

PRINCIPAL FINANCIAL GROUP INC

Form 424B2

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)(2)  
 Registration Statement No. 333-110499 and  
 333-110499-01  
 CUSIP: 74254PAW2

Principal Life Insurance Company  
 Principal® Life CoreNotes®  
 Issued Through  
 Principal Life Income Fundings Trust 2004-15 (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:          | \$682,000.0 | Purchasing Agent Discount: | 1.500%     |
| Issue Price:               | 100.0%      | Original Issue Date:       | 06/16/2004 |
| Net Proceeds to the Trust: | \$671,770.0 | Stated Maturity Date:      | 06/16/2014 |

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Interest Payment Dates: The 15th day of every third month commencing on 09/15/2004.

Initial Interest Payment Date: 09/15/2004

Regular Record Date: The 1st day of every third month commencing on 09/01/2004.

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Notes:  Yes  No. If, Yes,

Interest Rate: 5.30%

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.

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:  
 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

Calculation Agent: Citibank, N.A.

Computation of Interest: N/A

Interest:

(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:  \$2,000,000 or

2%; or

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Individual Put Limitation:  \$\_\_ or \_\_%  
 \$250,000; or

Trust Put Limitation:  \$\_\_  
 2%; or \$ \_

Redemption Provisions:  Yes  No. If, Yes,  
Initial Redemption Date: NC  
Redemption:  In whole only and not in part  
 May be in whole or in part

Additional Other Terms:

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:

Sinking Fund (not applicable unless specified): N/A

Securities Exchange Listing:  Yes  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 Principal:  Yes  No If yes:

| Purchasing Agent(s) | Principal Amount    |
|---------------------|---------------------|
| Merrill Lynch       | \$ 682,000.0        |
| <b>Total:</b>       | <b>\$ 682,000.0</b> |

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.: 7-06135

Deposit: \$682,015.0

Net Deposit: \$671,770.0

Effective Date: 06/16/2004

Stated Maturity Date: 06/16/2014

Interest Payment Dates: The 15th day of every third month commencing on 09/15/2004.

Initial Interest Payment Date: 09/15/2004

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Funding Agreement:  Yes  No. If, Yes,

Interest Rate: 5.30%

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        N/A

Date:

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

CD Rate

Commercial Paper Rate

Treasury Rate

Other (See Attached)

If LIBOR:

LIBOR

Reuters Page

LIBOR

Currency:

If CMT Rate:

Designated CMT Telerate Page:

If 7052:                     Weekly Average  Monthly Average

Designated CMT Maturity Index:

CMT Rate

LIBOR

Prime Rate

LIBOR Moneyline Telerate Page

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: NC  
 Redemption:  In whole only and not in part  
 May be in whole or in part

Additional Other Terms:

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:

Sinking Fund (not applicable unless specified): N/A

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: None

Considerations:

**3. The Guarantee**

Guarantee Issuer: Principal Financial Group, Inc.



Effective Date: 06/16/2004  
Additional/ Other Terms: None