

CUSIP: 74254PWT5



Principal Life Insurance Company
 Principal® Life (Callable) (That are also Asset-Backed Securities) Issued Through and Obligations of
 Principal Life Income 2008-32 (the "Trust" and "Issuing Entity")

The description of this pricing supplement of the particular terms of the Principal® Life offered hereby, and the Funding Agreement (specified below) issued by Principal Life Insurance Company ("Principal Life") to the Trust, 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:	TBD	Purchasing Agent Discount:	1.750%
Issue Price:	100.0%	Original Issue Date:	4/25/2008
Net Proceeds to the Trust:	TBD	Stated Maturity Date:	4/15/2020

Interest Payment Dates: The 15th day of every sixth month commencing on 10/15/2008

Initial Interest Payment Date: 10/15/2008

Regular Record Date: 15 calendar days prior to the Interest Payment Date

Type of Interest Rate: Fixed Rate Floating Rate

Interest Rate: 6.05%

Discount Note: Yes No

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: 7/15/2011

Redemption: In whole only and not in part

May be in whole or in part

Additional Other Terms: Any redemption date will be the 15th day of every sixth month commencing on 7/15/2011. If a redemption date falls on a day that is not a business day, the trust will make the required payment of principal and interest on the next succeeding business day.

Repayment: Yes No

Authorized Denominations: \$1,000

*“Principal[®]” is a registered service mark of Principal Financial Services, Inc. and is used under license.
“ registered service mark of Merrill Lynch & Co.*

Ratings:

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

Principal Life expects the Notes to be rated Aa2 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	TBD
Total:	<i>TBD</i>

State of Organization of the Trust: New York

Additional/Other Terms: None

2. The Funding Agreement

Funding Agreement Issuer: Principal Life Insurance Company

Funding Agreement No.: 7-9735

Deposit: \$15.0

Net Deposit: TBD

Effective Date: 4/25/2008

Stated Maturity Date: 4/15/2020

Interest Payment Dates: The 15th day of every sixth month commencing on 10/15/2008

Initial Interest Payment Date: 10/15/2008

Type of Interest Rate: Fixed Rate Floating Rate

Interest Rate: 6.05%

Discount Funding Agreement: Yes No

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: 7/15/2011
Redemption: In whole only and not in part
 May be in whole or in part
Additional Other Terms: Any redemption date will be the 15th day of every sixth month commencing on 7/15/2011. If a redemption date falls on a day that is not a business day, the trust will make the required payment of principal and interest on the next succeeding business day.

Repayment: Yes No

Ratings:

The Funding Agreement issued under the Program is rated AA by S&P.
Principal Life expects the Funding Agreement to be rated Aa2 by Moody's.

Additional/Other Terms: None

3. The Guarantee

Guarantee Issuer: Principal Financial Group, Inc.

Effective Date: 4/25/2008

Additional/Other Terms: None