

Non-GAAP Financial Measure Reconciliations

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(in millions, except as indicated)

	Three Months Ended,					Three Months Ended,	
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Basic Earnings Per Common Share							
Net income (loss)	\$ 0.21	\$ 3.97	\$ (0.95)	\$ 1.51	\$ 2.26	\$ 0.21	\$ 2.26
(Income) loss from exited business	1.12	(2.42)	2.77	0.01	(0.66)	1.12	(0.66)
Net income (loss) excluding exited business	\$ 1.33	\$ 1.55	\$ 1.82	\$ 1.52	\$ 1.60	\$ 1.33	\$ 1.60
Net realized capital (gains) losses	0.51	0.42	(0.03)	0.13	0.07	0.51	0.07
Non-GAAP operating earnings *	\$ 1.84	\$ 1.97	\$ 1.79	\$ 1.65	\$ 1.67	\$ 1.84	\$ 1.67
Diluted Earnings Per Common Share							
Net income (loss)	\$ 0.21	\$ 3.92	\$ (0.95)	\$ 1.49	\$ 2.22	\$ 0.21	\$ 2.22
(Income) loss from exited business	1.10	(2.39)	2.73	0.01	(0.64)	1.10	(0.64)
Net income (loss) excluding exited business	\$ 1.31	\$ 1.53	\$ 1.78	\$ 1.50	\$ 1.58	\$ 1.31	\$ 1.58
Net realized capital (gains) losses	0.50	0.41	(0.03)	0.13	0.07	0.50	0.07
Impact of dilutive shares (1)	-	-	0.01	-	-	-	-
Non-GAAP operating earnings *	\$ 1.81	\$ 1.94	\$ 1.76	\$ 1.63	\$ 1.65	\$ 1.81	\$ 1.65

	Period Ended,				Period Ended,		
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Stockholders' Equity x-Cumulative Change in Fair Value of Funds Withheld Embedded Derivative and AOCI Available to Common Stockholders							
Stockholders' equity	\$ 11,268.3	\$ 11,131.3	\$ 11,281.4	\$ 11,059.0	\$ 11,230.4	\$ 11,268.3	\$ 11,230.4
AOCI, other than foreign currency translation adjustment	3,080.2	3,438.9	2,981.4	3,739.3	3,638.9	3,080.2	3,638.9
Cumulative change in fair value of funds withheld embedded derivative	(2,215.6)	(2,381.3)	(1,753.9)	(2,367.5)	(2,183.5)	(2,215.6)	(2,183.5)
Noncontrolling interest	(51.5)	(44.9)	(44.0)	(45.6)	(44.9)	(51.5)	(44.9)
Stockholders' equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	12,081.4	12,144.0	12,464.9	12,385.2	12,640.9	12,081.4	12,640.9
Foreign currency translation adjustment	1,705.7	1,785.9	1,603.6	1,672.5	1,617.2	1,705.7	1,617.2
<i>Stockholders' equity excluding cumulative change in fair value of funds withheld embedded derivative and AOCI *</i>	\$ 13,787.1	\$ 13,929.9	\$ 14,068.5	\$ 14,057.7	\$ 14,258.1	\$ 13,787.1	\$ 14,258.1
Book Value Per Common Share x-Cumulative Change in Fair Value of Funds Withheld Embedded Derivative and AOCI							
Book value per common share including AOCI	\$ 49.85	\$ 49.01	\$ 49.01	\$ 47.41	\$ 47.60	\$ 49.85	\$ 47.60
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	3.85	4.68	5.35	5.91	6.19	3.85	6.19
Book value excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	53.70	53.69	54.36	53.32	53.79	53.70	53.79
Foreign currency translation adjustment	7.58	7.89	6.99	7.20	6.88	7.58	6.88
<i>Book value per common share excluding cumulative change in fair value of funds withheld embedded derivative and AOCI *</i>	\$ 61.28	\$ 61.58	\$ 61.35	\$ 60.52	\$ 60.67	\$ 61.28	\$ 60.67

* This is a non-GAAP financial measure.

(1) When a net loss is reported, our basic weighted-average shares are used to calculate diluted earnings per share, as dilutive shares would have an antidilutive effect and result in a lower loss per share.

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(in millions, except as indicated)

	Mar-25	Dec-24	Period Ended,		Mar-24	Period Ended,	
			Sep-24	Jun-24		Mar-25	Mar-24
Non-GAAP Operating Earnings ROE (x-Cumulative Change in Fair Value of Funds Withheld Embedded Derivative and AOCI) Available to Common Stockholders (trailing twelve months)							
Net income ROE available to common stockholders (including AOCI)	9.7%	14.3%	-1.9%	11.8%	12.1%	9.7%	12.1%
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	-0.9%	-1.7%	0.3%	-1.8%	-1.8%	-0.9%	-1.8%
Net income ROE available to common stockholders (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	8.8%	12.6%	-1.6%	10.0%	10.3%	8.8%	10.3%
Net realized capital (gains) losses	1.9%	1.1%	1.4%	0.5%	0.7%	1.9%	0.7%
(Income) loss from exited business	2.7%	-0.5%	13.1%	2.6%	1.9%	2.7%	1.9%
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	13.4%	13.2%	12.9%	13.1%	12.9%	13.4%	12.9%
Foreign currency translation adjustment	-1.6%	-1.6%	-1.4%	-1.5%	-1.4%	-1.6%	-1.4%
<i>Non-GAAP operating earnings ROE excluding cumulative change in fair value of funds withheld embedded derivative and AOCI available to common stockholders *</i>	11.8%	11.6%	11.5%	11.6%	11.5%	11.8%	11.5%

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	Mar-25	Dec-24	Three Months Ended,		Mar-24	Trailing Twelve Months,	
			Sep-24	Jun-24		Mar-25	Mar-24
Net Investment Income							
Net investment income - U.S. *	\$ 1,039.2	\$ 1,000.3	\$ 986.7	\$ 943.1	\$ 943.2	\$ 3,969.3	\$ 3,574.2
Net investment income - International *	155.7	150.8	194.5	152.6	140.0	653.6	658.1
Total net investment income *	1,194.9	1,151.1	1,181.2	1,095.7	1,083.2	4,622.9	4,232.3
Income taxes related to equity method investments	(16.6)	(16.9)	(26.0)	(18.5)	(13.4)	(78.0)	(69.7)
Net realized capital gains (losses) related to equity method investments	4.6	(3.7)	0.3	(3.6)	(10.3)	(2.4)	(1.7)
Derivative and hedging-related adjustments	(13.2)	(6.4)	17.3	17.0	18.1	14.7	39.3
Market risk benefit derivative settlements	(11.1)	(11.5)	(11.6)	(11.4)	(11.3)	(45.6)	(46.0)
Sponsored investment funds and other adjustments	7.1	10.7	6.4	6.9	5.9	31.1	23.2
Net investment income	\$ 1,165.7	\$ 1,123.3	\$ 1,167.6	\$ 1,086.1	\$ 1,072.2	\$ 4,542.7	\$ 4,177.4
Income Taxes							
Income taxes	\$ (34.0)	\$ 209.9	\$ (100.4)	\$ 87.1	\$ 95.1	\$ 162.6	\$ 241.8
Net realized capital gains (losses) tax adjustments	25.2	18.9	(7.6)	(6.3)	11.1	30.2	24.9
Income taxes attributable to noncontrolling interest	(0.2)	-	(0.2)	(0.1)	(0.2)	(0.5)	(0.7)
Income taxes related to equity method investments	16.6	16.9	26.0	18.5	13.4	78.0	69.7
Income taxes related to exited business	63.0	(146.9)	170.0	0.8	(41.5)	86.9	75.3
Income taxes *	\$ 70.6	\$ 98.8	\$ 87.8	\$ 100.0	\$ 77.9	\$ 357.2	\$ 411.0
Non-GAAP Pre-Tax Operating Earnings (Losses) Attributable to Noncontrolling Interest							
Net income attributable to noncontrolling interest	\$ 14.8	\$ (2.9)	\$ 26.6	\$ 3.7	\$ (0.5)	\$ 42.2	\$ 40.8
Income taxes attributable to noncontrolling interest	0.2	-	0.2	0.1	0.2	0.5	0.7
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(10.8)	3.9	(13.6)	(2.0)	2.6	(22.5)	(14.9)
Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest *	\$ 4.2	\$ 1.0	\$ 13.2	\$ 1.8	\$ 2.3	\$ 20.2	\$ 26.6

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Non-GAAP Financial Measure Reconciliations

(in millions)

	Three Months Ended,				Mar-24	Trailing Twelve Months,	
	Mar-25	Dec-24	Sep-24	Jun-24		Mar-25	Mar-24
Net Realized Capital Gains (Losses)							
Net realized capital gains (losses)	\$ (117.1)	\$ (88.6)	\$ 77.4	\$ (15.2)	\$ (0.9)	\$ (143.5)	\$ (7.1)
Market value adjustments to fee revenues	(0.1)	-	-	0.1	-	-	1.3
Net realized capital gains (losses) related to equity method investments	4.6	(3.7)	0.3	(3.6)	(10.3)	(2.4)	(1.7)
Derivative and hedging-related revenue adjustments	(13.2)	(6.4)	17.3	17.0	18.1	14.7	39.3
Certain variable annuity fees	17.0	17.4	17.7	18.0	18.2	70.1	73.1
Sponsored investment funds and other adjustments	7.1	10.7	6.4	6.9	5.9	31.1	23.2
Total net realized capital gains (losses) revenue adjustments	15.4	18.0	41.7	38.4	31.9	113.5	135.2
Capital gains distributed - operating expenses	33.4	(26.4)	(36.7)	(11.8)	(35.6)	(41.5)	(77.7)
Amortization of actuarial balances	(1.9)	(1.2)	(0.3)	(0.1)	(0.2)	(3.5)	(0.4)
Derivative and hedging-related expense adjustments	0.5	(0.7)	(2.6)	1.1	(1.3)	(1.7)	0.5
Market value adjustments of embedded derivatives	(22.0)	(9.0)	(5.6)	(6.0)	(4.1)	(42.6)	(5.4)
Market value adjustments of market risk benefits	(43.9)	1.7	(40.8)	(8.1)	3.3	(91.1)	(61.5)
Capital gains distributed - cost of interest credited	6.1	(11.2)	(4.8)	(19.9)	(24.7)	(29.8)	(79.5)
Total net realized capital gains (losses) expense adjustments	(27.8)	(46.8)	(90.8)	(44.8)	(62.6)	(210.2)	(224.0)
Total net realized capital gains (losses) pre-tax adjustments	(12.4)	(28.8)	(49.1)	(6.4)	(30.7)	(96.7)	(88.8)
Net realized capital gains (losses) tax adjustments	25.2	18.9	(7.6)	(6.3)	11.1	30.2	24.9
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(10.8)	3.9	(13.6)	(2.0)	2.6	(22.5)	(14.9)
Total net realized capital gains (losses) after-tax adjustments	2.0	(6.0)	(70.3)	(14.7)	(17.0)	(89.0)	(78.8)
Total net realized capital gains (losses) *	\$ (115.1)	\$ (94.6)	\$ 7.1	\$ (29.9)	\$ (17.9)	\$ (232.5)	\$ (85.9)
Income (Loss) from Exited Business							
Pre-tax impacts of exited business:							
Amortization of reinsurance gains (losses)	\$ (26.4)	\$ (115.6)	\$ (46.4)	\$ (417.5)	\$ (10.1)	\$ (605.9)	\$ (56.7)
Other impacts of exited business	(106.2)	38.3	(25.3)	161.7	(36.8)	68.5	(136.6)
Net realized capital gains (losses) on funds withheld assets	28.0	(18.2)	39.4	19.0	47.5	68.2	131.5
Change in fair value of funds withheld embedded derivative	(209.7)	794.3	(776.8)	232.9	197.0	40.7	(262.1)
Tax impacts of exited business	63.0	(146.9)	170.0	0.8	(41.5)	86.9	75.3
Income (loss) from exited business *	\$ (251.3)	\$ 551.9	\$ (639.1)	\$ (3.1)	\$ 156.1	\$ (341.6)	\$ (248.6)

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(in millions)

	Mar-25	Dec-24	Trailing Twelve Months,		Mar-24	Dec-23
			Sep-24	Jun-24		
Investment Management Operating Revenues Less Pass-Through Expenses						
Investment Management operating revenues	\$ 1,838.9	\$ 1,820.7	\$ 1,779.2	\$ 1,772.1	\$ 1,756.0	\$ 1,749.6
Investment Management commissions and other expenses	(152.9)	(152.1)	(148.4)	(146.0)	(144.3)	(143.3)
Investment Management operating revenues less pass-through expenses *	\$ 1,686.0	\$ 1,668.6	\$ 1,630.8	\$ 1,626.1	\$ 1,611.7	\$ 1,606.3

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(in millions, except as indicated)

	Three Months Ended,					Trailing Twelve Months,	
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Impacts of Significant Variances to Non-GAAP Operating Earnings (Losses)							
Non-GAAP operating earnings (losses)	\$ 414.5	\$ 448.1	\$ 412.0	\$ 386.1	\$ 394.3	\$ 1,660.7	\$ 1,630.3
Impacts of significant variances	(24.7)	(36.5)	(67.8)	(29.4)	(25.1)	(158.4)	(85.9)
Non-GAAP operating earnings (losses), excluding significant variances	\$ 439.2	\$ 484.6	\$ 479.8	\$ 415.5	\$ 419.4	\$ 1,819.1	\$ 1,716.2
	Three Months Ended,					Three Months Ended	
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Impacts of Significant Variances to Diluted Earnings Per Common Share							
Non-GAAP operating earnings (losses)	\$ 1.81	\$ 1.94	\$ 1.76	\$ 1.63	\$ 1.65	\$ 1.81	\$ 1.65
Impacts of significant variances	(0.11)	(0.16)	(0.29)	(0.13)	(0.10)	(0.11)	(0.10)
Non-GAAP operating earnings (losses), excluding significant variances	\$ 1.92	\$ 2.10	\$ 2.05	\$ 1.76	\$ 1.75	\$ 1.92	\$ 1.75
Weighted average common shares outstanding (in millions)	228.8	231.2	233.8	236.6	239.4	228.8	239.4
	Period Ended,					Period Ended,	
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Impacts of Significant Variances to Non-GAAP Operating Earnings (Losses)							
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	13.4%	13.2%	12.9%	13.1%	12.9%	13.4%	12.9%
Impacts of significant variances	-1.3%	-1.3%	-0.9%	-0.6%	-0.7%	-1.3%	-0.7%
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment), excluding significant variances	14.7%	14.5%	13.9%	13.7%	13.6%	14.7%	13.6%
	Period Ended,					Period Ended,	
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Average Stockholders' equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	\$ 12,361.2	\$ 12,439.7	\$ 12,609.6	\$ 12,539.5	\$ 12,614.3	\$ 12,361.2	\$ 12,614.3
	Three Months Ended,					Trailing Twelve Months,	
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24	Mar-25	Mar-24
Summary of Impacts from Significant Variances							
Actuarial assumption review	\$ -	\$ -	\$ (82.0)	\$ -	\$ -	\$ (82.0)	\$ 63.2
Variable investment income	(35.0)	(35.3)	(29.4)	(21.5)	(36.0)	(121.2)	(112.2)
Other	4.7	(10.0)	30.7	(16.8)	2.1	8.6	6.5
Non-GAAP pre-tax operating earnings (losses)	(30.3)	(45.3)	(80.7)	(38.3)	(33.9)	(194.6)	(42.5)
Income taxes	(5.6)	(8.8)	(12.9)	(8.9)	(8.8)	(36.2)	43.4
Non-GAAP operating earnings (losses)	(24.7)	(36.5)	(67.8)	(29.4)	(25.1)	(158.4)	(85.9)
Net realized capital gains (losses) after-tax adjustments	-	-	3.7	-	-	3.7	(4.2)
(Income) loss from exited business	-	-	(20.6)	-	-	(20.6)	0.1
Net income (loss) attributable to Principal Financial Group, Inc.	\$ (24.7)	\$ (36.5)	\$ (84.7)	\$ (29.4)	\$ (25.1)	\$ (175.3)	\$ (90.0)

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