

PFI INVESTMENT MANAGEMENT, LLC

PERFORMANCE MEASUREMENT – GLOBAL INVESTMENT PERFORMANCE STANDARDS

Appendix B – Annual Disclosure Presentations

PRINCIPAL FONDOS DE INVERSION, S.A. DE C.V. OPERADORA DE FONDOS DE INVERSION PRINCIPAL GRUPO FINANCIERO GOVERNMENT FIXED INCOME COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (Mexican Pesos) (millions)	Composite Assets (Mexican Pesos) (millions)	Number of Accounts	Annual Performance Results Composite		Benchmark Index	Composite 3Yr St Dev	Benchmark 3 Yr St Dev
				Gross	Net			
2016	24,087	9,478	1	4.36%	3.76%	4.08%	0.19%	0.19%
2015	22,063	10,540	1	3.34%	2.74%	3.12%	0.16%	0.14%
2014	17,621	9,849	1	3.58%	2.80%	3.18%	0.18%	0.16%
2013	10,058	4,433	1	4.30%	3.46%	3.98%	0.12%	0.19%
2012	9,482	4,397	1	4.85%	4.02%	2.86%	0.08%	0.11%
2011	7,442	3,375	1	4.86%	3.88%	2.66%	0.30%	0.21%
2010	7,378	3,218	1	4.93%	3.88%	2.95%	0.43%	0.38%
2009	6,060	2,736	1	6.15%	4.67%	3.54%	0.35%	0.38%
2008	5,390	3,376	1	7.91%	6.06%	4.87%	N.A 1	N.A. 1
2007	3,219	1,062	1	7.87%	5.80%	5.58%	N.A 1	N.A. 1
2006*	2,029	153	1	1.27%	1.15%	0.85%	N.A1	N.A. 1

* Performance shown for 2006 is from November 1, 2006 through December 31, 2006.

N.A. ¹ - The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The three-year annualized standard deviation is not presented for 2006 through 2008 due to less than 36 months of composite and benchmark data.

The Government Fixed Income Composite includes portfolios that invest exclusively in short term government fixed income issues. The portfolios at all times seek to invest 100% their assets in securities issued by the Mexican Government, like Cetes, Bondes, BPAS, BPAT and UDIS, primarily in Government securities of short term in Mexican pesos or UDIS.

For comparison purposes, the composite is compared to the PiPCetes-28d 65% and PiPCetes-70-90d 35% Index. PiPCetes-28d Index invest all its assets in one security Cetes 28 days (27 or 29 when there are non-business days). PiPCetes-70-90d Index it's a portfolio that is composed of CETES securities which term is between 70 and 91 days to maturity for the start date. Both Indexes are available in the website <https://www.piplatam.com>.

Old Benchmark changed since January 2013 in order to be more representative than older one. Instead of using ISICP (Índice de Sociedades de Inversión de Corto Plazo) it was chosen PiPCetes-28d 65% and PiPCetes-70-90d 35%, which investment Objective is more appropriate and representative to the investment strategy of this Composite.

The Government Fixed Income Creation Date was November, 2005. (The rebalancing of the benchmark is annual) .The minimum account size for this composite is 130 million Mexican Pesos.

For the purpose of complying with GIPS, Principal Fondos de Inversión, S.A. de C.V. Operadora de Fondos de Inversión Principal Grupo Financiero defines itself as an independent operating division of Principal Financial Group with operations specific to Mexico.

“Principal Fondos de Inversión, S.A. de C.V. Operadora de Fondos de Inversión Principal Grupo Financiero claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Principal Fondos de Inversión, S.A. de C.V. Operadora de Fondos de Inversión Principal Grupo Financiero has been independently verified for the periods 1 January 2003 through 31 December 2016. The verification report(s) is/are available upon request.

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Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.”

A list of composites descriptions is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm.

The Mexican Peso is the currency used to express performance. Returns are presented gross and net of actual management fees incurred in the management of the portfolios.

The composite does not have sufficient portfolios for any period to present a meaningful measure of dispersion.

Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule varies depending upon type and amount of assets managed. As an example, for individuals the fee schedule is 1.75% for assets less than 150 thousand Pesos, 1.75% for assets between 150 and 500 thousand Pesos, 1.40% for assets between 500 and 1 million Pesos, and 0.70% for assets over 1 million Pesos. Actual investment advisory fees incurred by clients may vary.