

Employee Stock Ownership Plans

According to the Employee Ownership Foundation's 15th Annual ESOP Economic Performance Survey, **91 percent of respondents said that creating employee ownership through an ESOP was "a good business decision that has helped the company."** Sixty-eight percent of respondents said the ESOP improved overall productivity of the company's employees, and 72 percent also indicated they outperformed the Dow Jones Industrial Average, the NASDAQ Composite, and the S&P 500.

The Principal provides administrative and consulting services to more than 700 plans with employer securities, covering both public and private companies. These plans represent over \$16 billion in assets and more than 350,000 participants.

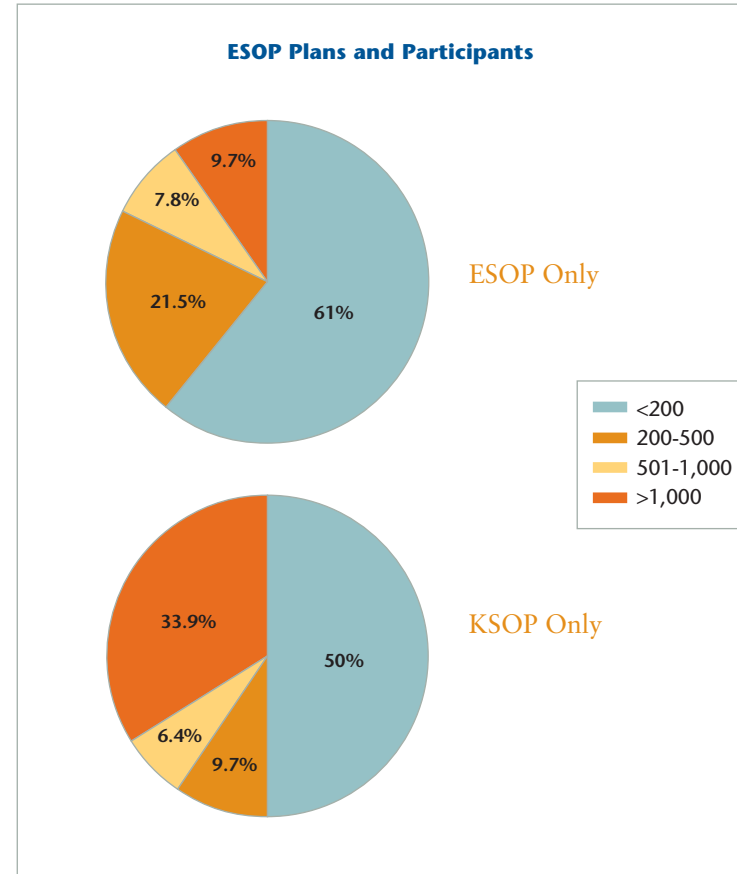
Over 75 percent of plans served by The Principal are Employee Stock Ownership Plans (ESOPs) and another 9 percent are KSOPs. Fifteen percent are considered Employer Securities, where the company stock is an investment option within a 401(k) plan. Roughly 10 percent of these plans with services provided by The Principal are public plans, which is similar to the ratio in the overall market. The Principal provides administrative services to 40 of the top 100 privately held ESOP companies.*

ESOP Fast Facts

*Number of ESOPs with plan services provided by The Principal: **600***

*ESOP assets: **More than \$16 billion***

*ESOP participants: **350,000***



"We know that we can't achieve any of our goals unless our people are fully engaged. That's why we have a stock ownership plan."

— Steve Chapman, chairman, president and CEO, ITAGroup, one of The Principal 10 Best Companies for Employee Financial Security — 2006

*The Employee Ownership 100 published by the NCEO, July 2005