

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

|   | Three Months Ended, |           |           |           |           | Six Months Ended, |           |
|---|---------------------|-----------|-----------|-----------|-----------|-------------------|-----------|
|   | 30-Jun-21           | 31-Mar-21 | 31-Dec-20 | 30-Sep-20 | 30-Jun-20 | 30-Jun-21         | 30-Jun-20 |
| Basic Earnings Per Common Share                   |                     |           |           |           |           |                   |           |
| Net income  | \$ 1.34             | \$ 1.89   | \$ 1.72   | \$ 0.86   | \$ 1.45   | \$ 3.23           | \$ 2.50   |
| Net realized capital (gains) losses               | 0.39                | (0.35)    | (0.23)    | (0.01)    | 0.02      | 0.04              | 0.13      |
| Non-GAAP operating earnings *                     | \$ 1.72             | \$ 1.55   | \$ 1.49   | \$ 0.85   | \$ 1.47   | \$ 3.27           | \$ 2.63   |
| Diluted Earnings Per Common Share                 |                     |           |           |           |           |                   |           |
| Net income  | \$ 1.32             | \$ 1.87   | \$ 1.70   | \$ 0.85   | \$ 1.45   | \$ 3.19           | \$ 2.49   |
| Net realized capital (gains) losses               | 0.39                | (0.35)    | (0.22)    | -         | 0.01      | 0.04              | 0.12      |
| Adjustment for redeemable noncontrolling interest | (0.01)              | 0.01      | -         | -         | -         | -                 | -         |
| Non-GAAP operating earnings *                     | \$ 1.70             | \$ 1.53   | \$ 1.48   | \$ 0.85   | \$ 1.46   | \$ 3.23           | \$ 2.61   |

|   | Period Ended, |             |             |             |             | Period Ended, |             |
|---|---------------|-------------|-------------|-------------|-------------|---------------|-------------|
|   | 30-Jun-21     | 31-Mar-21   | 31-Dec-20   | 30-Sep-20   | 30-Jun-20   | 30-Jun-21     | 30-Jun-20   |
| Stockholders' Equity x-AOCI Available to Common Stockholders  |               |             |             |             |             |               |             |
| Stockholders' equity  | \$ 16,291.5   | \$ 15,462.3 | \$ 16,617.3 | \$ 15,721.1 | \$ 15,311.0 | \$ 16,291.5   | \$ 15,311.0 |
| Net unrealized capital (gains) losses   | (3,585.7)     | (2,780.9)   | (4,156.5)   | (3,675.3)   | (3,473.8)   | (3,585.7)     | (3,473.8)   |
| Net unrecognized postretirement benefit obligation  | 448.6         | 458.2       | 460.5       | 403.7       | 414.2       | 448.6         | 414.2       |
| Noncontrolling interest   | (58.4)        | (56.8)      | (58.4)      | (70.2)      | (67.9)      | (58.4)        | (67.9)      |
| Stockholders' equity, x-AOCI other than foreign currency translation adjustment, available to common stockholders | 13,096.0      | 13,082.8    | 12,862.9    | 12,379.3    | 12,183.5    | 13,096.0      | 12,183.5    |
| Foreign currency translation adjustment   | 1,333.3       | 1,368.9     | 1,312.9     | 1,524.5     | 1,608.9     | 1,333.3       | 1,608.9     |
| Stockholders' equity x-AOCI available to common stockholders *  | \$ 14,429.3   | \$ 14,451.7 | \$ 14,175.8 | \$ 13,903.8 | \$ 13,792.4 | \$ 14,429.3   | \$ 13,792.4 |
| Book Value Per Common Share x-AOCI  |               |             |             |             |             |               |             |
| Book value per common share including AOCI  | \$ 60.35      | \$ 56.53    | \$ 60.59    | \$ 57.02    | \$ 55.63    | \$ 60.35      | \$ 55.63    |
| Net unrealized capital (gains) losses   | (13.34)       | (10.20)     | (15.20)     | (13.39)     | (12.67)     | (13.34)       | (12.67)     |
| Net unrecognized postretirement benefit obligation  | 1.67          | 1.68        | 1.68        | 1.47        | 1.51        | 1.67          | 1.51        |
| Book value x-AOCI other than foreign currency translation adjustment  | 48.68         | 48.01       | 47.07       | 45.10       | 44.47       | 48.68         | 44.47       |
| Foreign currency translation  | 4.96          | 5.02        | 4.80        | 5.55        | 5.87        | 4.96          | 5.87        |
| Book value per common share x-AOCI *  | \$ 53.64      | \$ 53.03    | \$ 51.87    | \$ 50.65    | \$ 50.34    | \$ 53.64      | \$ 50.34    |
| Non-GAAP Operating Earnings ROE (x-AOCI) Available to Common Stockholders (trailing twelve months)                |               |             |             |             |             |               |             |
| Net income ROE available to common stockholders (including AOCI)  | 10.1%         | 11.5%       | 9.0%        | 8.0%        | 8.6%        | 10.1%         | 8.6%        |
| Net unrealized capital (gains) losses   | 2.8%          | 2.0%        | 2.5%        | 2.3%        | 2.1%        | 2.8%          | 2.1%        |
| Net unrecognized postretirement benefit obligation  | -0.3%         | -0.5%       | -0.4%       | -0.3%       | -0.3%       | -0.3%         | -0.3%       |
| Net income ROE available to common stockholders (x-AOCI, other than foreign currency translation adjustment)      | 12.6%         | 13.0%       | 11.1%       | 10.0%       | 10.4%       | 12.6%         | 10.4%       |
| Net realized capital (gains) losses   | -0.5%         | -1.2%       | -0.2%       | 1.0%        | 1.6%        | -0.5%         | 1.6%        |
| Non-GAAP operating earnings ROE (x-AOCI, other than foreign currency translation adjustment)                      | 12.1%         | 11.8%       | 10.9%       | 11.0%       | 12.0%       | 12.1%         | 12.0%       |
| Foreign currency translation  | -1.2%         | -1.3%       | -1.1%       | -1.1%       | -1.2%       | -1.2%         | -1.2%       |
| Non-GAAP operating earnings ROE (x-AOCI) available to common stockholders *                                       | 10.9%         | 10.5%       | 9.8%        | 9.9%        | 10.8%       | 10.9%         | 10.8%       |

|  | Three Months Ended, |            |            |            |            | Trailing Twelve Months, |            |
|--|---------------------|------------|------------|------------|------------|-------------------------|------------|
|  | 30-Jun-21           | 31-Mar-21  | 31-Dec-20  | 30-Sep-20  | 30-Jun-20  | 30-Jun-21               | 30-Jun-20  |
| Net Revenue  |                     |            |            |            |            |                         |            |
| Fee *  | \$ 1,146.7          | \$ 1,113.1 | \$ 1,091.5 | \$ 1,078.4 | \$ 1,010.1 | \$ 4,429.7              | \$ 4,224.8 |
| Spread *   | 209.9               | 228.1      | 198.0      | 166.4      | 133.5      | 802.4                   | 570.7      |
| Risk   | 420.3               | 385.9      | 381.9      | 226.9      | 420.6      | 1,415.0                 | 1,743.3    |
| Corporate  | 3.2                 | (19.4)     | (13.9)     | (15.3)     | (14.6)     | (45.4)                  | (35.9)     |
| Net revenue *  | \$ 1,780.1          | \$ 1,707.7 | \$ 1,657.5 | \$ 1,456.4 | \$ 1,549.6 | \$ 6,601.7              | \$ 6,502.9 |
| Operating expenses   | (1,221.8)           | (1,200.7)  | (1,169.0)  | (1,177.9)  | (1,059.1)  | (4,769.4)               | (4,696.0)  |
| Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest | (2.1)               | (1.4)      | (2.3)      | (1.6)      | (2.7)      | (7.4)                   | (35.7)     |
| Pre-tax net realized capital gains (losses)  | (123.1)             | 114.9      | 104.7      | 9.9        | 18.4       | 106.4                   | (208.9)    |
| Certain adjustments related to equity method investments and noncontrolling interest | (0.5)               | (6.6)      | 0.7        | (11.7)     | (7.6)      | (18.1)                  | (18.5)     |
| Income (loss) before income taxes  | \$ 432.6            | \$ 613.9   | \$ 591.6   | \$ 275.1   | \$ 498.6   | \$ 1,913.2              | \$ 1,543.8 |
| Non-GAAP Pre-Tax Operating Earnings (Losses)   |                     |            |            |            |            |                         |            |
| Fee *  | \$ 351.9            | \$ 323.9   | \$ 327.7   | \$ 334.3   | \$ 325.2   | \$ 1,337.8              | \$ 1,204.6 |
| Spread *   | 160.4               | 180.3      | 150.6      | 146.4      | 91.6       | 637.7                   | 390.4      |
| Risk   | 126.6               | 95.2       | 89.5       | (134.1)    | 155.0      | 177.2                   | 549.1      |
| Corporate  | (82.7)              | (93.8)     | (81.6)     | (69.7)     | (84.0)     | (327.8)                 | (372.9)    |
| Non-GAAP pre-tax operating earnings (losses) *                                       | \$ 556.2            | \$ 505.6   | \$ 486.2   | \$ 276.9   | \$ 487.8   | \$ 1,824.9              | \$ 1,771.2 |
| Pre-tax net realized capital gains (losses)  | (123.1)             | 114.9      | 104.7      | 9.9        | 18.4       | 106.4                   | (208.9)    |
| Certain adjustments related to equity method investments and noncontrolling interest | (0.5)               | (6.6)      | 0.7        | (11.7)     | (7.6)      | (18.1)                  | (18.5)     |
| Income (loss) before income taxes  | \$ 432.6            | \$ 613.9   | \$ 591.6   | \$ 275.1   | \$ 498.6   | \$ 1,913.2              | \$ 1,543.8 |

\* 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-Jun-21           | 31-Mar-21  | 31-Dec-20  | 30-Sep-20 | 30-Jun-20               | 30-Jun-21  | 30-Jun-20  |
| Non-GAAP Operating Earnings (Losses)   |                     |            |            |           |                         |            |            |
| Fee *  | \$ 302.5            | \$ 270.8   | \$ 276.4   | \$ 271.7  | \$ 263.2                | \$ 1,121.4 | \$ 996.3   |
| Spread *   | 129.6               | 144.8      | 121.2      | 117.5     | 74.7                    | 513.1      | 317.8      |
| Risk   | 101.5               | 76.3       | 71.8       | (105.2)   | 122.6                   | 144.4      | 439.0      |
| Corporate  | (66.3)              | (68.4)     | (59.8)     | (49.5)    | (57.8)                  | (244.0)    | (289.1)    |
| Non-GAAP operating earnings (losses) *   | \$ 467.3            | \$ 423.5   | \$ 409.6   | \$ 234.5  | \$ 402.7                | \$ 1,534.9 | \$ 1,464.0 |
| Net realized capital gains (losses) *  | (105.5)             | 93.6       | 63.0       | 1.5       | (4.4)                   | 52.6       | (198.8)    |
| Net income (loss) attributable to Principal Financial Group, Inc.  | \$ 361.8            | \$ 517.1   | \$ 472.6   | \$ 236.0  | \$ 398.3                | \$ 1,587.5 | \$ 1,265.2 |
| Net Investment Income  |                     |            |            |           |                         |            |            |
| Net investment income - U.S. *   | \$ 946.1            | \$ 918.8   | \$ 935.3   | \$ 866.7  | \$ 839.5                | \$ 3,666.9 | \$ 3,485.8 |
| Net investment income - Principal International  | 136.7               | 157.8      | 149.8      | 96.2      | 144.7                   | 540.5      | 580.2      |
| Total net investment income *  | 1,082.8             | 1,076.6    | 1,085.1    | 962.9     | 984.2                   | 4,207.4    | 4,066.0    |
| Income taxes related to equity method investments  | (2.6)               | (8.0)      | (1.6)      | (13.3)    | (10.3)                  | (25.5)     | (54.2)     |
| Net realized capital gains (losses) related to equity method investments                                 | (0.4)               | (7.1)      | 3.4        | 0.2       | 2.3                     | (3.9)      | (3.3)      |
| Derivative and hedging-related adjustments   | (39.4)              | (38.4)     | (47.2)     | (37.0)    | (35.1)                  | (162.0)    | (96.2)     |
| Sponsored investment funds adjustments   | 5.1                 | 5.0        | 4.8        | 5.1       | 3.5                     | 20.0       | 16.2       |
| Net investment income  | \$ 1,045.5          | \$ 1,028.1 | \$ 1,044.5 | \$ 917.9  | \$ 944.6                | \$ 4,036.0 | \$ 3,928.5 |
| Income Taxes   |                     |            |            |           |                         |            |            |
| Income taxes   | \$ 61.0             | \$ 97.6    | \$ 100.1   | \$ 39.2   | \$ 82.5                 | \$ 297.9   | \$ 242.8   |
| Net realized capital gains (losses) tax adjustments  | 25.2                | (23.5)     | (25.1)     | (10.2)    | (7.6)                   | (33.6)     | 10.2       |
| Income taxes attributable to noncontrolling interest   | 0.1                 | -          | -          | 0.1       | (0.1)                   | 0.2        | -          |
| Income taxes related to equity method investments  | 2.6                 | 8.0        | 1.6        | 13.3      | 10.3                    | 25.5       | 54.2       |
| Income taxes *   | \$ 88.9             | \$ 82.1    | \$ 76.6    | \$ 42.4   | \$ 85.1                 | \$ 290.0   | \$ 307.2   |
| Non-GAAP Pre-Tax Operating Earnings (Losses) Attributable to Noncontrolling Interest                     |                     |            |            |           |                         |            |            |
| Net income attributable to noncontrolling interest   | \$ 9.8              | \$ (0.8)   | \$ 18.9    | \$ (0.1)  | \$ 17.8                 | \$ 27.8    | \$ 35.8    |
| 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                   | (7.6)               | 2.2        | (16.6)     | 1.8       | (15.2)                  | (20.2)     | (0.1)      |
| Non-GAAP pre-tax operating earnings (losses) attributable to noncontrolling interest *                   | \$ 2.1              | \$ 1.4     | \$ 2.3     | \$ 1.6    | \$ 2.7                  | \$ 7.4     | \$ 35.7    |
| Net Realized Capital Gains (Losses)  |                     |            |            |           |                         |            |            |
| Net realized capital gains (losses)  | \$ (41.1)           | \$ 151.4   | \$ 133.1   | \$ 65.5   | \$ (27.4)               | \$ 308.9   | \$ (29.3)  |
| Recognition of front-end fee revenues  | 4.0                 | (7.5)      | (2.6)      | (2.2)     | 0.5                     | (8.3)      | 17.4       |
| Market value adjustments to fee revenues   | -                   | (0.4)      | (1.6)      | -         | -                       | (2.0)      | -          |
| Net realized capital gains (losses) related to equity method investments                                 | (0.4)               | (7.1)      | 3.4        | 0.2       | 2.3                     | (3.9)      | (3.3)      |
| Derivative and hedging-related revenue adjustments   | (39.4)              | (38.4)     | (47.2)     | (37.0)    | (35.1)                  | (162.0)    | (96.2)     |
| Sponsored investment fund adjustments  | 5.1                 | 5.0        | 4.8        | 5.1       | 3.5                     | 20.0       | 16.2       |
| Total net realized capital gains (losses) revenue adjustments  | (30.7)              | (48.4)     | (43.2)     | (33.9)    | (28.8)                  | (156.2)    | (65.9)     |
| Amortization of deferred acquisition costs   | (10.7)              | 12.0       | 32.0       | 51.1      | 82.2                    | 84.4       | (75.8)     |
| Capital gains distributed - operating expenses   | (32.6)              | (13.0)     | (24.8)     | (39.1)    | (6.4)                   | (109.5)    | (11.9)     |
| Total net realized capital gains (losses) operating expenses adjustments                                 | (43.3)              | (1.0)      | 7.2        | 12.0      | 75.8                    | (25.1)     | (87.7)     |
| Amortization of other actuarial balances   | (10.2)              | 21.8       | 8.9        | 11.0      | 7.4                     | 31.5       | (49.3)     |
| Market value adjustments of embedded derivatives   | 2.5                 | (1.5)      | 8.1        | (40.1)    | 0.4                     | (31.0)     | 27.7       |
| Capital gains distributed - cost of interest credited  | (0.3)               | (7.4)      | (9.4)      | (4.6)     | (9.0)                   | (21.7)     | (4.4)      |
| Total net realized capital gains (losses) expense adjustments  | (51.3)              | 11.9       | 14.8       | (21.7)    | 74.6                    | (46.3)     | (113.7)    |
| Total net realized capital gains (losses) pre-tax adjustments  | (82.0)              | (36.5)     | (28.4)     | (55.6)    | 45.8                    | (202.5)    | (179.6)    |
| Net realized capital gains (losses) tax adjustments  | 25.2                | (23.5)     | (25.1)     | (10.2)    | (7.6)                   | (33.6)     | 10.2       |
| Net realized capital gains (losses) attributable to noncontrolling interest, after-tax                   | (7.6)               | 2.2        | (16.6)     | 1.8       | (15.2)                  | (20.2)     | (0.1)      |
| Total net realized capital gains (losses) after-tax adjustments  | (64.4)              | (57.8)     | (70.1)     | (64.0)    | 23.0                    | (256.3)    | (169.5)    |
| Total net realized capital gains (losses) *  | \$ (105.5)          | \$ 93.6    | \$ 63.0    | \$ 1.5    | \$ (4.4)                | \$ 52.6    | \$ (198.8) |
| Principal International Combined Net Revenue (at PFG Share)  |                     |            |            |           |                         |            |            |
| Principal International pre-tax operating earnings   | \$ 47.7             | \$ 75.1    | \$ 59.6    | \$ 58.7   | \$ 94.5                 | \$ 241.1   | \$ 311.7   |
| Principal International combined operating expenses other than pass-through commissions (at PFG share) * | 167.2               | 154.0      | 154.9      | 141.7     | 137.2                   | 617.8      | 606.8      |
| Principal International combined net revenue (at PFG share) *  | \$ 214.9            | \$ 229.1   | \$ 214.5   | \$ 200.4  | \$ 231.7                | \$ 858.9   | \$ 918.5   |

\* This is a non-GAAP financial measure.

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

|  | Trailing Twelve Months, |            |            |            |            |            |
|--|-------------------------|------------|------------|------------|------------|------------|
|  | 30-Jun-21               | 31-Mar-21  | 31-Dec-20  | 30-Sep-20  | 30-Jun-20  | 31-Dec-19  |
| Principal Global Investors Operating Revenues Less Pass-Through Expenses                               |                         |            |            |            |            |            |
| Principal Global Investors operating revenues  | \$ 1,664.3              | \$ 1,563.5 | \$ 1,539.1 | \$ 1,563.9 | \$ 1,551.0 | \$ 1,505.8 |
| Principal Global Investors commissions and other expenses  | (154.6)                 | (151.1)    | (155.4)    | (169.6)    | (169.7)    | (161.2)    |
| Principal Global Investors operating revenues less pass-through expenses *                             | \$ 1,509.7              | \$ 1,412.4 | \$ 1,383.7 | \$ 1,394.3 | \$ 1,381.3 | \$ 1,344.6 |
| Principal International Combined Net Revenue (at PFG Share)  |                         |            |            |            |            |            |
| Principal International pre-tax operating earnings   | \$ 241.1                | \$ 287.9   | \$ 243.6   | \$ 261.5   | \$ 311.7   | \$ 390.7   |
| Principal International combined operating expenses other than pass-through commissions (at PFG share) | 617.8                   | 587.8      | 583.0      | 589.8      | 606.8      | 612.6      |
| Principal International combined net revenue (at PFG share) *  | \$ 858.9                | \$ 875.7   | \$ 826.6   | \$ 851.3   | \$ 918.5   | \$ 1,003.3 |

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