



The Principal Financial Group®

Financial Strength

The Principal Financial Group® has been helping our clients with their financial goals for more than 130 years. Our clients rely on the strength of our insurance issuing companies, Principal National Life Insurance Company (Principal National) and Principal Life Insurance Company (Principal Life).

Principal National and Principal Life are sister companies

- Both companies are core subsidiaries of The Principal® (NYSE: PFG).
- Both have received the same financial strength ratings by the four major rating agencies.
- Principal Life and Principal National have an internal reinsurance (coinsurance) agreement.
- Principal National is backed by a net worth agreement from Principal Financial Group.
- Principal National utilizes the same branding, products, distribution, systems, management and infrastructure as Principal Life.

Credit ratings by the four major rating agencies

	MOODY'S INVESTOR SERVICES	STANDARD & POOR'S	A.M. BEST COMPANY	FITCH RATINGS
Principal Life Insurance Company	Aa3, Excellent 4th highest of 21 rating levels Outlook: Stable	A+, Strong 5th highest of 21 rating levels Outlook: Stable	A+, Superior 2nd highest of 16 rating levels Outlook: Stable	AA-, Very Strong 4th highest of 21 rating levels Outlook: Negative
Principal National Life Insurance Company	Aa3, Excellent 4th highest of 21 rating levels Outlook: Stable	A+, Strong 5th highest of 21 rating levels Outlook: Stable	A+, Superior 2nd highest of 16 rating levels Outlook: Stable	AA-, Very Strong 4th highest of 21 rating levels Outlook: Negative

About the ratings – A.M. Best ratings for insurance companies range from "A++" to "S". A.M. Best indicates that "A++" and "A+" ratings are assigned to those companies that in A.M. Best's opinion have achieved superior overall performance when compared to the norms of the life insurance industry and have demonstrated a strong ability to meet their policyholder and other contractual obligations. For the latest rating, access www.ambest.com

Fitch's ratings for insurance companies range from "AAA" to "D". Fitch indicates that "AA" ratings are assigned to those companies that have demonstrated financial strength and a very strong capacity to meet policyholder and contract holder obligations on a timely basis.

Moody's ratings for insurance companies range from "Aaa" to "C". Moody's indicates that "A ("Excellent")" ratings are assigned to those companies that have demonstrated excellent financial security.

Standard & Poor's ratings for insurance companies range from "AAA" to "R". Standard & Poor's indicates that "A" ratings are assigned to those companies that have demonstrated strong financial security.

In evaluating a life insurance company's financial and operating performance, these rating agencies review its profitability, leverage and liquidity, as well as its book of business, the adequacy and soundness of its reinsurance, the quality and estimated market value of its assets, the adequacy of its policy reserves and the experience and competency of its management. Our ratings reflect each rating agency's opinion of our life insurance companies' financial strength, operating performance and ability to meet our obligations to policyholders and are not evaluations directed toward the protection of investors. Such ratings are neither a rating of securities nor a recommendation to buy, hold or sell any security, including our common stock.

For the most current ratings and financial information, visit our Investor Relations site on www.principal.com.



WE'LL GIVE YOU AN EDGE®

Principal National Life Insurance Company and Principal Life Insurance Company, Des Moines, Iowa 50392-0001, www.principal.com
Insurance products from the Principal Financial Group® (The Principal®) are issued by Principal National Life Insurance Company (except in New York) and Principal Life Insurance Company, Des Moines, IA 50392.

Not FDIC or NCUA insured
May lose value • Not a deposit • No bank or credit union guarantee Not insured by any Federal government agency