

Principal Capital Appreciation Fund

As of August 31, 2009



SCHEDULE OF INVESTMENTS

ISSUER	SHARES	MARKET VALUE	% TOTAL NET ASSETS
Occidental Petroleum Corp	428,325	\$ 31,310,558	3.57%
Microsoft Corp	1,135,822	\$ 27,998,012	3.19%
Chevron Corp	390,118	\$ 27,284,853	3.11%
Wells Fargo & Co	764,718	\$ 21,045,039	2.40%
Charles Schwab Corp/The	1,063,287	\$ 19,202,963	2.19%
Costco Wholesale Corp	354,240	\$ 18,059,155	2.06%
Franklin Resources Inc	192,275	\$ 17,945,026	2.04%
Hewlett-Packard Co	333,975	\$ 14,992,138	1.71%
Allergan Inc/United States	263,130	\$ 14,714,230	1.68%
Cisco Systems Inc	650,825	\$ 14,057,820	1.60%
Adobe Systems Inc	438,730	\$ 13,784,897	1.57%
McKesson Corp	242,292	\$ 13,776,723	1.57%
Walt Disney Co/The	514,585	\$ 13,399,793	1.53%
Washington Federal Inc	851,384	\$ 12,634,539	1.44%
Intel Corp	614,250	\$ 12,481,560	1.42%
Verizon Communications Inc	400,650	\$ 12,436,176	1.42%
Expeditors International of Washington Inc	379,308	\$ 12,388,199	1.41%
Starbucks Corp	634,575	\$ 12,050,579	1.37%
Clorox Co	202,580	\$ 11,970,452	1.36%
Paccar Inc	330,662	\$ 11,960,045	1.36%
Sempra Energy	236,700	\$ 11,875,239	1.35%
Google Inc	25,335	\$ 11,696,409	1.33%
Apache Corp	137,300	\$ 11,663,635	1.33%
AT&T Inc	442,150	\$ 11,518,008	1.31%
NIKE Inc	205,792	\$ 11,398,819	1.30%
Schnitzer Steel Industries Inc	200,178	\$ 10,811,614	1.23%
Weyerhaeuser Co	286,125	\$ 10,698,214	1.22%
Boeing Co/The	215,283	\$ 10,693,107	1.22%
Dionex Corp	174,990	\$ 10,523,899	1.20%
StanCorp Financial Group Inc	268,760	\$ 10,172,566	1.16%
Nordstrom Inc	355,700	\$ 9,973,828	1.14%
Varian Medical Systems Inc	210,450	\$ 9,064,082	1.03%
Gilead Sciences Inc	197,194	\$ 8,885,562	1.01%
Jacobs Engineering Group Inc	201,176	\$ 8,847,720	1.01%
Amgen Inc	133,764	\$ 7,991,061	0.91%
Oracle Corp	345,994	\$ 7,566,889	0.86%
Precision Castparts Corp	81,346	\$ 7,425,263	0.85%
PG&E Corp	179,600	\$ 7,289,964	0.83%
HCP Inc	245,685	\$ 6,997,109	0.80%
JP Morgan Chase & Co	150,369	\$ 6,535,037	0.74%
Devon Energy Corp	104,350	\$ 6,405,003	0.73%
Procter & Gamble Co	113,525	\$ 6,142,838	0.70%
VCA Antech Inc	237,500	\$ 5,878,125	0.67%

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FEI Co	248,192	\$ 5,872,223	0.67%
Dairy Farm International Holdings Ltd	207,803	\$ 5,828,874	0.66%
Copart Inc	157,970	\$ 5,582,660	0.64%
Beckman Coulter Inc	81,782	\$ 5,538,277	0.63%
McDonald's Corp	96,425	\$ 5,422,942	0.62%
Waste Connections Inc	197,100	\$ 5,390,685	0.61%
Apple Inc	31,590	\$ 5,313,754	0.61%
DaVita Inc	101,250	\$ 5,235,638	0.60%
Amazon.com Inc	63,950	\$ 5,192,101	0.59%
Berry Petroleum Co	227,371	\$ 5,131,763	0.58%
Red Lion Hotels Corp	851,361	\$ 4,937,894	0.56%
Alexandria Real Estate Equities Inc	87,986	\$ 4,901,700	0.56%
Simpson Manufacturing Co Inc	190,701	\$ 4,901,016	0.56%
Reliance Steel & Aluminum Co	129,500	\$ 4,783,730	0.54%
Life Technologies Corp	106,134	\$ 4,726,147	0.54%
Johnson & Johnson	77,091	\$ 4,659,380	0.53%
Bristol-Myers Squibb Co	206,500	\$ 4,569,845	0.52%
Safeway Inc	236,750	\$ 4,510,088	0.51%
California Water Service Group	118,650	\$ 4,416,153	0.50%
Toyota Motor Corp	50,986	\$ 4,343,497	0.49%
Granite Construction Inc	134,939	\$ 4,331,542	0.49%
General Mills Inc	70,431	\$ 4,206,844	0.48%
Itron Inc	75,900	\$ 4,158,561	0.47%
Qualcomm Inc	88,200	\$ 4,094,244	0.47%
City National Corp/CA	102,311	\$ 4,041,285	0.46%
Mattel Inc	221,685	\$ 3,988,113	0.45%
Edison International	119,025	\$ 3,976,625	0.45%
Northrop Grumman Corp	81,380	\$ 3,972,158	0.45%
Applied Materials Inc	299,250	\$ 3,944,115	0.45%
Kimberly-Clark Corp	65,075	\$ 3,934,435	0.45%
SonoSite Inc	167,121	\$ 3,888,906	0.44%
Johnson Controls Inc	154,000	\$ 3,814,580	0.43%
General Electric Co	269,918	\$ 3,751,860	0.43%
Watson Pharmaceuticals Inc	105,000	\$ 3,705,450	0.42%
Plum Creek Timber Co Inc	121,800	\$ 3,689,322	0.42%
XTO Energy Inc	91,400	\$ 3,528,040	0.40%
Con-way Inc	83,007	\$ 3,466,372	0.39%
Linear Technology Corp	130,100	\$ 3,456,757	0.39%
Nationwide Health Properties Inc	106,863	\$ 3,406,792	0.39%
ResMed Inc	73,375	\$ 3,368,646	0.38%
Investment in Joint Trading Account; Credit Suisse Repurchase Agreement	3,304,504	\$ 3,304,504	0.38%
Investment in Joint Trading Account; Bank of America Repurchase Agreement	3,304,504	\$ 3,304,504	0.38%
Investment in Joint Trading Account; Deutsche Bank Repurchase Agreement	3,304,504	\$ 3,304,504	0.38%

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Investment in Joint Trading Account; Morgan Stanley Repurchase Agreement	3,304,504	\$ 3,304,504	0.38%
Jack in the Box Inc	159,791	\$ 3,258,138	0.37%
Ross Stores Inc	68,500	\$ 3,194,840	0.36%
Techne Corp	49,743	\$ 3,067,651	0.35%
Archer-Daniels-Midland Co	105,950	\$ 3,054,539	0.35%
Potash Corp of Saskatchewan Inc	34,355	\$ 3,040,761	0.35%
Home Depot Inc	110,200	\$ 3,007,358	0.34%
QLogic Corp	189,850	\$ 3,001,529	0.34%
Teledyne Technologies Inc	88,100	\$ 2,974,256	0.34%
Trimble Navigation Ltd	114,348	\$ 2,911,300	0.33%
Alaska Air Group Inc	114,726	\$ 2,894,537	0.33%
Actuate Corp	498,717	\$ 2,802,790	0.32%
Sybase Inc	80,354	\$ 2,800,337	0.32%
Ambassadors Group Inc	177,179	\$ 2,795,885	0.32%
CVS Caremark Corp	72,050	\$ 2,703,316	0.31%
Total SA	47,200	\$ 2,703,144	0.31%
Columbia Sportswear Co	67,374	\$ 2,648,472	0.30%
Art Technology Group Inc	650,819	\$ 2,629,309	0.30%
Mercury General Corp	70,404	\$ 2,615,509	0.30%
Union Pacific Corp	43,100	\$ 2,577,811	0.29%
Visa Inc	36,075	\$ 2,564,933	0.29%
Robert Half International Inc	96,600	\$ 2,539,614	0.29%
Dendreon Corp	107,641	\$ 2,515,570	0.29%
Cypress Semiconductor Corp	243,215	\$ 2,461,336	0.28%
Becton Dickinson and Co	34,758	\$ 2,419,852	0.28%
CNOOC Ltd	18,170	\$ 2,373,911	0.27%
KB Home	129,500	\$ 2,358,195	0.27%
Resources Connection Inc	151,129	\$ 2,328,898	0.27%
Kroger Co/The	107,550	\$ 2,322,005	0.26%
Supertex Inc	89,860	\$ 2,321,982	0.26%
Polycom Inc	97,100	\$ 2,290,589	0.26%
Informatica Corp	126,500	\$ 2,268,145	0.26%
Quest Software Inc	137,500	\$ 2,267,375	0.26%
Cathay Pacific Airways Ltd	301,800	\$ 2,203,140	0.25%
Martek Biosciences Corp	86,547	\$ 2,124,729	0.24%
TrueBlue Inc	156,000	\$ 2,121,600	0.24%
Ralcorp Holdings Inc	33,750	\$ 2,117,138	0.24%
Northwest Pipe Co	62,475	\$ 2,076,044	0.24%
State Street Corp	37,225	\$ 1,953,568	0.22%
LSI Corp	351,676	\$ 1,832,232	0.21%
IBM Corp	15,100	\$ 1,782,555	0.20%
US Bancorp	75,550	\$ 1,708,941	0.19%
Waters Corp	33,250	\$ 1,671,810	0.19%

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Greenbrier Cos Inc	129,550	\$ 1,667,309	0.19%
Kla-Tencor Corp	53,250	\$ 1,661,400	0.19%
PepsiCo Inc	28,611	\$ 1,621,385	0.18%
Essex Property Trust Inc	20,725	\$ 1,546,292	0.18%
Campbell Soup Co	48,050	\$ 1,506,848	0.17%
True Religion Apparel Inc	60,862	\$ 1,377,307	0.16%
Cascade Corp	51,893	\$ 1,322,234	0.15%
Westamerica Bancorporation	24,994	\$ 1,285,441	0.15%
AMN Healthcare Services Inc	128,048	\$ 1,263,834	0.14%
Autodesk Inc	53,300	\$ 1,248,819	0.14%
Teva Pharmaceutical Industries Ltd	22,500	\$ 1,158,750	0.13%
CR Bard Inc	14,200	\$ 1,144,236	0.13%
Harley-Davidson Inc	45,636	\$ 1,094,351	0.12%
Obagi Medical Products Inc	109,878	\$ 1,043,841	0.12%
Echelon Corp	91,400	\$ 1,038,304	0.12%
Omnicell Inc	92,513	\$ 1,015,793	0.12%
Sunpower Corp - Class B	45,746	\$ 978,507	0.11%
Winnebago Industries	80,850	\$ 978,285	0.11%
Quality Systems Inc	16,163	\$ 870,216	0.10%
Sun Healthcare Group Inc	102,530	\$ 844,847	0.10%
WD-40 Co	31,300	\$ 844,474	0.10%
China Mobile Ltd	16,725	\$ 823,205	0.09%
East West Bancorp Inc	87,873	\$ 809,310	0.09%
Health Net Inc	50,860	\$ 779,175	0.09%
PepsiAmericas Inc	27,500	\$ 769,450	0.09%
Nabors Industries Ltd	42,076	\$ 743,904	0.08%
FLIR Systems Inc	31,300	\$ 720,526	0.08%
Electro Scientific Industries Inc	56,863	\$ 698,278	0.08%
Novellus Systems Inc	35,500	\$ 680,180	0.08%
Mentor Graphics Corp	73,600	\$ 649,888	0.07%
Energy Recovery Inc	113,876	\$ 598,988	0.07%
Brown-Forman Corp	12,772	\$ 571,164	0.07%
Cemex SAB de CV	39,568	\$ 525,463	0.06%
Yahoo! Inc	32,200	\$ 470,442	0.05%
Northwest Natural Gas Co	10,950	\$ 460,995	0.05%
Barclays PLC	18,500	\$ 452,140	0.05%
Alberto-Culver Co	12,050	\$ 318,000	0.04%
Intermec Inc	20,560	\$ 292,363	0.03%
Umpqua Holdings Corp	23,355	\$ 240,790	0.03%
Fidelity National Financial Inc	8,750	\$ 131,425	0.01%
Forest Laboratories Inc	3,500	\$ 102,445	0.01%
OraSure Technologies Inc	15,083	\$ 39,819	0.00%

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Total Market Value	\$ 876,443,835	99.84%
Cash	1,404,620	0.16%
Total Net Assets	\$ 877,848,455	100.00%

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Formerly known as the WM West Coast Equity Fund.

Small-cap and mid-cap stocks may have additional risks, including greater price volatility.

Portfolio holdings may not reflect the current portfolio composition. The holdings listed do not constitute a recommendation to purchase or sell a particular security.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities sold or services offered by a Princor® Registered Representative are offered through Princor Financial Services Corporation 800-547-7754, member SIPC, and/or independent broker/dealers. Principal Funds Distributor and Princor are members of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.

Before investing in mutual funds, investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other information is contained in the free prospectus, which can be obtained from your local representative. Please read the prospectus carefully before investing.

A mutual fund's share price and investment return will vary with market conditions, and the principal value of an investment when you sell your shares may be more or less than the original cost.

Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk.