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CUSIP: 74254PBB7

1.200%

06/23/2004

06/15/2011



Principal Life Insurance Company Principal® Life CoreNotes® (Callable) Issued Through

Principal Life Income Fundings Trust 2004-20 (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.

Purchasing Agent Discount:

1. The Notes

Principal Amount:

Issue Price:	100.0%	Original	:			
Net Proceeds to the Trust:	\$5,830,188.0	Stated M	te:			
					_	
Interest Payment Dates:	The 15th day of every sixth month commencing on 12/15/2004.					
Initial Interest Payment Date:	12/15/2004					
Regular Record Date:	The 1st day of every sixth month commencing on 12/01/2004.					
Type of Interest Rate:	⊠ Fixed Rate	o Floating Ra	te			
Fixed Rate Notes:	⊠ Yes	o No	If,	Yes,		
Interest Rate:	5.20%					
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					

\$5,901,000.0

 $[&]quot;Principal @" is a \textit{ registered service mark of Principal Financial Services, Inc. and is used under license." \\$

[&]quot;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 Commercial Paper Rate o LIBOR o Treasury Rate o Prime Rate o Other (See Attached) If LIBOR: o LIBOR Reuters Page o LIBOR Moneyline Telerate Page LIBOR Currency: If CMT Rate: Designated CMT Telerate Page: If 7052: o Weekly Average o Monthly Average Designated CMT Maturity Index: Index Maturity: N/A Spread (+/-): N/A Spread Multiplier: N/A N/A Interest Reset Date(s): 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 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: o 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 o \$_____ or __% Individual Put Limitation: ⊠\$250,000; or o \$_ ⊠ 2%; or Trust Put Limitation: o \$____ Redemption Provisions: ⊠ Yes If, Yes, o No. Initial Redemption Date: 12/15/2005 Redemption: ☑ In whole only and not in part o May be in whole or in part Additional Other Terms: Any redemption date will be an Interest Payment Date 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 part o May be in whole or in part Additional Other Terms: Sinking Fund (not applicable unless specified): N/A Securities Exchange Listing: o Yes ⊠ No. If, Yes, Name of Exchange:

\$1,000

Authorized Denominations:

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:

If 7052:

Designated CMT Maturity Index:

⊠ Yes

o No

If Yes:

Purchasing Ageni(s) Purch	iasing Notes as Principa	1.	△ Ye	:5	0 100	ii res:	
	Purchasing Agent(s)					Pı	rincipal Amount
	Merrill Lynch Total:					\$_ \$	5,901,000.0 5,901,000.0
State of Organization of th	e Trust:	N	ew York				
Additional/Other Terms:		N	one				
Special Tax Consideration	s:	N	one				
2. The Funding Agreeme	nt						
Funding Agreement Issuer	:	Pr	incipal Life Insur	ance Con	npany		
Funding Agreement No.:		5-	16305				
Deposit:		\$5	5,901,015.0				
Net Deposit:		\$5	5,830,188.0				
Effective Date:		06	06/23/2004				
Stated Maturity Date:		06	06/15/2011				
Interest Payment Dates:		Tl	The 15th day of every sixth month commencing on 12/15/2004.				
Initial Interest Payment Da	ate:	12	2/15/2004				
Гуре of Interest Rate:		X	Fixed Rate	o Floating Rate			
Fixed Rate Funding A	greement:	X	Yes	o No.	If, Ye	s,	
Interest Rate:		5.	20%				
Floating Rate Funding Agreement:		0	Yes	⊠ No.	If, Ye	s,	
Regular Floating Rate Funding Agreement: Interest Rate: Interest Rate Basis(es):		: 0	Yes	o No	If, Yes	s,	
Floating Interes Interest Rate B Fixed Interest I	asis(es):	ent: o	Yes	o No	If, Ye	S,	
Initial Interest Rate	e, if any:	N	/A				
Initial Interest Rese	et Date:	N	/A				
o Cor o Trea		CD Ra Comm Treasu	ite ercial Paper Rate ry Rate (See Attached)	N/A	o CMT Rate o LIBOR o Prime Rate		
			R Reuters Page OR Currency:		o LIBOR Moneyli	ine Telera	ate Page
If CMT Rate: Designated If 7052	CMT Telerate Page:	Weekl-	v Average		o Monthly Averag	(P	

o Monthly Average

o Weekly 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			
Computation of Interest: (not applicable unless different than as specified Day Count Convention: (not applicable unless different than as specified	N/A			
Discount 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 \$ or%	or		
Individual Put Limitation:	⊠\$250,000; or o \$			
Trust Put Limitation:	⊠ 2%; or o \$			
Redemption: Initial Redemption Date: Redemption: Additional Other Terms:	☑ Yes12/15/2005☑ In whole only and o May be in whole of Any redemption date	r in part	If, Yes, nent Date 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 part o May be in whole or in part			
Additional Other Terms:	o May be ili wilole ol	i iii pait		
Sinking Fund (not applicable unless specified):	N/A			
Ratings:				
The Funding Agreement issued under the Pro Principal Life expects the Funding Agreemen				
Additional/Other Terms:	None			
Special Tax Considerations:	None			
3. The Guarantee				
Guarantee Issuer:	Principa	ıl Financial Group, Inc.		
Effective Date:	06/23/20	004		
Additional/Other Terms:	None			