

Principal Financial Group, Inc.
Non-GAAP Financial Measure Reconciliations
(in millions, except as indicated)

	Three Months Ended,					Nine Months Ended,	
	30-Sep-21	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Sep-21	30-Sep-20
Basic Earnings Per Common Share							
Net income	\$ 1.34	\$ 1.34	\$ 1.89	\$ 1.72	\$ 0.86	\$ 4.58	\$ 3.36
Net realized capital (gains) losses	0.37	0.39	(0.35)	(0.23)	(0.01)	0.40	0.12
Non-GAAP operating earnings *	\$ 1.71	\$ 1.72	\$ 1.55	\$ 1.49	\$ 0.85	\$ 4.98	\$ 3.48
Diluted Earnings Per Common Share							
Net income	\$ 1.32	\$ 1.32	\$ 1.87	\$ 1.70	\$ 0.85	\$ 4.51	\$ 3.34
Net realized capital (gains) losses	0.37	0.39	(0.35)	(0.22)	-	0.41	0.12
Adjustment for redeemable noncontrolling interest	-	(0.01)	0.01	-	-	-	-
Non-GAAP operating earnings *	\$ 1.69	\$ 1.70	\$ 1.53	\$ 1.48	\$ 0.85	\$ 4.92	\$ 3.46

	Period Ended,					Period Ended,	
	30-Sep-21	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Sep-21	30-Sep-20
Stockholders' Equity x-AOCI Available to Common Stockholders							
Stockholders' equity	\$ 16,129.2	\$ 16,291.5	\$ 15,462.3	\$ 16,617.3	\$ 15,721.1	\$ 16,129.2	\$ 15,721.1
Net unrealized capital (gains) losses	(3,582.8)	(3,585.7)	(2,780.9)	(4,156.5)	(3,675.3)	(3,582.8)	(3,675.3)
Net unrecognized postretirement benefit obligation	439.3	448.6	458.2	460.5	403.7	439.3	403.7
Noncontrolling interest	(58.5)	(58.4)	(56.8)	(58.4)	(70.2)	(58.5)	(70.2)
Stockholders' equity, x-AOCI other than foreign currency translation adjustment, available to common stockholders	12,927.2	13,096.0	13,082.8	12,862.9	12,379.3	12,927.2	12,379.3
Foreign currency translation adjustment	1,524.3	1,333.3	1,368.9	1,312.9	1,524.5	1,524.3	1,524.5
Stockholders' equity x-AOCI available to common stockholders *	\$ 14,451.5	\$ 14,429.3	\$ 14,451.7	\$ 14,175.8	\$ 13,903.8	\$ 14,451.5	\$ 13,903.8
Book Value Per Common Share x-AOCI							
Book value per common share including AOCI	\$ 60.39	\$ 60.35	\$ 56.53	\$ 60.59	\$ 57.02	\$ 60.39	\$ 57.02
Net unrealized capital (gains) losses	(13.46)	(13.34)	(10.20)	(15.20)	(13.39)	(13.46)	(13.39)
Net unrecognized postretirement benefit obligation	1.65	1.67	1.68	1.68	1.47	1.65	1.47
Book value x-AOCI other than foreign currency translation adjustment	48.58	48.68	48.01	47.07	45.10	48.58	45.10
Foreign currency translation	5.73	4.96	5.02	4.80	5.55	5.73	5.55
Book value per common share x-AOCI *	\$ 54.31	\$ 53.64	\$ 53.03	\$ 51.87	\$ 50.65	\$ 54.31	\$ 50.65
Non-GAAP Operating Earnings ROE (x-AOCI) Available to Common Stockholders (trailing twelve months)							
Net income ROE available to common stockholders (including AOCI)	10.8%	10.1%	11.5%	9.0%	8.0%	10.8%	8.0%
Net unrealized capital (gains) losses	3.1%	2.8%	2.0%	2.5%	2.3%	3.1%	2.3%
Net unrecognized postretirement benefit obligation	-0.4%	-0.3%	-0.5%	-0.4%	-0.3%	-0.4%	-0.3%
Net income ROE available to common stockholders (x-AOCI, other than foreign currency translation adjustment)	13.5%	12.6%	13.0%	11.1%	10.0%	13.5%	10.0%
Net realized capital (gains) losses	0.4%	-0.5%	-1.2%	-0.2%	1.0%	0.4%	1.0%
Non-GAAP operating earnings ROE (x-AOCI, other than foreign currency translation adjustment)	13.9%	12.1%	11.8%	10.9%	11.0%	13.9%	11.0%
Foreign currency translation	-1.5%	-1.2%	-1.3%	-1.1%	-1.1%	-1.5%	-1.1%
Non-GAAP operating earnings ROE (x-AOCI) available to common stockholders *	12.4%	10.9%	10.5%	9.8%	9.9%	12.4%	9.9%

	Three Months Ended,					Trailing Twelve Months,	
	30-Sep-21	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Sep-21	30-Sep-20
Net Revenue							
Fee *	\$ 1,109.7	\$ 1,146.7	\$ 1,113.1	\$ 1,091.5	\$ 1,078.4	\$ 4,461.0	\$ 4,244.0
Spread *	240.5	209.9	228.1	198.0	166.4	876.5	608.5
Risk	417.9	420.3	385.9	381.9	226.9	1,606.0	1,510.3
Corporate	(12.3)	3.2	(19.4)	(13.9)	(15.3)	(42.4)	(37.2)
Net revenue *	\$ 1,755.8	\$ 1,780.1	\$ 1,707.7	\$ 1,657.5	\$ 1,456.4	\$ 6,901.1	\$ 6,325.6
Operating expenses	(1,184.1)	(1,221.8)	(1,200.7)	(1,169.0)	(1,177.9)	(4,775.6)	(4,664.9)
Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest	(2.9)	(2.1)	(1.4)	(2.3)	(1.6)	(8.7)	(32.2)
Pre-tax net realized capital gains (losses)	(133.5)	(123.1)	114.9	104.7	9.9	(37.0)	(138.8)
Certain adjustments related to equity method investments and noncontrolling interest	(7.2)	(0.5)	(6.6)	0.7	(11.7)	(13.6)	(16.5)
Income (loss) before income taxes	\$ 428.1	\$ 432.6	\$ 613.9	\$ 591.6	\$ 275.1	\$ 2,066.2	\$ 1,473.2
Non-GAAP Pre-Tax Operating Earnings (Losses)							
Fee *	\$ 317.0	\$ 351.9	\$ 323.9	\$ 327.7	\$ 334.3	\$ 1,320.5	\$ 1,221.9
Spread *	197.3	160.4	180.3	150.6	146.4	688.6	452.2
Risk	151.6	126.6	95.2	89.5	(134.1)	462.9	294.9
Corporate	(97.1)	(82.7)	(93.8)	(81.6)	(69.7)	(355.2)	(340.5)
Non-GAAP pre-tax operating earnings (losses) *	\$ 568.8	\$ 556.2	\$ 505.6	\$ 486.2	\$ 276.9	\$ 2,116.8	\$ 1,628.5
Pre-tax net realized capital gains (losses)	(133.5)	(123.1)	114.9	104.7	9.9	(37.0)	(138.8)
Certain adjustments related to equity method investments and noncontrolling interest	(7.2)	(0.5)	(6.6)	0.7	(11.7)	(13.6)	(16.5)
Income (loss) before income taxes	\$ 428.1	\$ 432.6	\$ 613.9	\$ 591.6	\$ 275.1	\$ 2,066.2	\$ 1,473.2

* This is a non-GAAP financial measure.

Principal Financial Group, Inc.
Non-GAAP Financial Measure Reconciliations
(in millions)

	Three Months Ended,				Trailing Twelve Months,		
	30-Sep-21	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	30-Sep-21	30-Sep-20
Non-GAAP Operating Earnings (Losses)							
Fee *	\$ 254.2	\$ 302.5	\$ 270.8	\$ 276.4	\$ 271.7	\$ 1,103.9	\$ 1,008.7
Spread *	157.9	129.6	144.8	121.2	117.5	553.5	366.2
Risk	121.7	101.5	76.3	71.8	(105.2)	371.3	237.1
Corporate	(75.4)	(66.3)	(68.4)	(59.8)	(49.5)	(269.9)	(258.8)
Non-GAAP operating earnings (losses) *	\$ 458.4	\$ 467.3	\$ 423.5	\$ 409.6	\$ 234.5	\$ 1,758.8	\$ 1,353.2
Net realized capital gains (losses) *	(98.5)	(105.5)	93.6	63.0	1.5	(47.4)	(129.1)
Net income (loss) attributable to Principal Financial Group, Inc.	\$ 359.9	\$ 361.8	\$ 517.1	\$ 472.6	\$ 236.0	\$ 1,711.4	\$ 1,224.1
Net Investment Income							
Net investment income - U.S. *	\$ 973.7	\$ 946.1	\$ 918.8	\$ 935.3	\$ 866.7	\$ 3,773.9	\$ 3,499.5
Net investment income - Principal International	165.4	136.7	157.8	149.8	96.2	609.7	504.0
Total net investment income *	1,139.1	1,082.8	1,076.6	1,085.1	962.9	4,383.6	4,003.5
Income taxes related to equity method investments	(10.1)	(2.6)	(8.0)	(1.6)	(13.3)	(22.3)	(48.7)
Net realized capital gains (losses) related to equity method investments	(10.8)	(0.4)	(7.1)	3.4	0.2	(14.9)	(4.8)
Derivative and hedging-related adjustments	(30.6)	(39.4)	(38.4)	(47.2)	(37.0)	(155.6)	(115.3)
Sponsored investment funds adjustments	5.8	5.1	5.0	4.8	5.1	20.7	15.1
Net investment income	\$ 1,093.4	\$ 1,045.5	\$ 1,028.1	\$ 1,044.5	\$ 917.9	\$ 4,211.5	\$ 3,849.8
Income Taxes							
Income taxes	\$ 63.8	\$ 61.0	\$ 97.6	\$ 100.1	\$ 39.2	\$ 322.5	\$ 220.9
Net realized capital gains (losses) tax adjustments	36.6	25.2	(23.5)	(25.1)	(10.2)	13.2	5.5
Income taxes attributable to noncontrolling interest	(0.1)	0.1	-	-	0.1	-	0.2
Income taxes related to equity method investments	10.1	2.6	8.0	1.6	13.3	22.3	48.7
Income taxes *	\$ 110.4	\$ 88.9	\$ 82.1	\$ 76.6	\$ 42.4	\$ 358.0	\$ 275.3
Non-GAAP Pre-Tax Operating Earnings (Losses) Attributable to Noncontrolling Interest							
Net income attributable to noncontrolling interest	\$ 4.4	\$ 9.8	\$ (0.8)	\$ 18.9	\$ (0.1)	\$ 32.3	\$ 28.2
Income taxes attributable to noncontrolling interest	0.1	(0.1)	-	-	(0.1)	-	(0.2)
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(1.6)	(7.6)	2.2	(16.6)	1.8	(23.6)	4.2
Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest *	\$ 2.9	\$ 2.1	\$ 1.4	\$ 2.3	\$ 1.6	\$ 8.7	\$ 32.2
Net Realized Capital Gains (Losses)							
Net realized capital gains (losses)	\$ (152.0)	\$ (41.1)	\$ 151.4	\$ 133.1	\$ 65.5	\$ 91.4	\$ 78.6
Recognition of front-end fee revenues	(0.4)	4.0	(7.5)	(2.6)	(2.2)	(6.5)	9.4
Market value adjustments to fee revenues	(0.2)	-	(0.4)	(1.6)	-	(2.2)	-
Net realized capital gains (losses) related to equity method investments	(10.8)	(0.4)	(7.1)	3.4	0.2	(14.9)	(4.8)
Derivative and hedging-related revenue adjustments	(30.6)	(39.4)	(38.4)	(47.2)	(37.0)	(155.6)	(115.3)
Sponsored investment fund adjustments	5.8	5.1	5.0	4.8	5.1	20.7	15.1
Total net realized capital gains (losses) revenue adjustments	(36.2)	(30.7)	(48.4)	(43.2)	(33.9)	(158.5)	(95.6)
Amortization of deferred acquisition costs	7.2	(10.7)	12.0	32.0	51.1	40.5	(7.7)
Capital gains distributed - operating expenses	(19.6)	(32.6)	(13.0)	(24.8)	(39.1)	(90.0)	(34.7)
Total net realized capital gains (losses) operating expenses adjustments	(12.4)	(43.3)	(1.0)	7.2	12.0	(49.5)	(42.4)
Amortization of other actuarial balances	2.7	(10.2)	21.8	8.9	11.0	23.2	(20.7)
Market value adjustments of embedded derivatives	77.8	2.5	(1.5)	8.1	(40.1)	86.9	(63.4)
Capital gains distributed - cost of interest credited	(13.4)	(0.3)	(7.4)	(9.4)	(4.6)	(30.5)	4.7
Total net realized capital gains (losses) expense adjustments	54.7	(51.3)	11.9	14.8	(21.7)	30.1	(121.8)
Total net realized capital gains (losses) pre-tax adjustments	18.5	(82.0)	(36.5)	(28.4)	(55.6)	(128.4)	(217.4)
Net realized capital gains (losses) tax adjustments	36.6	25.2	(23.5)	(25.1)	(10.2)	13.2	5.5
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(1.6)	(7.6)	2.2	(16.6)	1.8	(23.6)	4.2
Total net realized capital gains (losses) after-tax adjustments	53.5	(64.4)	(57.8)	(70.1)	(64.0)	(138.8)	(207.7)
Total net realized capital gains (losses) *	\$ (98.5)	\$ (105.5)	\$ 93.6	\$ 63.0	\$ 1.5	\$ (47.4)	\$ (129.1)
Principal International Combined Net Revenue (at PFG Share)							
Principal International pre-tax operating earnings	\$ 81.0	\$ 47.7	\$ 75.1	\$ 59.6	\$ 58.7	\$ 263.4	\$ 261.5
Principal International combined operating expenses other than pass-through commissions (at PFG share) *	163.8	167.2	154.0	154.9	141.7	639.9	589.8
Principal International combined net revenue (at PFG share) *	\$ 244.8	\$ 214.9	\$ 229.1	\$ 214.5	\$ 200.4	\$ 903.3	\$ 851.3

* This is a non-GAAP financial measure.

Principal Financial Group, Inc.
 Non-GAAP Financial Measure Reconciliations
 (in millions)

	Trailing Twelve Months,					
	30-Sep-21	30-Jun-21	31-Mar-21	31-Dec-20	30-Sep-20	31-Dec-19
Principal Global Investors Operating Revenues Less Pass-Through Expenses						
Principal Global Investors operating revenues	\$ 1,746.7	\$ 1,664.3	\$ 1,563.5	\$ 1,539.1	\$ 1,563.9	\$ 1,505.8
Principal Global Investors commissions and other expenses	(158.0)	(154.6)	(151.1)	(155.4)	(169.6)	(161.2)
Principal Global Investors operating revenues less pass-through expenses *	\$ 1,588.7	\$ 1,509.7	\$ 1,412.4	\$ 1,383.7	\$ 1,394.3	\$ 1,344.6
Principal International Combined Net Revenue (at PFG Share)						
Principal International pre-tax operating earnings	\$ 263.4	\$ 241.1	\$ 287.9	\$ 243.6	\$ 261.5	\$ 390.7
Principal International combined operating expenses other than pass-through commissions (at PFG share)	639.9	617.8	587.8	583.0	589.8	612.6
Principal International combined net revenue (at PFG share) *	\$ 903.3	\$ 858.9	\$ 875.7	\$ 826.6	\$ 851.3	\$ 1,003.3

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