Non-GAAP Financial Measure Reconciliations

Non-GAAP Financial Measure Reconciliations

(in millions, except as indicated)

	Three Months Ended,					Six Months Ended,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Basic Earnings Per Common Share							
Net income (loss)	$ 1.87	$ 1.96	$ 2.36	$ 0.96	$ 1.81	$ 3.82	$ 2.02
(Income) loss from exited business	0.60	(0.48)	(0.12)	1.13	0.12	0.13	1.23
Net income (loss) excluding exited business	$ 2.47	$ 1.48	$ 2.24	$ 2.09	$ 1.93	$ 3.95	$ 3.25
Net realized capital (gains) losses	0.06	0.62	(0.01)	0.04	0.25	0.68	0.77
Non-GAAP operating earnings *	$ 2.53	$ 2.10	$ 2.23	$ 2.13	$ 2.18	$ 4.63	$ 4.02
Diluted Earnings Per Common Share							
Net income (loss)	$ 1.84	$ 1.93	$ 2.32	$ 0.95	$ 1.79	$ 3.77	$ 2.00
(Income) loss from exited business	0.60	(0.48)	(0.12)	1.11	0.12	0.13	1.21
Net income (loss) excluding exited business	$ 2.44	$ 1.45	$ 2.20	$ 2.06	$ 1.91	$ 3.90	$ 3.21
Net realized capital (gains) losses	0.06	0.62	(0.01)	0.04	0.25	0.67	0.76
Impact of dilutive shares (1)	-	-	-	-	-	-	-
Non-GAAP operating earnings *	$ 2.50	$ 2.07	$ 2.19	$ 2.10	$ 2.16	$ 4.57	$ 3.97

	Period Ended,					Period Ended,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Stockholders' Equity x-Cumulative Change in Fair Value of Funds Withheld Embedded Derivative and AOCI Available to Common Stockholders							
Stockholders' equity	$ 12,177.8	$ 11,848.7	$ 11,917.0	$ 11,717.9	$ 11,467.3	$ 12,177.8	$ 11,467.3
AOCI, other than foreign currency translation adjustment	2,526.9	2,773.8	2,641.8	2,689.4	3,085.5	2,526.9	3,085.5
Cumulative change in fair value of funds withheld embedded derivative	(2,137.9)	(2,220.4)	(2,080.2)	(2,021.6)	(2,231.7)	(2,137.9)	(2,231.7)
Noncontrolling interest	(35.0)	(33.4)	(33.1)	(52.4)	(52.0)	(35.0)	(52.0)
Stockholders' equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	12,531.8	12,368.7	12,445.5	12,333.3	12,269.1	12,531.8	12,269.1
Foreign currency translation adjustment	1,538.9	1,569.9	1,546.6	1,617.2	1,627.8	1,538.9	1,627.8
Stockholders' equity excluding cumulative change in fair value of funds withheld embedded derivative and AOCI *	$ 14,070.7	$ 13,938.6	$ 13,992.1	$ 13,950.5	$ 13,896.9	$ 14,070.7	$ 13,896.9
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	$ 56.58	$ 54.60	$ 54.66	$ 52.90	$ 51.14	$ 56.58	$ 51.14
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	1.82	2.56	2.59	3.03	3.83	1.82	3.83
Book value excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	58.40	57.16	57.25	55.93	54.97	58.40	54.97
Foreign currency translation adjustment	7.17	7.25	7.11	7.34	7.29	7.17	7.29
Book value per common share excluding cumulative change in fair value of funds withheld embedded derivative and AOCI *	$ 65.57	$ 64.41	$ 64.36	$ 63.27	$ 62.26	$ 65.57	$ 62.26

* 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.

Non-GAAP Financial Measure Reconciliations

(in millions, except as indicated)

	Period Ended,					Period Ended,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
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)	13.2%	13.6%	10.3%	13.7%	10.2%	13.2%	10.2%
Cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	-0.6%	-0.8%	-0.7%	-1.0%	-1.0%	-0.6%	-1.0%
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)	12.6%	12.8%	9.6%	12.7%	9.2%	12.6%	9.2%
Net realized capital (gains) losses	1.2%	1.6%	1.5%	2.2%	2.1%	1.2%	2.1%
(Income) loss from exited business	2.0%	1.2%	4.1%	-0.2%	3.0%	2.0%	3.0%
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	15.8%	15.6%	15.2%	14.7%	14.3%	15.8%	14.3%
Foreign currency translation adjustment	-1.7%	-1.8%	-1.8%	-1.7%	-1.7%	-1.7%	-1.7%
*Non-GAAP operating earnings ROE excluding cumulative change in fair value of funds withheld embedded derivative and AOCI available to common stockholders **	14.1%	13.8%	13.4%	13.0%	12.6%	14.1%	12.6%

* This is a non-GAAP financial measure.

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Net Investment Income							
Net investment income - U.S. *	$ 1,157.2	$ 1,122.4	$ 1,095.2	$ 1,081.9	$ 1,061.7	$ 4,456.7	$ 4,087.9
Net investment income - International *	240.5	139.9	137.7	166.6	157.3	684.7	658.3
Total net investment income *	1,397.7	1,262.3	1,232.9	1,248.5	1,219.0	5,141.4	4,746.2
Income taxes related to equity method investments	(17.6)	(23.7)	(14.4)	(22.5)	(15.9)	(78.2)	(75.4)
Net realized capital gains (losses) related to equity method investments	(1.6)	0.9	(0.3)	1.2	(0.2)	0.2	1.0
Derivative and hedging-related adjustments	(66.1)	(27.4)	(25.2)	(25.7)	(37.3)	(144.4)	(39.6)
Market risk benefit derivative settlements	(7.6)	(7.7)	(8.6)	(10.1)	(11.0)	(34.0)	(45.2)
Certain real estate-related depreciation and amortization (1)	(16.1)	(14.9)	-	-	-	(31.0)	-
Sponsored investment funds and other adjustments	13.1	9.5	17.1	9.1	8.2	48.8	32.4
Net investment income	$ 1,301.8	$ 1,199.0	$ 1,201.5	$ 1,200.5	$ 1,162.8	$ 4,902.8	$ 4,619.4
Income Taxes							
Income taxes	$ 66.0	$ 68.9	$ 110.4	$ 14.5	$ 69.6	$ 259.8	$ 145.1
Net realized capital gains (losses) tax adjustments	3.6	37.6	(7.7)	2.6	13.4	36.1	49.9
Income taxes attributable to noncontrolling interest	(0.3)	(0.2)	(0.1)	(0.3)	(0.3)	(0.9)	(0.7)
Income taxes related to equity method investments	17.6	23.7	14.4	22.5	15.9	78.2	75.4
Income taxes related to exited business	34.9	(27.6)	(7.1)	66.9	7.0	67.1	93.1
Income taxes *	$ 121.8	$ 102.4	$ 109.9	$ 106.2	$ 105.6	$ 440.3	$ 362.8
Non-GAAP Pre-Tax Operating Earnings (Losses) Attributable to Noncontrolling Interest							
Net income (loss) attributable to noncontrolling interest	$ 26.9	$ (11.7)	$ 8.2	$ 20.1	$ 27.3	$ 43.5	$ 65.8
Income taxes attributable to noncontrolling interest	0.3	0.2	0.1	0.3	0.3	0.9	0.7
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(26.3)	12.2	(7.1)	(18.2)	(25.7)	(39.4)	(46.2)
Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest *	$ 0.9	$ 0.7	$ 1.2	$ 2.2	$ 1.9	$ 5.0	$ 20.3

(1) Beginning in the first quarter of 2026, net investment income excludes depreciation and amortization associated with certain real estate.

* This is a non-GAAP financial measure.

Non-GAAP Financial Measure Reconciliations
(in millions)

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Net Realized Capital Gains (Losses)							
Net realized capital gains (losses)	$ 109.7	$ (122.1)	$ 53.7	$ 85.7	$ 5.4	$ 127.0	$ (122.9)
Market value adjustments to fee revenues	-	0.1	-	-	-	0.1	(0.1)
Net realized capital gains (losses) related to equity method investments	(1.6)	0.9	(0.3)	1.2	(0.2)	0.2	1.0
Derivative and hedging-related revenue adjustments	(66.1)	(27.4)	(25.2)	(25.7)	(37.3)	(144.4)	(39.6)
Certain variable annuity fees	17.3	17.1	17.2	17.2	16.6	68.8	68.7
Certain real estate-related depreciation and amortization (1)	(16.1)	(14.9)	-	-	-	(31.0)	-
Sponsored investment funds and other adjustments	13.1	9.5	17.1	9.1	8.2	48.8	32.4
Amortization of actuarial balances	(6.4)	(5.9)	(5.2)	(4.3)	(3.1)	(21.8)	(6.5)
Derivative and hedging-related expense adjustments	2.8	(0.6)	0.1	(3.4)	4.4	(1.1)	1.6
Market value adjustments of embedded derivatives	6.7	(20.1)	(6.2)	(0.1)	4.3	(19.7)	(32.3)
Market value adjustments of market risk benefits	4.6	(47.8)	(19.5)	(13.2)	(23.5)	(75.9)	(106.5)
Capital gains distributed - cost of interest credited	(21.8)	0.4	0.4	(17.6)	(11.5)	(38.6)	(21.4)
Total net realized capital gains (losses) net revenue adjustments	(67.5)	(88.7)	(21.6)	(36.8)	(42.1)	(214.6)	(102.7)
Capital gains distributed - operating expenses	(31.5)	25.4	(15.4)	(41.4)	(8.0)	(62.9)	(37.7)
Total net realized capital gains (losses) operating expense adjustments	(31.5)	25.4	(15.4)	(41.4)	(8.0)	(62.9)	(37.7)
Total net realized capital gains (losses) pre-tax adjustments	(99.0)	(63.3)	(37.0)	(78.2)	(50.1)	(277.5)	(140.4)
Net realized capital gains (losses) tax adjustments	3.6	37.6	(7.7)	2.6	13.4	36.1	49.9
Net realized capital gains (losses) attributable to noncontrolling interest, after-tax	(26.3)	12.2	(7.1)	(18.2)	(25.7)	(39.4)	(46.2)
Total net realized capital gains (losses) after-tax adjustments	(121.7)	(13.5)	(51.8)	(93.8)	(62.4)	(280.8)	(136.7)
Total net realized capital gains (losses) *	$ (12.0)	$ (135.6)	$ 1.9	$ (8.1)	$ (57.0)	$ (153.8)	$ (259.6)
Income (Loss) from Exited Business							
Pre-tax impacts of exited business:							
Amortization of reinsurance gains (losses)	$ (18.5)	$ (19.7)	$ (19.0)	$ (18.3)	$ (20.4)	$ (75.5)	$ (208.8)
Other impacts of exited business	(35.5)	(35.4)	(32.7)	(34.3)	(36.7)	(137.9)	(129.9)
Net realized capital gains (losses) on funds withheld assets	(8.1)	9.4	11.7	(0.2)	3.7	12.8	52.9
Change in fair value of funds withheld embedded derivative	(104.4)	177.4	74.2	(265.9)	20.3	(118.7)	(171.9)
Tax impacts of exited business	34.9	(27.6)	(7.1)	66.9	7.0	67.1	93.1
Income (loss) from exited business *	$ (131.6)	$ 104.1	$ 27.1	$ (251.8)	$ (26.1)	$ (252.2)	$ (364.6)

(1) Beginning in the first quarter of 2026, depreciation and amortization associated with certain real estate is excluded from net investment income and reported in net realized capital gains (losses).
* This is a non-GAAP financial measure.

Non-GAAP Financial Measure Reconciliations
(in millions)

	Trailing Twelve Months, Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Dec-24
Investment Management Operating Revenues Less Pass-Through Expenses						
Investment Management operating revenues	$ 1,905.0	$ 1,899.9	$ 1,887.5	$ 1,879.4	$ 1,861.9	$ 1,820.7
Investment Management commissions and other expenses	(161.6)	(159.1)	(156.7)	(154.7)	(153.4)	(152.1)
Investment Management operating revenues less pass-through expenses *	$ 1,743.4	$ 1,740.8	$ 1,730.8	$ 1,724.7	$ 1,708.5	$ 1,668.6

* This is a non-GAAP financial measure.

Non-GAAP Financial Measure Reconciliations
(in millions, except as indicated)

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Non-GAAP Operating Earnings (Losses)							
Non-GAAP operating earnings (losses)	$ 547.0	$ 456.1	$ 488.0	$ 473.7	$ 489.3	$ 1,964.8	$ 1,763.9
Impacts of significant variances	18.3	(22.7)	(10.6)	(49.6)	20.7	(64.6)	(108.3)
Non-GAAP operating earnings (losses), excluding significant variances	$ 528.7	$ 478.8	$ 498.6	$ 523.3	$ 468.6	$ 2,029.4	$ 1,872.2

	Three Months Ended,					Six Months Ended,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Diluted Earnings Per Common Share							
Non-GAAP operating earnings (losses)	$ 2.50	$ 2.07	$ 2.19	$ 2.10	$ 2.16	$ 4.57	$ 3.97
Impacts of significant variances	0.08	(0.10)	(0.05)	(0.22)	0.09	(0.02)	(0.02)
Non-GAAP operating earnings (losses), excluding significant variances	$ 2.42	$ 2.17	$ 2.24	$ 2.32	$ 2.07	$ 4.59	$ 3.99
Weighted average common shares outstanding (in millions)	218.7	220.3	222.4	225.2	226.5	219.5	227.6

	Period Ended,					Period Ended,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Non-GAAP Operating Earnings ROE							
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment)	15.8%	15.6%	15.2%	14.7%	14.3%	15.8%	14.3%
Impacts of significant variances	-0.5%	-0.5%	-0.5%	-0.7%	-0.9%	-0.5%	-0.9%
Non-GAAP operating earnings ROE (excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment), exlcuding significant variances	16.4%	16.1%	15.7%	15.5%	15.2%	16.4%	15.2%

	Period Ended,					Period Ended,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Average Stockholders' equity, excluding cumulative change in fair value of funds withheld embedded derivative and AOCI, other than foreign currency translation adjustment	$ 12,400.4	$ 12,225.0	$ 12,294.8	$ 12,399.1	$ 12,327.2	$ 12,400.4	$ 12,327.2

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Summary of Impacts from Significant Variances							
Actuarial assumption review	$ -	$ -	$ -	$ (67.1)	$ -	$ (67.1)	$ (82.0)
Variable investment income	(1.9)	(24.5)	(13.4)	(27.1)	(24.5)	(66.9)	(124.2)
Other	23.8	(1.4)	-	34.1	48.6	56.5	74.0
Non-GAAP pre-tax operating earnings (losses)	21.9	(25.9)	(13.4)	(60.1)	24.1	(77.5)	(132.2)
Income taxes	3.6	(3.2)	(2.8)	(10.5)	3.4	(12.9)	(23.9)
Non-GAAP operating earnings (losses)	18.3	(22.7)	(10.6)	(49.6)	20.7	(64.6)	(108.3)
Net realized capital gains (losses) after-tax adjustments	-	-	-	(0.2)	-	(0.2)	3.7
(Income) loss from exited business	-	-	-	(6.1)	-	(6.1)	(20.6)
Net income (loss) attributable to Principal Financial Group, Inc.	$ 18.3	$ (22.7)	$ (10.6)	$ (55.9)	$ 20.7	$ (70.9)	$ (125.2)

Non-GAAP Financial Measure Reconciliations

(in millions, except as indicated)

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Non-GAAP Pre-Tax Operating Earnings (Losses)							
Non-GAAP pre-tax operating earnings (losses)	$ 668.8	$ 558.5	$ 597.9	$ 579.9	$ 594.9	$ 2,405.1	$ 2,126.7
Impacts of significant variances	21.9	(25.9)	(13.4)	(60.1)	24.1	(77.5)	(132.2)
Non-GAAP pre-tax operating earnings (losses), excluding significant variances	$ 646.9	$ 584.4	$ 611.3	$ 640.0	$ 570.8	$ 2,482.6	$ 2,258.9

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Non-GAAP Net Revenue							
Non-GAAP net revenue	$ 2,022.3	$ 1,947.4	$ 1,943.2	$ 1,896.8	$ 1,866.1	$ 7,809.7	$ 7,352.7
Impacts of significant variances	22.3	(26.0)	(13.4)	(54.9)	(16.5)	(72.0)	(171.5)
Non-GAAP net revenue, excluding significant variances	$ 2,000.0	$ 1,973.4	$ 1,956.6	$ 1,951.7	$ 1,882.6	$ 7,881.7	$ 7,524.2

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Non-GAAP Operating Margin							
Non-GAAP net revenue	33.1%	28.7%	30.8%	30.6%	31.9%	30.8%	28.9%
Impacts of significant variances	0.8%	-0.9%	-0.4%	-2.2%	1.6%	-0.7%	-1.1%
Non-GAAP net revenue, excluding significant variances	32.3%	29.6%	31.2%	32.8%	30.3%	31.5%	30.0%

Non-GAAP Financial Measure Reconciliations
(in millions, except as indicated)

	Three Months Ended,					Trailing Twelve Months,	
	Jun-26	Mar-26	Dec-25	Sep-25	Jun-25	Jun-26	Jun-25
Impacts of Significant Variances to Specialty Benefits Loss Ratios							
Group dental							
Incurred loss ratio	70.9%	69.2%	66.7%	70.4%	74.6%	69.3%	71.4%
Impact of significant variances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Incurred loss ratio, excluding significant variances	70.9%	69.2%	66.7%	70.4%	74.6%	69.3%	71.4%
Group life							
Incurred loss ratio	48.3%	47.8%	48.2%	50.5%	50.2%	48.7%	52.7%
Impact of significant variances	0.0%	0.0%	0.0%	1.5%	0.0%	0.4%	-0.7%
Incurred loss ratio, excluding significant variances	48.3%	47.8%	48.2%	49.0%	50.2%	48.3%	53.4%
Group disability							
Incurred loss ratio	47.5%	50.7%	52.9%	45.3%	50.0%	49.1%	50.6%
Impact of significant variances	0.0%	0.0%	0.0%	-3.5%	0.0%	-0.9%	-1.3%
Incurred loss ratio, excluding significant variances	47.5%	50.7%	52.9%	48.8%	50.0%	50.0%	51.9%
Supplemental health products							
Incurred loss ratio	48.5%	49.3%	49.5%	49.3%	49.0%	49.2%	47.5%
Impact of significant variances	0.0%	0.0%	0.0%	0.2%	0.0%	0.1%	0.1%
Incurred loss ratio, excluding significant variances	48.5%	49.3%	49.5%	49.1%	49.0%	49.1%	47.4%
Individual disability							
Incurred loss ratio	56.5%	62.8%	59.1%	51.4%	59.6%	57.3%	62.6%
Impact of significant variances	0.0%	0.0%	0.0%	-7.5%	0.0%	-2.0%	2.7%
Incurred loss ratio, excluding significant variances	56.5%	62.8%	59.1%	58.9%	59.6%	59.3%	59.9%
Total Specialty Benefits							
Incurred loss ratio	57.4%	58.5%	57.6%	56.4%	60.2%	57.5%	60.0%
Impact of significant variances	0.0%	0.0%	0.0%	-1.7%	0.0%	-0.4%	0.0%
Incurred loss ratio, excluding significant variances	57.4%	58.5%	57.6%	58.1%	60.2%	57.9%	60.0%

Corporate headquarters

Principal Financial Group, Inc.
711 High Street
Des Moines, IA 50392-0001
1+ 800.986.3343

Financial inquiries

Institutional and individual owners, as well as equity analysts contact:

Humphrey Lee, Vice President
711 High Street
Des Moines, IA 50392-0420
Office: 877.909.1105 | Fax: 515.235.5491
lee.humphrey@principal.com

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Providence, RI 02940
1+ 866.781.1368
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