

PRINCIPAL FINANCIAL GROUP INC
 Form 4
 March 02, 2005

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 ASCHENBRENNER JOHN E

2. Issuer Name and Ticker or Trading Symbol
 PRINCIPAL FINANCIAL GROUP INC [PFG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 711 HIGH STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/28/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 President - Ins. & Fin. Svcs.

DES MOINES, IA 50392

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/28/2005		A	9,942	A \$ 0 ⁽¹⁾	34,499 ⁽²⁾	D
Common Stock	02/28/2005		M	24,126	A \$ 0 ⁽³⁾	58,625 ⁽²⁾	D
Common Stock	02/28/2005		D	24,126	D \$ 39.02	34,499 ⁽²⁾	D
Common Stock						7,955	I By 401(k) Plan
Common Stock						100	I By Daughter

Common Stock 100 I By Son

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Performance Units	(4)	02/28/2005		M		24,126		02/28/2005	02/28/2005	Common Stock
Employee Stock Option (Right to Buy)	\$ 39.02	02/28/2005		A		108,185		(6)	02/28/2015	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ASCHENBRENNER JOHN E 711 HIGH STREET DES MOINES, IA 50392			President - Ins. & Fin. Svcs.	

Signatures

Joyce N. Hoffman, by Power of Attorney 03/02/2005

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Grant of restricted stock units.
- (2) Includes 1,680 shares acquired pursuant to the Principal Financial Group, Inc. Employee Stock Purchase Plan.
- (3) Settlement of previously deferred vested performance units.

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- (4) Security converts to common stock on a one-for-one basis.
- (5) The reported performance units were acquired pursuant to the Principal Financial Group Long-Term Performance Plan. Units under the Plan will be settled in cash or stock within a five-year period from date of vesting.
- (6) The option vests in three equal annual installments beginning February 28, 2006.
- (7) Stock option grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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