

PRINCIPAL FINANCIAL GROUP INC

Form 424B5

June 14, 2004

Pricing Supplement Dated 06/11/2004  
 (To Prospectus dated March 5, 2004, and  
 Prospectus Supplement dated March 5, 2004)

Filed pursuant to Rule 424(b)(5)  
 Registration Statement No. 333-110499 and  
 333-110499-01  
 CUSIP: 74254PAY8

Principal Life Insurance Company  
 Principal® Life CoreNotes® (Callable)  
 Issued Through  
 Principal Life Income Fundings Trust 2004-17 (the Trust )

The description of this pricing supplement of the particular terms of the Principal® Life CoreNotes® offered hereby, and the Funding Agreement (specified below) sold by Principal Life Insurance Company to the Trust (specified herein), the payment obligations of which are fully and unconditionally guaranteed by the Guarantee (specified below) issued by Principal Financial Group, Inc. to the Trust, supplements the description of the general terms and provisions of the notes, the funding agreements and the guarantees set forth in the accompanying prospectus and prospectus supplement, to which reference is hereby made.

**1. The Notes**

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Principal Amount:	\$6,007,000.0	Purchasing Agent Discount:	2.000%
Issue Price:	100.0%	Original Issue Date:	06/16/2004
Net Proceeds to the Trust:	\$5,886,860.0	Stated Maturity Date:	06/17/2019

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Interest Payment Dates: The 15th day of every sixth month commencing on 12/15/2004.

Initial Interest Payment Date: 12/15/2004

Regular Record Date: The 1st day of every sixth month commencing on 12/01/2004.

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Notes:  Yes  No. If, Yes,

Interest Rate: 6.00%

Floating Rate Notes:  Yes  No. If, Yes,

Regular Floating Rate Notes:  Yes  No. If, Yes,  
Interest Rate:  
Interest Rate  
Basis(es):

Floating Rate/Fixed Rate Note:  Yes  No. If, Yes,  
Floating Interest  
Rate:  
Interest Rate  
Basis(es):  
Fixed Interest Rate:  
Fixed Rate Commencement  
Date:

Initial Interest Rate, if any: N/A

Initial Interest Reset Date: N/A

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*CoreNotes*® is a registered service mark of Merrill Lynch & Co.

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Interest Rate Basis(es). Check all that apply: N/A

- CD Rate
- Commercial Paper Rate
- Treasury Rate
- Other (See Attached)

CMT Rate  
 LIBOR  
 Prime Rate

If LIBOR:       LIBOR Reuters Page       LIBOR Moneyline Telerate Page  
 LIBOR Currency:

If CMT Rate:  
 Designated CMT Telerate Page:  
 Weekly Average       Monthly Average  
 If 7052: Designated CMT Maturity Index:

Index  
 Maturity: N/A  
 Spread (+/-): N/A  
 Spread Multiplier: N/A  
 Interest Reset  
 Date(s): N/A  
 Interest Rate Determination Date(s): N/A  
 Maximum Interest Rate, if any: N/A  
 Minimum Interest Rate, if any: N/A

Calculation Agent: Citibank, N.A.

Computation of Interest: N/A

(not applicable unless different than as specified in the prospectus and prospectus supplement)

Day Count: N/A

Convention: (not applicable unless different than as specified in the prospectus and prospectus supplement)

Discount Note:       Yes       No      If, Yes,

Total Amount of Discount:  
 Initial Accrual Period of Discount:  
 Additional/Other Terms:

Terms of Survivor's Option:  
 Annual Put Limitation:

		<input checked="" type="checkbox"/> \$2,000,000 or 2%;	
		or	
		<input type="checkbox"/> \$__ or __%	
Individual Put Limitation:		<input checked="" type="checkbox"/> \$250,000; or	
		<input type="checkbox"/> \$__	
Trust Put Limitation:		<input checked="" type="checkbox"/> 2%; or \$ _	
Redemption Provisions:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No.	If, Yes,
Initial Redemption Date:	06/15/2007		
Redemption:	<input checked="" type="checkbox"/> In whole only and not in part		
	<input type="checkbox"/> May be in whole or in part		
Additional Other Terms:	Any redemption date will be an Interest Payment Date falling on or after the Initial Redemption Date		
Repayment:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No.	If, Yes,
Repayment Date(s):			
Repayment Price:			
Repayment:	<input type="checkbox"/> In whole only and not in part		
	<input type="checkbox"/> May be in whole or in part		
Additional Other Terms:			
Sinking Fund (not applicable unless specified):	N/A		
Securities Exchange Listing:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No.	If, Yes, Name of Exchange:
Authorized Denominations:		\$1,000	

## Ratings:

The Notes issued under the Program are rated AA by Standard & Poor's ( S&P ).

Principal Life expects the Notes to be rated Aa3 by Moody's Investors Service, Inc. ( Moody's ).

Purchasing Agent(s) Purchasing Notes as  Yes  No. If Yes,  
Principal:

Purchasing Agent(s)	Principal Amount
Merrill Lynch	\$6,007,000.0
Total:	\$6,007,000.0

State of Organization of the Trust: New York

Additional/Other Terms: None

Special Tax Considerations: None

## **2. The Funding Agreement**

Funding Agreement Issuer: Principal Life Insurance Company

Funding Agreement No.: 5-16301

Deposit: \$6,007,015.0

Net Deposit: \$5,886,860.0

Effective Date: 06/16/2004

Stated Maturity Date: 06/17/2019

Interest Payment Dates: The 15th day of every sixth month commencing on 12/15/2004.

Initial Interest Payment Date: 12/15/2004

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Funding Agreement:  Yes  No. If Yes,

Interest Rate: 6.00%

Floating Rate Funding Agreement:  Yes  No. If Yes,

Regular Floating Rate Funding Agreement:     Yes                       No.                      If Yes,  
Interest Rate:  
Interest Rate Basis(es):

Floating Rate/Fixed Rate Funding Agreement:  Yes                       No.                      If Yes,  
Floating Interest Rate:  
Interest Rate Basis(es):  
Fixed Interest Rate:  
Fixed Rate Commencement Date:

Initial Interest Rate, if any:                      N/A

Initial Interest Reset Date:                      N/A

Interest Rate Basis(es). Check all that apply:                      N/A  
    CD Rate                                       CMT Rate  
    Commercial Paper Rate                       LIBOR  
    Treasury Rate                                       Prime Rate  
    Other (See Attached)

If LIBOR:                       LIBOR Reuters Page                       LIBOR Moneyline Telerate Page  
   LIBOR Currency:

If CMT Rate:  
Designated CMT Telerate Page:  
If 7052:                       Weekly Average                       Monthly Average  
Designated CMT Maturity Index:

Index Maturity: N/A

Spread (+/-): N/A

Spread Multiplier: N/A

Interest Reset Date(s): N/A

Interest Rate Determination Date(s): N/A

Maximum Interest Rate, if any: N/A

Minimum Interest Rate, if any: N/A

Computation of Interest: N/A  
(not applicable unless different than as specified in the prospectus and prospectus supplement)

Day Count Convention: N/A  
(not applicable unless different than as specified in the prospectus and prospectus supplement)

Discount Funding Agreement:  Yes  No. If Yes,  
 Total Amount of Discount:  
 Initial Accrual Period of Discount:  
 Additional/Other Terms:

Terms of Survivor's Option:  
 Annual Put Limitation:  \$2,000,000 or 2%; or  
 \$ \_\_\_\_\_ or %  
 Individual Put Limitation:  \$250,000; or  
 \$ \_\_\_\_\_  
 Trust Put Limitation:  2%; or \$ \_\_\_\_\_

Redemption:  Yes  No. If Yes,  
 Initial Redemption Date: 06/15/2007  
 Redemption:  In whole only and not in part  
 May be in whole or in part  
 Additional Other Terms: Any redemption date will be an Interest Payment Date falling on or after the Initial Redemption Date.

Repayment:  Yes  No. If Yes,  
 Repayment Date(s):  
 Repayment Price:  
 Repayment:  In whole only and not in part  
 May be in whole or in part  
 Additional Other Terms:

N/A



Sinking Fund (not applicable unless specified):

Ratings:

The Funding Agreement issued under the Program is rated AA by S&P.

Principal Life expects the Funding Agreement to be rated Aa3 by Moody's.

Additional/Other Terms: None

Special Tax Considerations: None

### **3. The Guarantee**

Guarantee Issuer: Principal Financial Group, Inc.

Effective Date: 06/16/2004

Additional/Other Terms: None