figures shown in the table are provided as a comparison only. The two methods of calculating performance may not be identical. Past performance is not indicative of future performance. All figures are stated in USD unless otherwise noted. S&P500 Index. S&P 500 is a trademark of The McGraw-Hill Companies, Inc. and has been licensed for use by Principal Life Insurance Company and Principal Management Corporation. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the product. The index benchmarks are referred to for comparative purposes only. A more detailed description of the indexes is available upon request. The source of performance is based on the current Advisor, Principal Global Investors, LLC. 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	-0.8	-0.2
Year To Date	-0.2	1.1
1 Year	6.2	7.8
3 Years	38.7	48.6
5 Years	-10.8	-0.9
7 Years	15.9	22.8
Since Inception	35.6	37.0

Net Annualised Performance (%)

	PGIF	Index*
2 Years	6.9	8.9
3 Years	11.5	14.1
4 Years	-5.1	-2.1
5 Years	-2.3	-0.2
7 Years	2.1	3.0

Net Calendar Year Performance (%)

	PGIF	Index*
2010	12.0	15.1
2009	22.1	26.5
2008	-40.9	-37.0
2007	9.6	5.5
2006	13.1	15.8
2005	12.2	4.9
2004	16.8	10.9

Contact Us

For more information on the Fund, please contact:

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