

Guaranteed Interest Account 3 year as of 12/31/2011

Investment Option Description

This investment option* is available under a group annuity contract issued by Principal Life Insurance Company (Principal Life). The investment option provides for a guarantee of principal and interest. Contributions and transfers allocated to this investment option will be credited interest at a guaranteed interest rate Principal Life declares for a set period of time (the Guarantee Period). Guaranteed interest rates for new allocations are subject to change daily, and each amount allocated to the guaranteed interest account will earn interest based on this guaranteed interest rate in effect for the date that the amount is allocated to this guaranteed interest account.** Guarantees are supported by the General Account of Principal Life, but you do not participate in the investment experience or performance of the General Account.

A surrender charge may apply to transfers or withdrawals from an unmatured guaranteed interest account. The reference rate used to determine if a charge applies is equal to the applicable U.S. Treasury rate*** minus 0.50%. A charge applies when the reference rate is higher than the rate being credited to the unmatured funds being transferred or withdrawn. The amount of the surrender charge is calculated as follows: 1) The applicable U.S. Treasury Rate minus 0.50% minus the rate being credited, multiplied by 2) The number of years and fractional parts of a year left in the Guarantee Period, multiplied by 3) The amount being surrendered. A surrender charge may not apply to withdrawals due to retirement, termination of employment, disability, or death.

Disclosure

The crediting rate history displayed on this fact sheet for the guaranteed interest account is based on past interest rates and does not guarantee future rates. Current rates may be lower or higher than what is shown here. For more information, visit principal.com, contact your representative of The Principal, or call our Participant Contact Center at 1-800-547-7754. The complete provisions of this option are contained in the group annuity contract issued by Principal Life.

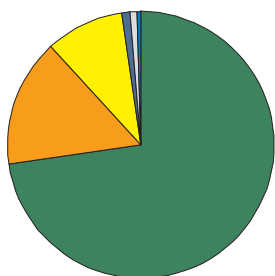
Crediting Rate History	12/31/2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
3 Year Rate	0.050	0.500	0.150	0.400	2.550	2.750	2.750	1.700	0.550	0.350	2.400

Operations

Total Net Assets (mil) **\$56,516.24**

General Account Information#

Composition as of 09/30/2011



% of Assets

Bonds	72.70
Mortgage Loans	15.50
Other	9.50
Stocks	1.00
Cash	0.80
Real Estate	0.50

Guaranteed Interest Account

Crediting Rates

Guarantee Period	12/31 2011	09/30 2011	12/31 2010
3 Year Rate	0.05	0.20	0.50

Guaranteed rates for new deposits are subject to change daily

Financial Strength Ratings of Principal Life Insurance Company

Moody's	Aa3
S&P	A
Fitch	AA-
A.M. Best	A+

Nationally recognized statistical rating organizations (NRSROs) publish financial strength ratings of U.S. life insurance companies that are indicators of an insurance company's ability to meet contractholder and policyholder obligations. Such ratings are not a recommendation to buy, sell or hold an investment, are subject to withdrawal or revision at any time by the assigning NRSRO, and each rating should be evaluated independently of any other rating. The table above sets out Principal Life's financial strength ratings and the assigning NRSRO as of 12/31/2011. Current rating information is available at principal.com.

Guarantees are backed by all the assets in the Principal Life multi-billion dollar General Account, which invests in private market bonds, commercial mortgages and mortgage-backed securities. However, money you allocate to a guaranteed interest account does not entitle you to participate in the investment experience or performance of the General Account.

*Guaranteed interest account refers to the Guaranteed Interest Account of the Accumulation Group Annuity Contract available from Principal Life, Des Moines, IA 50392.

**The guaranteed interest rate for each guaranteed interest account is based on the amount and timing of your contributions and transfers during the period for which such contributions and transfers may be made to the guaranteed interest account (Deposit Year) yielding a Composite Guaranteed Rate. Each allocation to the guaranteed interest account receives a guaranteed interest rate. Contributions and transfers may be made to a guaranteed interest account for a set period of time known as a Deposit Year. At the end of a Deposit Year, that year's guaranteed interest account closes to contributions and transfers. For the remainder of the Guarantee Period, each guaranteed interest account will then earn the Composite Guaranteed Rate, which is derived based on the amount and timing of contributions and transfers during the first Deposit Year, compounded annually, until the end of the Guarantee Period. The Composite Guaranteed Rate is also used in the calculation of the surrender charge that applies to withdrawals or transfers from an unmatured guaranteed interest account.

***The applicable U.S. Treasury Rate means the yield associated with the average of accepted bids for the U.S. bonds, notes, or bills which will mature on the date the guaranteed interest account would have matured. This yield will be provided by Bloomberg or a similar credible publication or agency that provides such information.

#The holdings information on this fact sheet represents that of the entire General Account of Principal Life.