



LargeCap S&P 500 Index Fund as of 03/31/2019

A Shares: **PLSAX** C Shares: **PLICX**

Investment Strategy

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies that compose the S&P 500 Index at the time of purchase. The index is designed to represent U.S. equities with risk/return characteristics of the large cap universe, which include growth and value stocks.

Portfolio Managers

Jeffrey A. Schwarte, CPA, CFA

Since 07/29/2016, B.A., University of Northern Iowa

Aaron J. Siebel

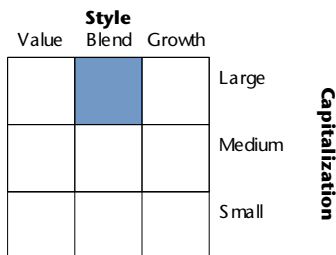
Since 10/15/2018, B.A., University of Iowa



Morningstar Category & Style Box™

as of 02/28/2019

Category: Large Blend



Not FDIC or NCUA Insured

May Lose Value • Not a Deposit • No Bank or Credit Union Guarantee
Not Insured by any Federal Government Agency

Average Annual Total Returns¹ as of 03/31/2019

	Year-to-Date	1-Year	3-Year	5-Year	10-Year	Since Inception
LargeCap S&P 500 Index Fund (A)						
Excluding Sales Charge	13.56%	9.01%	12.97%	10.38%	15.28%	5.52%
Including Sales Charge	11.84%	7.40%	12.40%	10.05%	15.11%	5.43%
Morningstar Percentile Rankings	–	33	34	25	37	–
Number of Funds in Category	1481	1412	1218	1081	810	–
LargeCap S&P 500 Index Fund (C)						
Excluding Sales Charge	13.25%	8.09%	12.02%	9.47%	14.41%	4.90%
Including Sales Charge	12.25%	7.09%	12.02%	9.47%	14.41%	4.90%

Investment results shown represent historical performance and do not guarantee future results. Your investment's returns and principal values will fluctuate with changes in interest rates and other market conditions so the value, when redeemed, may be worth more or less than original costs. Current performance may be lower or higher than the performance shown. For more information, including the most recent month-end performance, visit principalfunds.com, call your financial professional, or call 800-222-5852. A sales charge may apply as follows: Class A shares: maximum up-front sales charge of 1.50% and Class C shares: contingent deferred sales charge of 1% on redemptions made during the first 12 months. See the prospectus for details. Performance listed with sales charge reflects the maximum sales charge.

Where gross and net expense ratios differ, the investment adviser has contractually agreed to limit the investment option's expenses. Differences also may be due to the investment adviser's decision to pay (through the same dates) certain expenses that would normally be payable by the fund.

Operations

Total Net Assets (mil.)	\$5,799.55
Class A Inception Date	06/28/2005
Class C Inception Date	01/16/2007
Extended Performance Inception Date	12/06/2000

Total Investment Expense

	Gross Expense Ratio	Net Expense Ratio	Expiration Date	
			Contractual Cap	Waiver
Class A	0.44%	0.44%	N/A	N/A
Class C	1.31%	1.30%	02/29/2020	N/A

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Annual Total Returns ^{1,2} (Calendar Year)	25.66%	14.28%	1.49%	15.14%	31.65%	13.14%	0.90%	11.42%	21.23%	-4.83%

¹ Performance assumes reinvestment of all dividends and capital gains. Extended performance is calculated based on the historical performance of the fund's oldest share class, adjusted for the fees and expenses of the share class shown. Periods of less than one year are not annualized. Morningstar percentile rankings are based on total returns and do not reflect the inclusion of sales charges. If sales charges were reflected, rankings could be lower.

² The annual total returns shown above represent performance for Class A shares (not adjusted for sales charge) and any extended annual performance is based on the fund's oldest share class (not adjusted for sales charge). Annual total returns for other share classes will differ.

Portfolio information as of 02/28/2019

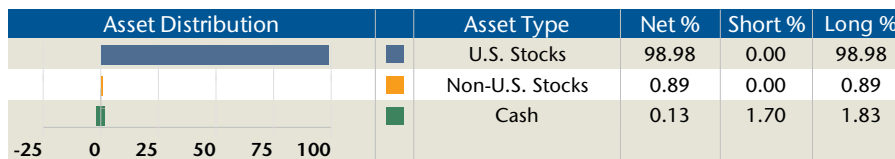
Analysis

Number of Holdings	509
Turnover Ratio	6%
P/E Ratio	16.63

Top Ten Holdings

	% of Net Assets
1. Microsoft Corp	3.62
2. Apple Inc	3.26
3. Amazon.com Inc	2.81
4. S&P500 Emini Fut Mar19	1.79
5. Berkshire Hathaway Inc B	1.64
6. Facebook Inc A	1.62
7. Johnson & Johnson	1.53
8. JPMorgan Chase & Co	1.45
9. Alphabet Inc Class C	1.44
10. Alphabet Inc A	1.41
% of net assets in top ten holdings*	20.56

*Values may exceed 100% if both long and short positions are included in the portfolio.

**Stock Sector Breakdown** as of 02/28/2019

Cyclical	32.72%	Defensive	25.56%
Real Estate	2.43	Utilities	3.25
Financial Svcs	15.96	Healthcare	14.74
Consumer Cyclical	11.84	Consumer Defensive	7.57
Basic Materials	2.49		
Sensitive	41.72%		
Energy	5.39		
Comm Svcs	3.49		
Industrials	10.52		
Technology	22.32		

Risk & Return Statistics as of 03/31/2019

Class A Shares

Relative to Standard & Poor's 500 Index

	3-Year	5-Year
Alpha	-0.50	-0.49
Beta	1.00	1.00
R-Squared	99.99	99.99
Standard Deviation	10.75	11.20

Risk and return statistical data is calculated by Morningstar, Inc.

The Portfolio Composition depicts a breakdown of the investment option's portfolio holdings, as of the date listed, into general investment classes. The x-axis represents the percentage each investment group holds, with the y-axis representing a zero value. Values to the right of the y-axis represent long security positions, while values to the left of the y-axis represent short security positions. The table to the right of the bar chart sums these two values to present the net emphasis of each investment group. Due to rounding, the total net position may not equal 100%. Long positions involve buying a security and selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. Portfolio holdings are subject to change and companies referenced in this report may not currently be held. Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk. For a complete list of the most recent publicly available holdings visit principalfunds.com.

Each index based investment option is invested in the stocks or bonds of the index it tracks. Performance of indexes reflects the unmanaged results for the market segment the selected stocks or bonds represent. There is no assurance an index based investment option will match the performance of the index tracked.

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The risks associated with derivative investments include that the underlying security, interest rate, market index, or other financial asset will not move in the direction the Investment Adviser and/or Sub-Adviser anticipated, the possibility that there may be no liquid secondary market, the risk that adverse price movements in an instrument can result in a loss substantially greater than a fund's initial investment, the possibility that the counterparty may fail to perform its obligations; and the inability to close out certain hedged positions to avoid adverse tax consequences.

Standard & Poor's 500 Index is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

Alpha: The difference between an investment's actual returns and its expected performance, given its level of risk (as measured by beta). **Beta:** An investment's sensitivity to market movements. **R-Squared:** Ranges from 0 to 100 and reveals how closely an investment's returns track those of a benchmark index. **Standard Deviation:** Measures how much an investment's returns are likely to fluctuate.

Web Site: principalfunds.com

Carefully consider a fund's objectives, risks, charges, and expenses. Contact your financial professional or visit principalfunds.com for a prospectus, or summary prospectus if available, containing this and other information. Please read it carefully before investing.

Investing involves risk, including possible loss of principal.

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