

PNC Funds Celebrates Lipper Award Win

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We are pleased to announce that the PNC Multi-Factor Small Cap Core Fund (class I) was named best individual fund in the Lipper Small-Cap Core Funds category for the three- and five-year periods ending December 31, 2014.

The awards recognize the Fund for its consistently strong risk-adjusted performance relative to its peers. Congratulations to Hitesh C. Patel, Ph.D., Managing Director, Structured Equity, and his team: Paul Kleinaitis, CFA, Senior Portfolio Manager, Chen Chen, Ph.D., Portfolio Manager, and Jonathan J. Toerber Jr., Senior Quantitative Analyst.

“The awards reflect the Fund’s disciplined investment approach and our commitment to offering investors best-in-class investment solutions,” said Mark McGlone, President and Chief Investment Officer of PNC Capital Advisors.¹

In addition to this impressive achievement, PNC Funds has implemented contractual fee waivers and reimbursements for PNC Multi-Factor Small Cap Core, PNC Multi-Factor Small Cap Growth, and PNC Multi-Factor Small Cap Value Funds effective March 31, 2015.

“Maintaining a competitive fee structure is part of our continued effort to increase value and reduce expenses for our investors,” McGlone added.

The table below reflects the total operating expenses as disclosed in the PNC Funds Equity Prospectus:

	Advisory Fees		12b-1	Shareholder	Other	Total Annual Fund	
	Gross	Net	Fees	Servicing Fees	Expenses	Operating Expenses ²	Net
						Gross	
Multi-Factor Small Cap Core							
I Shares	0.90%	0.49%	0.00%	—	0.36%	1.26%	0.85%
A Shares	0.90%	0.49%	0.03%	0.25%	0.36%	1.54%	1.13%
Multi-Factor Small Cap Growth							
I Shares	0.90%	0.09%	0.00%	—	0.76%	1.66%	0.85%
A Shares	0.90%	0.09%	0.03%	0.25%	0.76%	1.94%	1.13%
C Shares	0.90%	0.09%	0.75%	0.25%	0.76%	2.66%	1.85%
Multi-Factor Small Cap Value							
I Shares	0.90%	0.17%	0.00%	—	0.68%	1.58%	0.85%
A Shares	0.90%	0.17%	0.03%	0.25%	0.68%	1.86%	1.13%
C Shares	0.90%	0.17%	0.75%	0.25%	0.68%	2.58%	1.85%

Launched in 2005, the PNC Multi-Factor Small Cap Core Fund seeks capital appreciation by investing primarily in stocks of small capitalization companies that possess both value and growth characteristics with market caps approximating the benchmark. Using a factor-based approach, the team’s investment strategy focuses on systematically identifying market inefficiencies. This approach aims to create a diversified, risk-controlled portfolio with the goal of providing investors with attractive risk-adjusted returns.

For more information about the PNC Multi-Factor Small Cap Core Fund, please call 800-622-FUND (3863) or visit the Fund’s snapshot page at pncfunds.com.

¹ PNC Capital Advisors serves as investment adviser to PNC Funds.

² Net operating expenses reflect contractual waivers and expense reimbursements that continue through March 30, 2016, at which time the Adviser will determine whether to renew, revise, or discontinue them. For more information on fee waivers or expense reimbursements please see the expense table in the prospectus. Expenses listed above reflect those of the most recent prospectus.

Lipper, a Thomson Reuters company, provides Lipper Leader ratings for mutual funds registered for sale in over 30 countries. Lipper Fund Awards are based on Lipper Ratings for Consistent Return (Effective Return), which reflect a fund's historical risk-adjusted total returns relative to funds in the same Lipper Global Classification. Classification averages are calculated with all eligible share-classes for each eligible classification. The calculation periods extend over 36, 60 and 120 months. The highest Lipper Leader for Consistent Return (Effective Return) value within each eligible classification determines the fund classification winner over three, five or 10 years.

For the three-year period ended December 31, 2014, Lipper ranked PNC Multi-Factor Small Cap Core Fund (class I) 1st in the Small-Cap Core Funds category out 704 funds. For the five-year period ended December 31, 2014, the Fund was ranked 1st in the Small-Cap Core Funds category out 622 funds.

Investments in small capitalization companies present greater risk of loss than investments in large companies due to greater volatility and less liquidity. Investments in value companies can continue to be undervalued for long periods of time and be more volatile than the stock market in general. Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general. International investments are subject to special risks not ordinarily associated with domestic investments, including currency fluctuations, economic and political change and differing accounting standards that may adversely affect portfolio securities. These risks may be heightened in emerging markets. To the extent that the Fund invests a significant portion of its assets in a particular industry, the Fund's performance could depend heavily on the performance of that industry and may be more volatile than less concentrated funds. The portfolio team may choose to invest in initial public offerings (IPOs), the performance of which is unpredictable and the effect of which may not be duplicated during periods in which the Fund does not invest in IPOs.

Past performance is no guarantee of future results.

• NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

You should consider the investment objectives, risk, charges, and expenses of PNC Funds carefully before investing. A prospectus or summary prospectus with this and other information may be obtained at 800-622-FUND (3863) or pncfunds.com. Please read the prospectus carefully before investing.

PNC Capital Advisors, LLC, a subsidiary of The PNC Financial Services Group, Inc., serves as investment adviser and co-administrator to PNC Funds and receives fees for its services. PNC Funds are distributed by PNC Funds Distributor, LLC, which is not affiliated with the adviser and is not a bank.

Source: Lipper, Inc. Not independently verified by PNC Funds. Lipper is a mutual fund performance monitor. The rankings pertain to the Fund's total return performance and do not take sales charges into consideration. Rankings are for share class indicated as of 12/31/2014.