

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 DOMESTIC EQUITY COMPOSITE ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (Mexican Pesos) (millions)	Composite Assets (Mexican Pesos) (millions)	Number of Accounts	Annual Performance Results Composite		IPC Index	Composite 3Yr St Dev	Benchmark 3 Yr St Dev
				Gross	Net			
2016	24,087	1,095	1	9.28%	8.04%	6.74%	10.63%	10.25%
2015	22,063	1,326	1	2.97%	1.41%	(0.01%)	10.85%	10.53%
2014	17,621	1,193	1	3.82%	1.94%	0.14%	10.13%	10.20%
2013	10,058	715	1	8.55%	6.38%	(1.75%)	10.34%	11.03%
2012	9,482	580	1	25.40%	22.50%	17.58%	12.02%	12.12%
2011	7,442	492	1	0.13%	(1.98%)	(2.76%)	18.74%	19.02%
2010	7,378	469	1	24.82%	21.79%	17.86%	N.A1	N.A. 1
2009	6,060	313	1	45.56%	41.53%	44.73%	N.A1	N.A. 1
2008*	5,390	241	1	(21.46%)	(23.37%)	(25.59%)	N.A1	N.A. 1

* Performance shown for 2008 is from February 29, 2008 through December 31, 2008.

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 2008 through 2010 due to less than 36 months of composite and benchmark data.

The Domestic Equity Composite includes portfolios that invest in domestic equities. Portfolios invest not less than 80% of its assets in Mexican equity market and may hold some debt instruments as the portfolio looks for favorable equities to hold, seek investment results that correspond to the return of the Índice de Precios y Cotizaciones (IPC).

For comparison purposes, the composite is compared to the IPC (Índice de Precios y Cotizaciones) Index. The **Prices and Quotations Index (IPC)** is the main indicator of the Mexican Stock Exchange, it expresses the yield of the stock market based on the prices variations of a balanced, weighted and representative group of stocks of the ones that are listed in the Stock Exchange.

For 2008 the Gross Returns are Pure Gross Returns and are shown as Supplemental Information, because the Mexican regulation did not required at that time to separate the Trading Costs.

The Domestic Equity Composite Creation Date was February, 2008. 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.

Polices 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 an annual fee of 3.00% for assets over 10 thousand Pesos. Actual investment advisory fees incurred by clients may vary.