

Tax-free income funds

As of September 30, 2018



	AMT-Free Municipal Income 1,2,4,6,8	Intermediate- Term Municipal Income 1,2,3,4,5,7	Short-Term Municipal Income 1,2,3,4,5,7	Tax Exempt Income 1,2,3,4,5,6,7	Tax-Free High Yield Income 1,2,3,4,6,7,8	California Tax Exempt Income 1,2,4,5,7,9	Massachusetts Tax Exempt Income 1,2,4,5,7,9	Minnesota Tax Exempt Income 1,2,4,5,7,9	New Jersey Tax Exempt Income 1,2,4,5,7,9	New York Tax Exempt Income 1,2,4,5,7,9	Ohio Tax Exempt Income 1,2,4,5,7,9	Pennsylvania Tax Exempt Income 1,2,4,5,7,9
Portfolio quality	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18
AAA	11.28%	7.14%	8.31%	10.98%	0.86%	8.18%	15.25%	12.99%	6.91%	15.47%	4.29%	0.66%
AA	31.23%	17.89%	38.32%	29.13%	7.04%	48.83%	44.34%	42.46%	28.72%	39.42%	54.12%	34.14%
A	39.83%	41.78%	34.13%	41.74%	21.70%	25.93%	19.29%	22.94%	39.60%	22.75%	31.40%	46.06%
BBB	12.87%	19.80%	15.41%	14.49%	30.08%	9.47%	13.70%	11.87%	12.24%	13.26%	4.93%	14.01%
BB	—	3.65%	1.92%	0.97%	10.58%	0.40%	0.46%	3.39%	2.66%	0.94%	0.22%	1.96%
B	0.47%	—	—	0.52%	6.53%	0.45%	—	—	—	2.34%	1.31%	—
CCC and below	—	—	—	—	0.21%	—	—	—	—	0.36%	—	—
Not rated	1.82%	1.98%	1.66%	1.86%	19.32%	5.04%	2.23%	4.56%	7.53%	2.18%	1.13%	2.21%
Cash and net other assets	2.50%	7.76%	0.25%	0.31%	3.68%	1.70%	4.73%	1.79%	2.34%	3.28%	2.60%	0.96%
Sector weightings												
Education	8.02%	9.51%	5.00%	6.92%	12.11%	8.47%	27.41%	19.56%	11.20%	15.67%	19.29%	16.60%
Financials	2.66%	4.94%	5.06%	3.86%	2.59%	1.99%	—	—	—	1.05%	1.19%	0.74%
Health care	16.74%	14.79%	10.49%	14.37%	20.83%	9.32%	11.96%	17.41%	11.37%	6.69%	16.30%	19.21%
Housing	0.55%	1.57%	5.05%	1.14%	0.10%	0.10%	3.92%	1.49%	1.49%	1.61%	0.14%	0.80%
Industrials	0.12%	5.67%	5.81%	4.03%	3.86%	0.61%	1.86%	0.17%	—	0.59%	0.64%	2.24%
Land	3.87%	2.37%	1.72%	2.13%	5.13%	10.44%	—	—	—	0.05%	—	—
Local debt	9.26%	7.73%	17.10%	7.92%	5.76%	19.39%	3.87%	15.44%	11.99%	6.67%	18.67%	18.86%
Prerefunded	3.94%	2.32%	—	4.71%	5.49%	7.30%	5.29%	12.51%	5.12%	6.76%	6.17%	8.45%
Special tax	12.31%	2.26%	1.57%	11.23%	1.36%	1.37%	11.45%	0.34%	6.95%	17.38%	9.93%	2.01%
State debt	9.17%	13.99%	11.57%	11.01%	6.73%	12.24%	6.78%	8.73%	19.76%	5.00%	3.92%	4.86%
Tobacco	1.89%	1.93%	—	1.84%	9.37%	3.72%	—	—	1.60%	2.95%	1.31%	—
Transportation	12.73%	16.97%	15.90%	15.29%	11.10%	10.93%	6.47%	5.74%	15.39%	16.10%	6.06%	12.16%
Utilities	13.64%	8.19%	15.63%	13.56%	8.13%	9.98%	5.87%	14.76%	8.13%	11.43%	13.04%	12.40%
Other	2.60%	—	4.85%	1.68%	3.76%	2.44%	10.39%	2.06%	4.66%	4.77%	0.74%	0.71%
Cash and net other assets	2.50%	7.76%	0.25%	0.31%	3.68%	1.70%	4.73%	1.79%	2.34%	3.28%	2.60%	0.96%
Fund data												
Number of holdings	259	87	97	470	447	419	155	161	137	304	134	155
Average maturity	16.78	11.28	9.69	17.38	19.86	19.15	16.75	15.90	16.90	19.00	16.33	16.19
Option adjusted duration	6.83	4.98	1.54	6.78	7.34	7.50	6.57	6.50	6.26	7.46	6.51	6.49
AMT exposure	0.00%	19.31%	14.11%	9.41%	10.88%	6.05%	8.38%	2.94%	9.55%	7.25%	2.08%	6.78%
Average price	\$106.24	\$105.78	\$102.34	\$105.79	\$103.21	\$106.22	\$107.60	\$106.08	\$105.83	\$107.44	\$106.48	\$105.88
30-day SEC yield without subsidy	2.48%	1.00%	0.72%	2.57%	3.13%	2.41%	2.41%	2.23%	2.56%	2.55%	2.39%	2.46%
30-day SEC yield with subsidy	—	2.14%	1.87%	—	—	—	—	—	—	—	—	—

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes. Class Y shares, available to investors through an asset-based fee program or for institutional clients, are sold without an initial sales charge and have no CDSC. For the most recent month-end performance, please visit putnam.com.

Data is for class Y shares. Portfolio characteristics will vary over time. Due to rounding, percentages may not equal 100%.

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Annualized total return performance (class Y shares)	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18	9/30/18
1 year	0.63%	0.09%	0.66%	0.89%	2.36%	0.87%	0.20%	0.35%	1.23%	0.28%	0.33%	0.54%
3 years	2.30%	1.65%	0.91%	2.55%	4.15%	2.51%	1.86%	1.81%	2.56%	2.17%	1.86%	2.05%
5 years	3.75%	2.34%	0.86%	3.85%	5.72%	4.14%	3.33%	3.10%	3.44%	3.57%	3.06%	3.43%
10 years/life of fund	4.84%	1.82%	0.83%	4.97%	6.22%	5.22%	4.53%	4.49%	4.48%	4.50%	4.20%	4.40%
Total expense ratio	0.56%	1.67%	1.40%	0.55%	0.60%	0.52%	0.57%	0.64%	0.58%	0.53%	0.61%	0.59%
What you pay	0.56%	0.60%*	0.35%*	0.55%	0.60%	0.52%	0.57%	0.64%	0.58%	0.53%	0.61%	0.59%
Symbols												
Class A	PPNAX	PIMEX	PSMEX	PTAEX	PTHAX	PCTEX	PXMAX	PXMNX	PTNJX	PTEIX	PXOHX	PTEPX
Class B	PTFIX	PIMBX	PSMFX	PTBEX	PTHYX	PCTBX	PMABX	PMTBX	PNJBX	PEIBX	POXBX	PPNBX
Class C	PAMTX	PIMFX	PSMTX	PTECX	PTCCX	PCTCX	PMMCX	PMOCX	PNJCX	PNNCX	POOCX	PPNCX
Class M	PPMTX	PIMMX	PSMMX	PTXMX	PTYMX	PCLMX	PMAMX	PMNMX	PNJMX	PNYMX	POHMX	PPAMX
Class R6	PAMLX	PIMRX	PYSTX	PEXTX	PTFRX	PCLGX	PMATX	PMVTX	PNJRX	PNYRX	POHRX	PPTRX
Class Y	PAMYX	PIMYX	PSMYX	PTEYX	PTFYX	PCIYX	PMAYX	PMNYX	PNJYX	PNYXX	POTYX	PPTYX

Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary, and you may have a gain or a loss when you sell your shares. Performance assumes reinvestment of distributions and does not account for taxes. Class Y shares, available to investors through an asset-based fee program or for institutional clients, are sold without an initial sales charge and have no CDSC. For the most recent month-end performance, please visit putnam.com.

Each fund's expense ratio is taken from its most recent prospectus, usually updated only annually.

*"What you pay" reflects Putnam Management's decision to contractually limit expenses through 3/30/19 (Intermediate-Term Municipal Income and Short-Term Municipal Income).

Credit qualities are shown as a percentage of net assets. A bond rated Baa or higher (MIG3/VMIG3 or higher, for short-term debt) is considered investment grade. This chart reflects the highest security rating provided by one or more of Standard & Poor's, Moody's, and Fitch. Short-term cash bonds, including those rated A-1+, are included in the cash and net other assets category. Ratings and portfolio credit quality will vary over time. Credit quality includes the fixed-income portion of the portfolio. Derivative instruments, including currency forwards, are only included to the extent of any unrealized gain or loss on such instruments and are shown in the cash and net other assets category. Cash is also shown in the cash and net other assets category. The funds themselves have not been rated by an independent rating agency.

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- Capital gains, if any, are taxable for federal and, in most cases, state purposes.
- Bond investments are subject to interest-rate risk (the risk of bond prices falling if interest rates rise) and credit risk (the risk of an issuer defaulting on interest or principal payments). Interest-rate risk is greater for longer-term bonds, and credit risk is greater for below-investment-grade bonds. Unlike bonds, funds that invest in bonds have fees and expenses.
- The fund is not a suitable investment for IRAs, for other tax-exempt or tax-deferred accounts, or for other investors who are not sensitive to the federal income tax consequences of their investments.
- Bond prices may fall or fail to rise over time for several reasons, including general financial market conditions, changing market perceptions (including perceptions about the risk of default and expectations about monetary policy or interest rates), changes in government intervention in the financial markets, and factors related to a specific issuer or industry. These and other factors may lead to increased volatility and reduced liquidity in the fund's portfolio holdings.
- Tax-exempt bonds may be issued under the Internal Revenue Code only by limited types of issuers for limited types of projects. As a result, the fund's investments may be focused in certain market segments and be more vulnerable to fluctuations in the values of the securities it holds than a more broadly invested fund. Interest the fund receives may be taxable.
- Income from federally exempt funds may be subject to state and local taxes.
- For some investors, investment income may be subject to the federal alternative minimum tax.
- The fund may invest significantly in particular segments of the tax-exempt debt market, making it more vulnerable to fluctuations in the values of the securities it holds than a fund that invests more broadly. Interest the fund receives might be taxable.
- Single-state investments are at risk of common economic forces and other factors affecting a state's tax-exempt investments. This may result in greater losses and volatility.

Clients can make purchases at NAV in any Putnam tax-free income fund when investing \$500,000 or more.

Your clients should carefully consider the investment objectives, risks, charges, and expenses of a fund before investing. For a prospectus or summary prospectus containing this and other information for any Putnam fund or product, call the Putnam Client Engagement Center at 1-800-354-4000. Your clients should read the prospectus carefully before investing.

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