

Pioneer Mid Cap Value Fund

Performance Analysis and Commentary

December 2011

Fourth Quarter Review

- The Fund's Class A shares returned 11.73% at net asset value in the fourth quarter, while the Fund's benchmark, the Russell Midcap Value Index, returned 13.37%.
- Positive relative performance during the quarter came from the Fund's stock selection in health care and financials (where four of the portfolio's top 10 contributing holdings resided), as well as telecom services, information technology and consumer staples. A portfolio underweight to utilities also helped relative performance.
- The Fund's underperformance in the fourth quarter was primarily driven by sector allocation decisions, where overweights to health care and telecom services as well as underweights to consumer discretionary and materials were notable detractors.
- Toll Brothers was the top individual contributing position to the Fund's returns for the quarter, as the company's shares rose by 42%.

U.S. "double-dip" recession fears were largely dispelled in the fourth quarter, as employment, business profits and confidence all showed strength. The European debt crisis remained far from resolved, but interest rate cuts and liquidity injections from the European Central Bank (ECB) eased immediate pressures on the markets.

Treasury bond yields declined modestly during the quarter (the 10-year yield declined from 1.95% to 1.86%), and credit spreads narrowed, helping the Barclays Capital U.S. Aggregate Bond Index to return 1.12% for the quarter (+7.84% for the full calendar year ended December 31, 2011).

The Russell 3000 Index, a broad measure of the U.S. stock market, returned 12.12% in the fourth quarter, recouping the majority of its losses from the previous quarter and ending the calendar year up by 1.03%.

The U.S. continued to perform well relative to other global equity markets, reflecting both better economic growth and a strengthening currency. For example, the Morgan Stanley Capital International (MSCI) Europe, Australasia, Far East (EAFE) Index of international developed market indices returned 3.38% for the quarter, while the MSCI Emerging Markets Index returned 4.45%, significantly underperforming the Russell 3000 Index during the fourth quarter. In addition, both the MSCI EAFE (-11.73%) and the MSCI Emerging Markets (-18.17%) indices finished the full calendar year deeply in negative territory.

Smaller-cap stocks, which tend to be more volatile and economically sensitive than larger-cap stocks, outperformed in the fourth quarter. The Standard & Poor's 500 Index (the S&P 500) returned 11.80% during the quarter, but the small-cap Russell 2000 Index returned 15.47%; for the full year, however, the S&P 500 returned 2.09% (all from dividend income, as its price-only return was 0%), while the Russell 2000 Index, unable to recover all the ground it gave up in the third quarter, returned -4.18%.

Defensive names and groups had been favored over cyclically sensitive investments during the third quarter correction, but that pattern was reversed in the fourth quarter rally. All but one of the ten sectors in the Fund's benchmark, the Russell Midcap Value Index (the Russell Index), finished strongly positive in the fourth quarter—the majority showing double-digit returns. Materials (+22.9%) and energy (+21.4%) were the leaders in the Russell Index, followed by industrials (+16.5%), consumer discretionary (+15.9%), financials (+13.7%), information technology (+10.9%), utilities (+10.4%), consumer staples (9.4%), and health care (+5.8%). Telecom services, the lone laggard during the quarter, returned -6.3%.

Sector Allocation and Security Selection

The Fund's underperformance in the fourth quarter was primarily driven by sector allocation decisions, where overweights to health care and telecom services as well as underweights to consumer discretionary and materials were notable detractors.

Stock selection in the industrials, consumer discretionary, materials, and utilities sectors also detracted.

Positive relative performance during the quarter came from the Fund's stock selection in health care and financials (where four of the portfolio's top 10 contributing holdings resided), as well as telecom services, information technology and consumer staples. A portfolio underweight to utilities also helped relative performance.

In the consumer discretionary sector, the Fund's holdings in retailer Kohl's, underwear maker Hanesbrands and auction house Sotheby's underperformed during the quarter. The effects of those underperforming positions were offset in part by strong returns from upscale hotel company Wyndham Worldwide and home builder Toll Brothers. Toll Brothers, in fact, was the top individual contributing position to the Fund's returns for the quarter, as the company's shares rose by 42%.

Kohl's shares, following a 33% run-up between early September and mid-November, pulled back sharply following lower-than-expected same-store sales in December. We continue to hold Kohl's in the portfolio but are actively analyzing the position as of year-end. Hanesbrands, a smaller Fund position, declined in sympathy with one of the company's competitors, Gildan Activewear (not a Fund holding), after Gildan cut earnings guidance early in December. We added to the Fund's Hanesbrands position because we believe the sympathetic downdraft was unwarranted. Auction house Sotheby's was down during the fourth quarter due to chopiness in the art market. We continue to hold the stock in the portfolio, given its discounted valuation, and because we continue to have a favorable long-term outlook for the art market. Home builder Toll Brothers' positive contribution to the Fund's performance this quarter was driven by early signs of a recovery in the housing market.

In health care, strong performance from Salix Pharmaceuticals and Humana added to the Fund's relative performance. Salix outperformed after the FDA ruled in favor of more stringent hurdles for the development of generic competition to the company's primary drug (Xifaxan). Humana, a managed care company, benefitted from strong earnings guidance driven by a benign outlook for cost inflation. On the negative side in health care, Baxter International, which specializes in products for blood disorders, saw its shares decline due to concerns about increased competition and economic softness in Europe.

In financials, insurer Aflac and regional bank KeyCorp were solid performers for the Fund this quarter. Aflac's shares gained on sales momentum and higher margins. We like Aflac's strong capital levels, its "de-risked" investment portfolio, sales momentum, and discounted valuation. KeyCorp performed well on signs of life in its lending activity as well as continued credit improvement.

In telecom services, NII Holdings, a Latin American mobile phone company, detracted from the Fund's relative performance as greater competition and foreign exchange rate movements caused downward earnings revisions. We exited the Fund's position before quarter-end.

Trading Activity

In fourth quarter trading, the biggest change was a reduction in the Fund's exposure to the health care sector, which we cut by approximately 5%. We eliminated a position in medical device company Zimmer based on pricing, and a slowdown in hip and knee procedures, which is the company's primary market. We also eliminated the Fund's position in hospital owner Tenet, as low utilization and a poor patient mix continue to hurt the company's performance. In addition, we exited the Fund's positions in Baxter International and Salix Pharmaceuticals, and we also sold life sciences company Thermo Fisher Scientific.

In other trading, we increased the Fund's weighting in the consumer discretionary sector, adding four new names to the portfolio, while eliminating two. We also exited a position in media company CBS based on stock price appreciation.

Current Outlook and Positioning

Continued improvements in unemployment numbers as well as company fundamentals, low inflation, low interest rates, and moderate equity valuations leave us encouraged about the prospects for the equity market heading into 2012. In some areas, such as housing and banking, we are beginning to see stabilization or slowly improving fundamentals, coupled with discounted valuations. We are concerned about consumer confidence in the U.S., but expect an improving employment market to help boost the outlook in that area. We continue to like the industrials sector, although we expect that margins may begin to stabilize due to rising commodity prices (that is, oil), and less cost-cutting going forward. Our biggest concern is the potential for economic slowdowns in Europe and Asia, which could place a drag on the U.S. economy.

Our investment approach for the Fund emphasizes identifying what we believe to be higher-quality companies with generally higher returns and margins, superior balance sheets, defensible market positions, and good managements. We also look for low valuations and for companies that have long-term strategies to improve their businesses. We also will sometimes look for companies whose share prices might be temporarily depressed because of a public controversy or concern that we believe will prove unfounded in the long run.

Clearly, the global economy is dealing with a difficult period with regard to economic growth, and the challenges may remain for some time. As such, we think a portfolio with the characteristics featured in Pioneer Mid Cap Value Fund can perform relatively well.

Businesses of companies with improving fundamentals, management teams with an effective plan for increasing shareholder value, or those that contain a growth catalyst that the broader market may not immediately recognize are the types of investment opportunities we seek for this portfolio.

Our stock selection process is primarily based on fundamental research, which strives to identify companies selling at a significant discount to their intrinsic value. The process is supported by the use of quantitative analytics to further screen “buy and sell” candidates for the portfolio. Sector weights in the Fund are typically driven by bottom-up stock analysis, not by the sector weightings of the benchmark.

Performance Review

Pioneer Mid Cap Value Fund Class A shares returned 11.73% at net asset value in the fourth quarter, while the Fund’s benchmark, the Russell Midcap Value Index (the Russell Index), returned 13.37%. For the full calendar year ended December 31, 2011, the Fund’s Class A shares returned –6.04%, while the Russell Index returned –1.38%.

Average Annual Total Returns (Class A shares)

December 31, 2011	(at NAV)	(at POP)	Russell Midcap Value Index
1 year	-6.04%	-11.45%	-1.38%
3 years	11.32%	9.14%	18.19%
5 years	-0.75%	-1.91%	0.04%
10 years	5.50%	4.87%	7.67%

Expense Ratio

(As of prospectus dated March 1, 2011)

Gross	1.23%
Net	1.23%

Call 1-800-225-6292 or visit us.pioneerinvestments.com for the most recent month-end performance results. Current performance may be lower or higher than the performance data quoted.

The performance data quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

POP returns reflect deduction of the maximum 5.75% sales charge at the beginning of the period. NAV results represent the percent change in net asset value per share. Returns would have been lower had sales charges been reflected. All results are historical and assume the reinvestment of dividends and capital gains. Other share classes are available for which performance and expenses will differ.

Performance results reflect any applicable expense waivers in effect during the periods shown. Without such waivers fund performance would be lower. Waivers may not be in effect for all funds. Certain fee waivers are contractual through a specified period. Otherwise, fee waivers can be rescinded at any time. See the prospectus for more information.

A Word About Risk:

Investments in mid-sized companies may offer the potential for higher returns, but are also subject to greater short-term price fluctuations than larger, more established companies.

Investing in foreign and/or emerging markets securities involves risks relating to interest rates, currency exchange rates, economic, and political conditions.

At times, the Fund’s investments may represent industries or industry sectors that are interrelated or have common risks, making it more susceptible to any economic, political, or regulatory developments or other risks affecting those industries and sectors.

These risks may increase share price volatility.

The Russell Midcap Value Index measures the performance of U.S. mid-cap value stocks. Index returns assume reinvestment of dividends and, unlike mutual fund returns, do not reflect any fees or expenses associated with a mutual fund. It is not possible to invest directly in an index.

The views expressed in this commentary are those of the portfolio manager and are subject to change at any time. These views do not necessarily reflect the views of Pioneer or others in the Pioneer organization, and should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any Pioneer investment product.

The Fund performance attribution information shown below does not reflect the deduction of fees, charges and expenses associated with investing in the Fund, such as sales charges, management fees, distribution and service (12b-1) fees, or any other fees associated with the Fund. Such expenses would reduce the overall returns shown.

Please refer to the average annual total returns table for performance that reflects the deduction of these fees and charges.

Chart 1- Average Weight

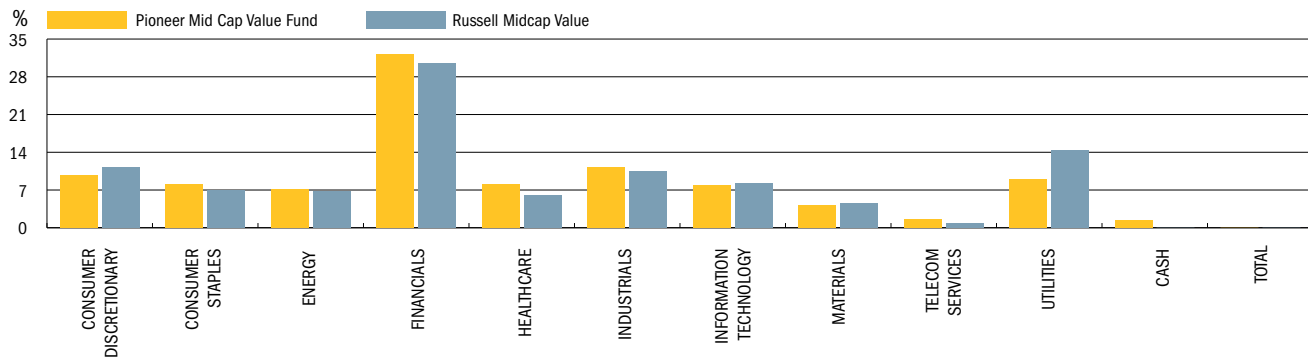


Chart 2- Return

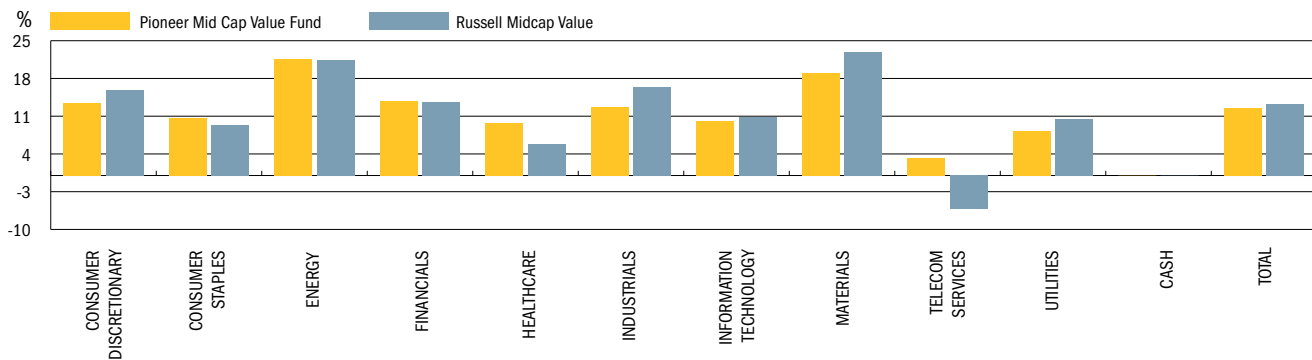
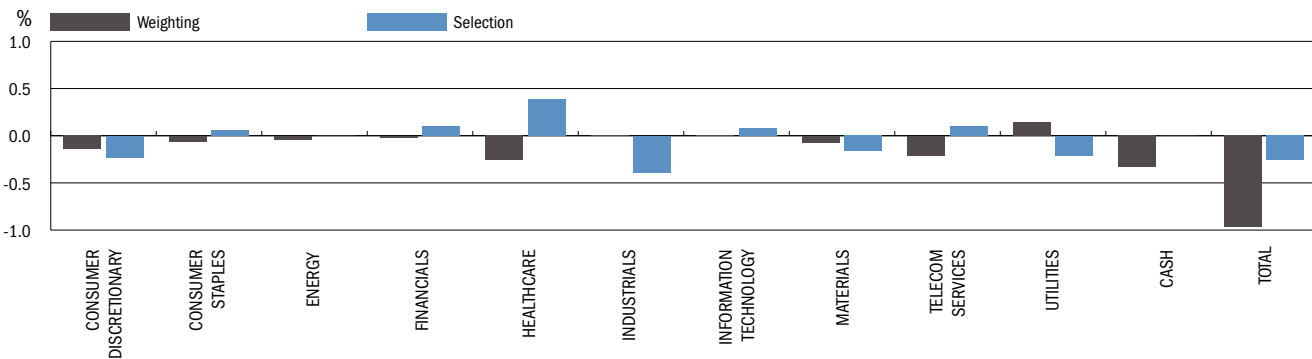


Chart 3- Performance Attribution



Please see the last page for more background information about Performance Attribution. The portfolio is actively managed, and current holdings may be different.

Actual portfolios have fees and expenses. Our performance attributions ignore fees and expenses. The hypothetical portfolios used in performance attribution are before fees and costs.

Securities Discussed	% of Portfolio as of December 31, 2011
Humana	1.55%
Toll Brothers	1.04%
Kohl's	1.55%
Hanesbrands	1.20%
Sotheby's	0.67%
Wyndham Worldwide	1.78%
Aflac	1.44%
KeyCorp	1.63%

Top 10 Holdings	% of Portfolio as of December 31, 2011
1. Ecolab	2.06%
2. CIT	2.05%
3. Fluor	1.96%
4. Ameriprise Financial	1.90%
5. Republic Services	1.80%
6. Wyndham Worldwide	1.78%
7. Compuware	1.76%
8. SunTrust Banks	1.75%
9. Spirit AeroSystems	1.69%
10. Noble Affiliates	1.67%

The portfolio is actively managed, and current holdings may be different. The holdings listed should not be considered recommendations to buy or sell any security listed.

Before investing, consider the Fund's investment objectives, risks, charges and expenses. Contact your advisor or Pioneer Investments for a prospectus or summary prospectus containing this information. Read it carefully.

The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, please consult an investment professional.

Performance Attribution: Background

This performance attribution seeks to identify and quantify the drivers of portfolio performance relative to that of a benchmark. How much of a return difference was due to different exposures to asset class, country, sector or similar factors? How much was due to specific securities?

Here's how we answer the question for equity portfolios:

Using FactSet software, we create hypothetical subportfolios by segmenting the portfolio and its benchmark, then measure the value (weight) and returns of those hypothetical subportfolios. This lets us measure the performance impact of a decision to overweight or underweight a portfolio segment. It also lets us measure the performance impact of a specific security selection within each segment.

GRAPHIC PRESENTATION

We present attribution results using three graphs. Graph 1 shows the allocation of the portfolio across different segments (industries/sectors/countries, etc.). Overweights and underweights are visible. Graph 2 shows the returns of each portfolio and corresponding benchmark segment. Success at security selection is easily spotted. By using the data underlying the first two graphs, we calculate the data for Graph 3, the impact of Weighting and Selection decisions on benchmark-relative return.

WEIGHTING IMPACT

It pays to overweight portfolio segments which perform better than average. The weighting impact measures the impact of the decision to overweight or underweight particular asset classes relative to benchmark weightings. In our model, the value added by an overweight, or its weighting impact is defined as the size of the overweight (portfolio weight minus benchmark weight) times the payback (the return of the overweighted asset minus the return of the entire benchmark).

A positive allocation effect arises from being overweight sectors/countries that produce a greater return than the benchmark average or being underweight a sector/country that underperforms the benchmark return. The formula for calculating the weighting impact is: $(\text{Portfolio weight} - \text{Benchmark weight}) \times (\text{Benchmark segment return} - \text{Benchmark total return})$

SELECTION IMPACT

Within each segment, it pays to overweight securities which outperform. The selection effect evaluates the manager's skill at choosing outperforming securities.

In our model, the value added by specific selection, or selection impact, is defined as the weight of the portfolio position times the difference between the position's return and the benchmark return. The formula for calculating the weighting impact is: $(\text{Portfolio weight}) \times (\text{Portfolio segment return} - \text{Benchmark segment return})$.

IMPORTANT NOTES

We are presenting results of a two-factor model. We also use a three-factor model, which has an "interaction effect." The two- and three-factor models are quite similar; we have chosen the two-factor approach for its greater ease of use.

The real world is far more complex than any two-factor model can accurately describe. Performance attribution models can deepen understanding, but their limitations – they are just estimates – must be remembered.

Actual portfolios have fees and expenses. Our performance attributions ignore fees and expenses: the hypothetical portfolios used in performance attribution are before fees and costs.

Not FDIC insured • May lose value • No bank guarantee