Pricing Supplement Dated 09/10/2004 (To Prospectus dated March 5, 2004, and Prospectus Supplement dated March 5, 2004)

CUSIP: 74254PCD2



Principal Life Insurance Company Principal[®] Life CoreNotes[®] (Callable) Issued Through Principal Life Income Fundings Trust 2004-45 (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:	\$3,133,000.0	Purchas	ing Agent Discount:	0.750%	
Issue Price:	100.0%	Original	Issue Date:	09/15/2004	
Net Proceeds to the Trust:	\$3,109,502.5	Stated Maturity Date:		09/15/2008	
Interest Payment Dates:	The 15th day of	every sixth mon	th commencing on 03/15/2005.		
Initial Interest Payment Date:	03/15/2005	5	U U		
Regular Record Date:	The 1st day of e	The 1st day of every sixth month commencing on 03/01/2005.			
Type of Interest Rate:	⊠ Fixed Rate	o Floating Ra	te		
Fixed Rate Notes:	🗵 Yes	o No.	If, Yes,		
Interest Rate:	3.70%				
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/ o CD Rate o Commercial Paper Rate o Treasury Rate o Other (See Attached)	A o CMT Rate o LIBOR o Prime Rate	
If LIBOR:	o LIBOR Reuters Page LIBOR Currency:	o LIBOR Moneyline Te	lerate Page
If CMT Rate: Designated CMT Telerate Page: If 7052: Designated CMT Maturity Index:	o Weekly Average	o Monthly Average	
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 t Day Count Convention: (not applicable unless different than as specified in t	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: Individual Put Limitation: Trust Put Limitation:		 ☑ \$2,000,000 or 2%; or o \$or_% ☑ \$250,000; or o \$ ☑ 2%; or \$ 	r
Redemption Provisions: Initial Redemption Date: Redemption: Additional Other Terms:	 ☑ Yes 09/15/2005 ☑ In whole only and not in p o May be in whole or in part Any redemption date will be 	o No. part	If, Yes, e falling on or after the Initial Redemption Date.
Repayment:	o Yes	⊠ No.	If, Yes,
Repayment Date(s): Repayment Price: Repayment:	o In whole only and not in p o May be in whole or in part	art	
Additional/Other Terms:	- 1		
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 Aa2 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 Total:			\$ <u>3,133,000.0</u> \$ <u>3,133,000.0</u>
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 Insurar	ice Company	7
Funding Agreement No.:		4-51248		
Deposit:		\$3,133,015.0		
Net Deposit:		\$3,109,502.5		
Effective Date:		09/15/2004		
Stated Maturity Date:		09/15/2008		
Interest Payment Dates:		The 15th day of every	y sixth month	commencing on 03/15/2005.
Initial Interest Payment Da	ate:	03/15/2005		
Type of Interest Rate:		⊠ Fixed Rate	o Floating I	Rate
Fixed Rate Funding Ag	greement:	⊠ Yes	o No.	If, Yes,
Interest Rate:		3.70%		
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 Rese	et Date:	N/A		
Interest Rate Basis	(es). Check all that apply:	o CD Rate o Commercial Paper Rate o Treasury Rate o Other (See Attached)	N/A	o CMT Rate o LIBOR o Prime Rate
If LIBOR:		o LIBOR Reuters Page LIBOR Currency:		o LIBOR Moneyline Telerate Page
If 7052:	CMT Telerate Page: : CMT Maturity Index:	o Weekly Average		o Monthly Average

		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 ar 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		
Discou	int 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%; o	r
			o \$%	
	Individual Put Limitation:		⊠ \$250,000; or o \$ ⊠ 2%; or \$	
	Trust Put Limitation:		⊠ 2%; or \$	
Reden	nption: Initial Redemption Date: Redemption: Additional Other Terms:	 ☑ Yes 09/15/2005 ☑ In whole only and no o May be in whole or ir Any redemption date w Redemption Date. 	n part	If, Yes, t Date falling on or after the Initial
			_	If, Yes,
Repay	ment:	o Yes	🗵 No.	11, 165,
Repay	Repayment Date(s):	o Yes	⊠ No.	11, 105,
Repay		o In whole only and not	t in part	11, 125,
Repay	Repayment Date(s): Repayment Price:		t in part	11, 125,
	Repayment Date(s): Repayment Price: Repayment:	o In whole only and not	t in part	11, 125,
	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified):	o In whole only and not o May be in whole or ir	t in part	11, 125,
Sinkin Rating T	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified):	o In whole only and not o May be in whole or ir N/A A by S&P.	t in part	11, 125,
Sinkin Rating T Pi	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A	o In whole only and not o May be in whole or ir N/A A by S&P.	t in part	11, 125,
Sinkin Rating T P Additi	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa	o In whole only and not o May be in whole or ir N/A A by S&P. A by Moody's.	t in part	11, 125,
Sinkin Rating T P Additi Specia	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: the Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms:	o In whole only and not o May be in whole or ir N/A A by S&P. a2 by Moody's. None	t in part	11, 125,
Sinkin Rating T Pr Additi Specia 3. The	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: l Tax Considerations:	o In whole only and not o May be in whole or ir N/A A by S&P. a2 by Moody's. None	t in part 1 part	11, 125,
Sinkin Rating T Pr Additi Specia 3. The Guarat	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: the Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: l Tax Considerations: Guarantee	o In whole only and not o May be in whole or in N/A A by S&P. a2 by Moody's. None None	t in part 1 part	11, 125,
Sinkin Rating T P Additi Specia 3. The Guarat Effecti	Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: l Tax Considerations: Guarantee ntee Issuer:	o In whole only and not o May be in whole or in N/A A by S&P. a2 by Moody's. None None Principal Financial Grou	t in part 1 part	11, 125,