

U.S. Property Separate Account-R6 as of 03/31/2014

Investment Strategy

The investment invests the majority of assets in commercial real estate holdings. It focuses on properties that return both lease income and appreciation of the buildings' marketable value. The property holdings usually contain real estate from the multi-family, office, warehouse/manufacturing, and retail sectors. This investment option is subject to investment and liquidity risk and other risks inherent in real estate such as those associated with general and local economic conditions. You may not be able to immediately withdraw funds contributed to this Separate Account. A contractual limitation in the group annuity contract that provides access to this Separate Account may be implemented, which will allow management of this Separate Account, and satisfy withdrawal requests over time and fairly amongst all those who request a withdrawal.

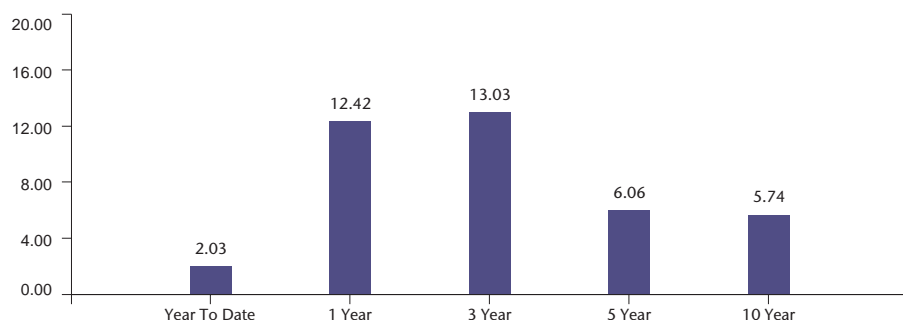


Portfolio managers

John Berg Since 12/01/2003. M.B.A., University of Iowa

Long-term returns % as of 03/31/2014

■ U.S. Property Separate Account-R6



Performance disclosure

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed, may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown. For more performance information, including most recent month-end performance, visit principal.com, contact your representative of The Principal, or call our Participant Contact Center at 1-800-547-7754.

| Long Term Returns | Year To Date | 1 Year | 3 Year | 5 Year | 10 Year |
|-------------------|--------------|--------|--------|--------|---------|
| Total Return % | 2.03 | 12.42 | 13.03 | 6.06 | 5.74 |

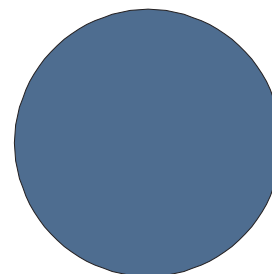
| Annual Returns | 2013 | 2012 | 2011 | 2010 | 2009 |
|----------------|-------|-------|-------|-------|--------|
| Total Return % | 13.32 | 11.47 | 15.34 | 15.93 | -31.59 |

Operations

| | |
|--------------------------------|------------|
| Total Investment Expense Net | 1.15% |
| Total Investment Expense Gross | 1.15% |
| Inception Date | 01/01/1982 |
| Total Net Assets (mil) | \$4,893.15 |

Portfolio information

Composition as of 02/28/2014



% of Assets

| | |
|-------|--------|
| Other | 100.00 |
|-------|--------|

Analysis

| | |
|-----------------------|-----|
| Total Number of Hldgs | 117 |
|-----------------------|-----|

Portfolio composition

Top ten holdings % of net assets

| | |
|-----------------------------------|------|
| Office New York, NY | 4.86 |
| Multi-family/Retail Cambridge, MA | 4.19 |
| Office Seattle, WA | 3.44 |
| Office/Land Houston, TX | 3.38 |
| Retail Los Angeles, CA | 3.38 |
| Office Cambridge, MA | 3.07 |
| Multi-family/Retail Austin, TX | 2.77 |
| Hotel San Antonio, TX | 2.77 |
| Office Washington, D.C. | 2.76 |
| Multi-family New York, NY | 2.42 |

% of net assets in top ten holdings* 33.04%

*Values may exceed 100% if both long and short positions are included in the portfolio.

Geographical diversity

| | % of properties |
|---------|-----------------|
| West | 38.25 |
| South | 27.59 |
| East | 24.58 |
| Midwest | 9.58 |

Property type

| | % of account |
|-----------------|--------------|
| Office | 42.35 |
| Retail | 18.58 |
| Apartments | 17.30 |
| Industrial Park | 17.24 |
| Other | 4.53 |

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Returns shown for periods of less than one year are not annualized. All returns displayed here are after Total Investment Expense of the investment option. Annualized total returns measure net investment income and capital gain or loss from portfolio investments as an annualized average, assuming the reinvestment of dividends, and without adjusting for loads.

Insurance products and plan administrative services, if applicable, are provided by Principal Life Insurance Company. Principal Life is a member of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths. Principal Life Insurance Company reserves the right to defer payments or transfers from Principal Life Separate Accounts as described in the group annuity contract providing access to the Separate Account of as required by applicable law. Such deferment will be based on factors that may include situations such as: unstable or disorderly financial markets; investment conditions which do not allow for orderly investment transactions; or investment, liquidity, and other risks inherent in real estate (such as those associated with general and local economic conditions). If you elect to allocate funds to a Separate Account, you may not be able to immediately withdraw them.

Before directing retirement funds to a separate account, investors should carefully consider the investment objectives, risks, charges and expenses of the separate account as well as their individual risk tolerance, time horizon and goals. For additional information contact us at 1-800-547-7754 or by visiting principal.com.

Due to the unique composition of the portfolio, Morningstar does not track an index or peer group that provides an appropriate comparison for this Separate Account.

Portfolio holdings are subject to change and companies referenced in this report may not currently be held. Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk. For a complete list of the most recent publicly available holdings visit principal.com.

Past performance is no guarantee of future results. Market indices have been provided for comparison purposes only. They are unmanaged and do not reflect fees or expenses. Individuals cannot invest directly in an index.

This investment option is subject to investment and liquidity risk and other risks inherent in real estate such as those associated with general and local economic conditions. If you elect to contribute funds into the U.S. Property Separate Account, withdrawals may be delayed for up to 3 years.