

# PNC Multi-Factor Small Cap Growth Fund

Period ending 6/30/18

NASDAQ SYMBOLS

I Shares: PLTIX

A Shares: PLWAX

C Shares: PLWCX

R6 Shares: PSWRX

PNC Multi-Factor Small Cap Growth Fund seeks long-term capital appreciation by primarily investing in stocks of small-cap companies with market caps approximating the benchmark.

## PERFORMANCE SUMMARY TOTAL RETURNS

Share Class (Inception Date)		3 Mos	Year to Date	1 Year	ANNUALIZED				Max Sales Chg.	Max CDSC	Gross Exp. Ratio	Net Exp. Ratio <sup>1</sup>
					3 Years	5 Years	10 Years	Since Inception				
Class I (9/30/05)		7.55%	9.81%	18.71%	10.13%	14.14%	10.55%	9.19%	—	—	1.05%	0.85%
Class A (9/30/05)	NAV POP	7.59% 1.68%	9.77% 3.74%	18.48% 11.97%	9.83% 7.78%	13.86% 12.58%	10.28% 9.66%	8.92% 8.44%	5.50% 5.50%	—	1.35% 1.35%	1.15% 1.15%
Class C (9/30/05)	NAV POP	7.29% 6.29%	9.26% 8.26%	17.54% 16.54%	9.05% 9.05%	13.05% 13.05%	9.67% 9.67%	8.55% 8.55%	—	1.00% 1.00%	2.05% 2.05%	1.85% 1.85%
Class R6 <sup>3</sup> (6/11/18)		7.55%	9.81%	18.71%	10.13%	14.14%	10.55%	9.17%	—	—	1.16%	0.84%
Russell 2000 Growth Index <sup>2</sup>		7.23%	9.70%	21.86%	10.60%	13.65%	11.24%	—	—	—	—	—

1 Net operating expenses reflect contractual waivers and expense reimbursements that continue through the end of September 2018 for Class I, A, and C and through June 11, 2019 for Class R6. For more information on fee waivers or expense reimbursements please see the expense table in the prospectus. If the waivers or reimbursements were not in effect the Fund's performance would have been lower.

2 The Russell 2000 Growth Index, an unmanaged index of small-capitalization companies with higher price-to-book ratios and higher forecasted growth values, is not available for direct investment. Unlike a mutual fund, the performance of an index assumes no taxes, transaction costs, management fees, or other expenses.

3 The R6 share class of the Fund commenced operations on June 11, 2018. Performance information shown prior to this period reflects the performance of class I shares but has not been adjusted to reflect expenses of R6 shares of the Fund. If adjusted, performance for class R6 would vary from the returns shown based on differences in expenses.

Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. POP (Public Offering Price) figures reflect maximum sales charge in class A shares of 5.50%. NAV (Net Asset Value) returns do not include the effect of any applicable sales charges. A contingent deferred sales charge of 1.00% is charged if redeem Class C Shares within 12 months of the date of purchase. Current performance may be lower or higher than that shown here. Performance data current to the most recent month-end is available at 800-622-FUND (3863) or pncfunds.com.

## PORTFOLIO CHARACTERISTICS AND RISK STATISTICS (3 YEAR PERIOD)

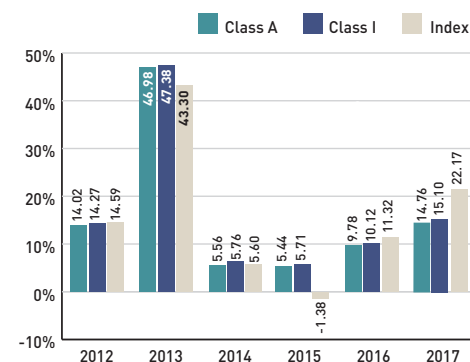
Number of Securities <sup>4</sup> <b>116</b>	P/E 12 Month <sup>5</sup> <b>26.3</b>	Alpha <sup>7</sup> <b>1.15%</b>
Total Fund Net Assets <b>\$159.1M</b>	Turnover 12 Month (5/31/18) <b>93.59%</b>	Beta <sup>8</sup> <b>0.84</b>
Average Market Cap <b>\$3,626M</b>	Standard Deviation <sup>6</sup> <b>12.94%</b>	Sharpe Ratio <sup>9</sup> <b>0.73</b>

## SECTOR WEIGHTINGS <sup>10</sup>

	Multi-Factor Small Cap Growth Fund	Russell 2000 Growth Index <sup>2</sup>	Variance
Health Care	26.87%	26.46%	0.41%
Information Technology	21.66%	19.08%	2.58%
Industrials	13.42%	18.20%	-4.78%
Consumer Discretionary	13.37%	15.30%	-1.93%
Financials	8.23%	7.67%	0.56%
Materials	4.60%	4.27%	0.33%
Consumer Staples	4.05%	2.90%	1.15%
Real Estate	3.84%	2.50%	1.34%
Energy	2.63%	2.43%	0.20%
Cash & Cash Equivalents	1.33%	0.00%	1.33%

<sup>10</sup> Sector Weightings and Top Ten Holdings are a percent of total net assets, calculated based on Fund net assets, and are subject to change. As such, they are for illustrative purposes only as they are not a permanent reflection of Fund composition. Top Ten Holdings are as of 5/31/18.

## CALENDAR YEAR TOTAL NAV RETURNS



4 Number of Securities includes futures, forwards, ETFs, and other cash-like securities.

5 Measure of the price paid for a share relative to the income or profit earned by the firm per share.

6 Statistical measure of volatility, calculating the average deviation of a return series from its mean.

7 Measure of risk-adjusted performance, considering the risk due to the specific security.

8 Quantitative measure of the volatility of a fund relative to the Russell 2000 Growth Index<sup>2</sup>.

9 Risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk.

## TOP TEN HOLDINGS <sup>10</sup>

REALPAGE INC	1.85%
ENCOMPASS HEALTH CORP	1.76%
FAIR ISAAC CORP	1.66%
CANTEL MEDICAL CORP	1.58%
SAREPTA THERAPEUTICS INC	1.49%
LIGAND PHARMACEUTICALS INC	1.48%
CHEMED CORP	1.40%
ASPEN TECHNOLOGY INC	1.37%
GENERAC HOLDINGS INC	1.31%
RINGCENTRAL INC	1.25%

**INVESTMENT STRATEGY**

PNC Multi-Factor Small Cap Growth Fund seeks capital appreciation by investing in common stocks of U.S. companies with market caps matching the benchmark that possess growth characteristics.<sup>10</sup> Using an analytical process together with fundamental research methods, the Fund’s managers rate the performance potential of companies and buy those stocks that they believe offer the best prospects for superior performance relative to the securities of comparable companies. Stock selection is based upon sound scientific evidence and three key drivers of future performance: valuation, fundamentals and investor interest. In selecting securities, the Fund’s managers integrate both growth and valuation considerations, focusing on companies with potential for above-average earnings, sales, and asset value growth. 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. POs.

**11** The market cap range of the benchmark frequently changes. As a result, the capitalization of companies in which the Fund invests may also change.

**INVESTMENT RISKS**

Investments in small-capitalization companies present a greater risk of loss than investments in large companies due to greater volatility and less liquidity. 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.

**MANAGEMENT TEAM**

**Hitesh C. Patel, Ph.D.**  
 Managing Director, Structured Equity  
 24 years industry experience  
 Managed fund since: 2005

**Paul Kleinaitis, CFA**  
 Senior Portfolio Manager, Structured Equity  
 31 years industry experience  
 Managed fund since: 2005

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**LIPPER RANKINGS 50<sup>TH</sup> PERCENTILE OR BETTER**

**CATEGORY: LIPPER SMALL CAP GROWTH FUNDS**

	1 Year	3 Years	5 Years	10 Years
<b>I SHARES</b>				
Percentile Rank	79th%	59th%	27th%	59th%
Rank in universe	445/566	292/494	117/445	197/336
<b>A SHARES</b>				
Percentile Rank	80th%	64th%	32nd%	64th%
Rank in universe	451/566	313/494	140/445	215/336

Rankings criteria for the 5-year period ending 6/30/18 and are for the share class shown; other classes may vary. Percentile rank in category based on total return.

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.

Past performance is no guarantee of future results.

**You should consider the investment objectives, risks, 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. The prospectus should be read carefully before investing.**

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

PNC Capital Advisors, LLC (PCA), 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.