



Principal Life Insurance Company
Principal® Life CoreNotes®
Issued Through
Principal Life Income Fundings Trust 2004-12 (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:	\$800,000.0	Purchasing Agent Discount:	1.100%
Issue Price:	100.0%	Original Issue Date:	06/09/2004
Net Proceeds to the Trust:	\$791,200.0	Stated Maturity Date:	06/15/2010

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:	<input checked="" type="checkbox"/> Fixed Rate	<input type="checkbox"/> Floating Rate	
Fixed Rate Notes:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes,
Interest Rate:	4.50%		
Floating Rate Notes:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes,
Regular Floating Rate Notes:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes,
Interest Rate:			
Interest Rate Basis(es):			
Floating Rate/Fixed Rate Note:	<input type="checkbox"/> Yes	<input type="checkbox"/> 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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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

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 Convention: N/A
 (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
 \$_____ or %
 Individual Put Limitation: \$250,000; or
 \$_____
 Trust Put Limitation: 2%; or \$_____

Redemption Provisions: Yes No If Yes,

Initial Redemption Date:
 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	\$800,000.0
Total:	\$800,000.0

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.: 7-06132

Deposit: \$800,015.0

Net Deposit: \$791,200.0

Effective Date: 06/09/2004

Stated Maturity Date: 06/15/2010

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: 4.50%

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

<input type="checkbox"/> CD Rate	<input type="checkbox"/> CMT Rate
<input type="checkbox"/> Commercial Paper Rate	<input type="checkbox"/> LIBOR
<input type="checkbox"/> Treasury Rate	<input type="checkbox"/> Prime Rate
<input type="checkbox"/> Other (See Attached)	

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

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:
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 Considerations: None

3. The Guarantee

Guarantee Issuer: Principal Financial Group, Inc.

Effective Date: 06/09/2004

Additional/Other Terms: None