Pricing Supplement Dated 08/27/2004 (To Prospectus dated March 5, 2004, and Prospectus Supplement dated March 5, 2004)

CUSIP: 74254PBZ4



Principal Life Insurance Company Principal[®] Life CoreNotes[®](Callable) Issued Through Principal Life Income Fundings Trust 2004-41 (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

Principal Amount:	\$4,190,000.0	Purchasing A	gent(s) Discount:	2.000%
Issue Price:	100.0%	Original Issue	Date:	09/01/2004
Net Proceeds to the Trust:	\$4,106,200.0	Stated Maturity Date:		09/16/2019
Interest Payment Dates:	The 15th day of e	very sixth month cor	nmencing on 03/15/2005.	
Initial Interest Payment Date:	03/15/2005			
Regular Record Date:	The 1st day of ev	ery sixth month com	mencing on 03/01/2005.	
Type of Interest Rate:	⊠ Fixed Rate	o Floating Rate		
Fixed Rate Notes:	⊠ Yes	o No.	If, Yes,	
Interest Rate:	5.50%			
Floating Rate Notes:	o Yes	🗵 No.	If, Yes,	
Regular Floating Rate Notes: Interest Rate: Interest Rate Basis(es):	o Yes	o No.	If, Yes,	
Floating Rate/Fixed Rate Note: Floating Interest Rate: Interest Rate Basis(es): Fixed Interest Rate: Fixed Rate Commencement Date:	o Yes	o No.	If, Yes,	
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 o CD Rate o CMT Rate o LIBORs o EURIBOR o Prime Rate	o Commercial I o Eleventh Dist o Federal Funds o Treasury Rate o Other (See At	rict Cost of Funds Rate s Rate
If LIBOR:	o LIBOR Reuters Page LIBOR Currency:	o LIBOR Mone	yline Telerate Page
If CMT Rate: Designated CMT Telerate Page: If 7052: Designated CMT Maturity Index:	o Weekly Average	o Monthly Aver	age
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: (not applicable unless different than as specified in th Day Count Convention: (not applicable unless different than as specified in th	N/A		
Discount Note: Total Amount of Discount: Initial Accrual Period of Discount: Additional/Other Terms:	o Yes	🖾 No.	If, Yes,
Terms of Survivor's Option: Annual Put Limitation:		⊠ \$2,000,000 c o \$ ⊠ \$250,000; or	or_%
Individual Put Limitation:		o \$	
Trust Put Limitation:	_	⊠ 2%; or \$	
Redemption Provisions: Initial Redemption Date: Redemption:	 ☑ Yes 09/15/2007 ☑ In whole only and no o May be in whole or in 		If, Yes,
Additional Other Terms:			Payment Date falling on or after the Initial Redemption Date
Repayment: Repayment Date(s): Repayment Price:	o Yes	⊠ No.	If, Yes,
Repayment:	o In whole only and no o May be in whole or in		
Additional/Other Terms:			
Sinking Fund (not applicable unless specified):	N/A		
Securities Exchange Listing:	o Yes	⊠ No.	If, Yes, Name of Exchange:
Authorized Denominations:	\$1,000		
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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 Agents Purcha	sing Notes as Principal:	🗵 Yes	o No.	If, Yes,
	Purchasing Agent(s)			Principal Amount
	Merrill Lynch			\$4,190,000.0
	Total:			\$4,190,000.0
State of Organization of th	e Trust:	New York		
Additional/Other Terms:		None		
Special Tax Consideration	s:	None		
2. The Funding Agreeme	nt			
Funding Agreement Issuer	:	Principal Life Insu	rance Company	y
Funding Agreement No.:		4-51244		
Deposit:		\$4,190,015.0		
Net Deposit:		\$4,106,200.0		
Effective Date:		09/01/2004		
Stated Maturity Date:		09/16/2019		
Interest Payment Dates:		The 15th day of ev	ery sixth mont	h commencing on 03/15/2005.
Initial Interest Payment Da	ate:	03/15/2005		
Type of Interest Rate:		⊠ Fixed Rate	o Floating	Rate
Fixed Rate Funding A	greement:	⊠ Yes	o No.	If, Yes,
Interest Rate:		5.50%		
Floating Rate Funding	Agreement:	o Yes	🛛 No.	If, Yes,
Regular Floating R Interest Rate: Interest Rate B	ate Funding Agreement: asis(es):	o Yes	o No.	If, Yes,
Floating Interes Interest Rate B Fixed Interest I	asis(es):	o Yes	o No.	If, Yes,
Initial Interest Rate	e, if any:	N/A		
Initial Interest Res	et Date:	N/A		
Interest Rate Basis	(es). Check all that apply:	N/A o CD Rate o CMT Rate o LIBORs o EURIBOR o Prime Rate		o Commercial Paper Rate o Eleventh District Cost of Funds Rate o Federal Funds Rate o Treasury Rate o Other (See Attached)
If LIBOR:		o LIBOR Reuters LIBOR Current		o LIBOR Moneyline Telerate Page
If 7052	CMT Telerate Page: : CMT Maturity Index:	o Weekly Average		o Monthly Average



	Index Metalita	NT/A		
	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		
(not aj Day C	utation of Interest: oplicable unless different than as specified in the prospectus ount Convention: oplicable unless different than as specified in the prospectus	N/A		
Disco	ant Funding Agreement: Total Amount of Discount: Initial Accrual Period of Discount: Additional/Other Terms:	o Yes	⊠ No.	If, Yes,
Terms	of Survivor's Option: Annual Put Limitation:		⊠ \$2,000,000 or 2%; or	
			o \$0r_%	
	Individual Put Limitation:		⊠ \$250,000; or o \$ ⊠ 2%; or \$	
	Trust Put Limitation:		⊠ 2%; or \$	
Reden	untion.	🗵 Yes	o No.	If, Yes,
	Initial Redemption Date: Redemption: Additional Other Terms:	09/15/2007 ⊠ In whole only and no o May be in whole or ir	ot in part 1 part	t Date falling on or after the Initial
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Repay	Initial Redemption Date: Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified):	09/15/2007 ⊠ In whole only and no o May be in whole or in Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or in	ot in part 1 part ill be an Interest Paymen ⊠ No. : in part	t Date falling on or after the Initial
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Repay Sinkin Rating T P Additi	Initial Redemption Date: Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): gs: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa	09/15/2007 ⊠ In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. B by Moody's.	ot in part 1 part ill be an Interest Paymen ⊠ No. : in part	t Date falling on or after the Initial
Repay Sinkin Rating T P Additi Specia	Initial Redemption Date: Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): gs: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms:	09/15/2007 ⊠ In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. a by Moody's. None	ot in part 1 part ill be an Interest Paymen ⊠ No. : in part	t Date falling on or after the Initial
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Repay Sinkin Rating T P Additi Specia 3. The Guara	Initial Redemption Date: Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): gs: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: al Tax Considerations: g Guarantee	09/15/2007 ⊠ In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. a by Moody's. None None	ot in part a part ill be an Interest Paymen ⊠ No. a in part a part	t Date falling on or after the Initial
Repay Sinkin Rating T P Additi Specia 3. The Guara Effect	Initial Redemption Date: Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: ag Fund (not applicable unless specified): as: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: al Tax Considerations: e Guarantee ntee Issuer:	09/15/2007 ⊠ In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. a by Moody's. None None Principal Financial Grou	ot in part a part ill be an Interest Paymen ⊠ No. a in part a part	t Date falling on or after the Initial