

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

	Three Months Ended,					Twelve Months Ended,	
	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-20	31-Dec-19
Basic Earnings Per Common Share							
Net income	\$ 1.89	\$ 1.72	\$ 0.86	\$ 1.45	\$ 1.05	\$ 5.08	\$ 5.00
Net realized capital (gains) losses	(0.35)	(0.23)	(0.01)	0.02	0.11	(0.11)	0.63
Non-GAAP operating earnings *	\$ 1.55	\$ 1.49	\$ 0.85	\$ 1.47	\$ 1.16	\$ 4.97	\$ 5.63
Diluted Earnings Per Common Share							
Net income	\$ 1.87	\$ 1.70	\$ 0.85	\$ 1.45	\$ 1.04	\$ 5.05	\$ 4.96
Net realized capital (gains) losses	(0.35)	(0.22)	-	0.01	0.11	(0.11)	0.62
Adjustment for redeemable noncontrolling interest	0.01	-	-	-	-	-	-
Non-GAAP operating earnings *	\$ 1.53	\$ 1.48	\$ 0.85	\$ 1.46	\$ 1.15	\$ 4.94	\$ 5.58

	Period Ended,					Period Ended,	
	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Mar-21	31-Mar-20
Stockholders' Equity x-AOCI Available to Common Stockholders							
Stockholders' equity	\$ 15,462.3	\$ 16,617.3	\$ 15,721.1	\$ 15,311.0	\$ 12,972.6	\$ 15,462.3	\$ 12,972.6
Net unrealized capital (gains) losses	(2,780.9)	(4,156.5)	(3,675.3)	(3,473.8)	(1,452.6)	(2,780.9)	(1,452.6)
Net unrecognized postretirement benefit obligation	458.2	460.5	403.7	414.2	424.6	458.2	424.6
Noncontrolling interest	(56.8)	(58.4)	(70.2)	(67.9)	(65.1)	(56.8)	(65.1)
Stockholders' equity, x-AOCI other than foreign currency translation adjustment, available to common stockholders	13,082.8	12,862.9	12,379.3	12,183.5	11,879.5	13,082.8	11,879.5
Foreign currency translation adjustment	1,368.9	1,312.9	1,524.5	1,608.9	1,627.2	1,368.9	1,627.2
Stockholders' equity x-AOCI available to common stockholders *	\$ 14,451.7	\$ 14,175.8	\$ 13,903.8	\$ 13,792.4	\$ 13,506.7	\$ 14,451.7	\$ 13,506.7
Book Value Per Common Share x-AOCI							
Book value per common share including AOCI	\$ 56.53	\$ 60.59	\$ 57.02	\$ 55.63	\$ 47.21	\$ 56.53	\$ 47.21
Net unrealized capital (gains) losses	(10.20)	(15.20)	(13.39)	(12.67)	(5.31)	(10.20)	(5.31)
Net unrecognized postretirement benefit obligation	1.68	1.68	1.47	1.51	1.55	1.68	1.55
Book value x-AOCI other than foreign currency translation adjustment	48.01	47.07	45.10	44.47	43.45	48.01	43.45
Foreign currency translation	5.02	4.80	5.55	5.87	5.95	5.02	5.95
Book value per common share x-AOCI *	\$ 53.03	\$ 51.87	\$ 50.65	\$ 50.34	\$ 49.40	\$ 53.03	\$ 49.40
Non-GAAP Operating Earnings ROE (x-AOCI) Available to Common Stockholders (trailing twelve months)							
Net income ROE available to common stockholders (including AOCI)	11.5%	9.0%	8.0%	8.6%	9.8%	11.5%	9.8%
Net unrealized capital (gains) losses	2.0%	2.5%	2.3%	2.1%	1.1%	2.0%	1.1%
Net unrecognized postretirement benefit obligation	-0.5%	-0.4%	-0.3%	-0.3%	-0.4%	-0.5%	-0.4%
Net income ROE available to common stockholders (x-AOCI, other than foreign currency translation adjustment)	13.0%	11.1%	10.0%	10.4%	10.5%	13.0%	10.5%
Net realized capital (gains) losses	-1.2%	-0.2%	1.0%	1.6%	2.0%	-1.2%	2.0%
Non-GAAP operating earnings ROE (x-AOCI, other than foreign currency translation adjustment)	11.8%	10.9%	11.0%	12.0%	12.5%	11.8%	12.5%
Foreign currency translation	-1.3%	-1.1%	-1.1%	-1.2%	-1.3%	-1.3%	-1.3%
Non-GAAP operating earnings ROE (x-AOCI) available to common stockholders *	10.5%	9.8%	9.9%	10.8%	11.2%	10.5%	11.2%

	Three Months Ended,					Trailing Twelve Months,	
	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Mar-21	31-Mar-20
Net Revenue							
Fee *	\$ 1,113.1	\$ 1,091.5	\$ 1,078.4	\$ 1,010.1	\$ 1,011.0	\$ 4,293.1	\$ 4,169.1
Spread *	228.1	198.0	166.4	133.5	166.9	726.0	614.7
Risk	385.9	381.9	226.9	420.6	426.4	1,415.3	1,747.0
Corporate	(19.4)	(13.9)	(15.3)	(14.6)	(0.1)	(63.2)	(35.1)
Net revenue *	\$ 1,707.7	\$ 1,657.5	\$ 1,456.4	\$ 1,549.6	\$ 1,604.2	\$ 6,371.2	\$ 6,495.7
Operating expenses	(1,200.7)	(1,169.0)	(1,177.9)	(1,059.1)	(1,198.3)	(4,606.7)	(4,664.0)
Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest	(1.4)	(2.3)	(1.6)	(2.7)	(19.9)	(8.0)	(35.1)
Pre-tax net realized capital gains (losses)	114.9	104.7	9.9	18.4	(69.4)	247.9	(275.9)
Certain adjustments related to equity method investments and noncontrolling interest	(6.6)	0.7	(11.7)	(7.6)	11.6	(25.2)	(25.2)
Income (loss) before income taxes	\$ 613.9	\$ 591.6	\$ 275.1	\$ 498.6	\$ 328.2	\$ 1,979.2	\$ 1,495.5
Non-GAAP Pre-Tax Operating Earnings (Losses)							
Fee *	\$ 323.9	\$ 327.7	\$ 334.3	\$ 325.2	\$ 225.6	\$ 1,311.1	\$ 1,221.0
Spread *	180.3	150.6	146.4	91.6	122.0	568.9	422.2
Risk	95.2	89.5	(134.1)	155.0	129.5	205.6	540.4
Corporate	(93.8)	(81.6)	(69.7)	(84.0)	(91.1)	(329.1)	(387.0)
Non-GAAP pre-tax operating earnings (losses) *	\$ 505.6	\$ 486.2	\$ 276.9	\$ 487.8	\$ 386.0	\$ 1,756.5	\$ 1,796.6
Pre-tax net realized capital gains (losses)	114.9	104.7	9.9	18.4	(69.4)	247.9	(275.9)
Certain adjustments related to equity method investments and noncontrolling interest	(6.6)	0.7	(11.7)	(7.6)	11.6	(25.2)	(25.2)
Income (loss) before income taxes	\$ 613.9	\$ 591.6	\$ 275.1	\$ 498.6	\$ 328.2	\$ 1,979.2	\$ 1,495.5

\* This is a non-GAAP financial measure.



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

	Trailing Twelve Months,					
	31-Mar-21	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19
Principal Global Investors Operating Revenues Less Pass-Through Expenses						
Principal Global Investors operating revenues	\$ 1,563.5	\$ 1,539.1	\$ 1,563.9	\$ 1,551.0	\$ 1,557.6	\$ 1,505.8
Principal Global Investors commissions and other expenses	(151.1)	(155.4)	(169.6)	(169.7)	(169.5)	(161.2)
Principal Global Investors operating revenues less pass-through expenses *	\$ 1,412.4	\$ 1,383.7	\$ 1,394.3	\$ 1,381.3	\$ 1,388.1	\$ 1,344.6
Principal International Combined Net Revenue (at PFG Share)						
Principal International pre-tax operating earnings	\$ 287.9	\$ 243.6	\$ 261.5	\$ 311.7	\$ 310.4	\$ 390.7
Principal International combined operating expenses other than pass-through commissions (at PFG share)	587.8	583.0	589.8	606.8	620.8	612.6
Principal International combined net revenue (at PFG share) *	\$ 875.7	\$ 826.6	\$ 851.3	\$ 918.5	\$ 931.2	\$ 1,003.3

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