

PRINCIPAL GLOBAL INVESTORS (AUSTRALIA) LIMITED
ABN 45 102 488 068
Level 30, Chifley Tower, 2 Chifley Square, Sydney NSW 2000
GPO Box 4169 Sydney NSW 2001
+612 8226 9000 tel +612 8226 9076 fax



12 December 2017

Dear Client,

Buy / Sell Spread Update
Principal Global Property Securities Fund (Fund) (PGI0002AU)

Following a recent review of the Fund's transaction costs, we write to advise that we are amending the buy / sell spread applicable to the Fund.

The buy / sell spread currently applied to applications and redemptions from the Fund equals 0.25% and 0.25% of the transaction amounts, respectively. The new buy spread will be 0.20% of the transaction amount, applicable to applications. The new sell spread will be 0.15% of the transaction amount, applicable to redemptions.

The new buy / sell spread will be applicable to all applications and redemptions lodged from 14 December 2017 onward.

Some of the transactional and operational costs are recovered through the buy / sell spread. This is to ensure that the transacting unitholder bears the cost of their application and redemption rather than the non-transacting unitholders.

This is an additional cost to you when you invest in or redeem from the Fund. It is retained by the Fund. It is not a fee paid to us.

Additional information about fees and costs is available in the attached Product Disclosure Statement.

If you have any questions, please feel free to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Grant Forster'.

Grant Forster
Chief Executive Officer, Principal Global Investors (Australia) Limited