

# 2017 Company Profile<sup>1,2</sup>



Principal helps people and companies around the world to build, protect and advance their financial well-being with our retirement, insurance and asset management expertise. With innovative ideas and real-life solutions, we make financial progress possible for clients of all income and portfolio sizes. A member of the FORTUNE 500®, the Principal Financial Group has \$629.4 billion in assets under management and serves 22 million customers with offices in 19 countries throughout Asia, Australia, Europe, Latin America and North America. Principal Financial Group, Inc. is traded on the Nasdaq under the ticker symbol PFG.

## U.S. Insurance Solutions Highlights

- **More than \$388.8 million** of individual and group life insurance in force.
- **Serves 90,700 employers** with 3.4 million covered members.
- **Ranked as the No. 5 provider of group benefits** (dental, life and disability) insurance based on 2015 LIMRA data on fully insured employer contracts in force. (May 2016)
- **Ranked as the No. 3 provider of non-cancelable individual disability income insurance** based on 2015 LIMRA data of annualized new premium. (February 2016)
- **Record full-year earnings for Specialty Benefits**, with record sales and retention, as well as 9 percent growth in premiums and fees.
- **Specialty Benefits sales** of \$314 million in 2015, up 6%.
- **Operating earnings** of \$286.4 million in 2015.

## People



More than 10,000 employees in the U.S.



More than 14,000 employees worldwide

## Financial Strength Ratings<sup>3</sup> for Principal Life Insurance Company and Principal National Life Insurance Company

<p>“A+” Superior</p> <p>“AA-” Very strong</p> <p>“A1” Good</p> <p>“A+” Strong</p>	<p>A.M. Best Company: second highest of 13 rating levels</p> <p>Fitch: fourth highest of 19 rating levels</p> <p>Moody’s Investors Service: fifth highest of 21 rating levels</p> <p>S&amp;P Global: fifth highest of 20 rating levels</p>
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## Financial Data<sup>1</sup>

\$655.5 billion	Total assets under management
\$10.9 billion	Total GAAP revenues
\$1.5 billion	Net income available to Principal Financial Group, Inc.
\$1.1 billion	Operating earnings <sup>4</sup>
14.5%	Operating return on average equity available to common stockholders, excluding AOCI, other than foreign currency translation adjustment

## Workplace Excellence

- Enterprise Engagement Alliance (EEA) selected Principal as **one of the Top 25 Most People-Centric publicly held companies in the United States**. EEA is an outreach and education organization that supports the emerging engagement profession. (April 2015)
- Earned the **WorldatWork Alliance for Work-Life Progress – 2015 Seal of Distinction Award**, which recognizes employers that demonstrate leadership in workplace strategies and practices to help employees achieve success in work-life effectiveness. (April 2015)
- Named one of the **25 Most Influential Companies for Veteran Hiring** by Diversity Journal. (April 2015)
- Recognized as a **Platinum Well Workplace** by the Wellness Councils of America.

## Industry Leadership

- **Ranked 236th on Fortune magazine's list of the Largest 500 Corporations** based on revenues. (June 2016)
- **Ranked 380th on the Forbes Global 2000** list, which recognizes the world's biggest and most powerful companies, as measured by a composite ranking for sales, profits, assets and market value. (May 2016)
- A member of the Standard & Poor's (S&P) 500® since July 2002.

## Community Leadership

- The 19th company to receive United Way of America's **Spirit of America Award** for corporate community involvement.
- Named a CDP Climate Performance leader and a **CDP Climate Disclosure leader** for our commitment to improving our impact on the environment. (November 2015)



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<sup>1</sup> Data for the nine months ended September 30, 2017, unless otherwise noted. For the latest and additional information, visit [www.principal.com](http://www.principal.com).

<sup>2</sup> Information applies to the Principal Financial Group overall, unless otherwise noted.

<sup>3</sup> Information as of October 2017.

<sup>4</sup> The company uses a number of non-GAAP financial measures that management believes are important in understanding and evaluating the normal, recurring operations of our businesses. These measures are not a substitute for GAAP financial measures. Therefore, we provide a reconciliation of the non-GAAP measures to the comparable GAAP financial measures as follows:

- Operating earnings of \$1,127.8 million equals net income available to common stockholders of \$1,468.6 million adjusted for net realized (gains) losses of \$(340.8) million and other after-tax adjustments of \$0 million.
- Operating ROE of 14.5 percent equals net income return on average equity including accumulated other comprehensive income of 15.7 percent, adjusted for net unrealized capital (gains) losses of 2.2 percent, other after-tax adjustments of 0.5 percent, net realized capital (gains) losses of (3.3) percent, and net unrecognized post-retirement benefit obligation of (0.6) percent.

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