

LAWLER JULIA M
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 *
LAWLER JULIA M

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)
Sr VP & Ch Invst Officer

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)
			Code	V	Amount (A) or Price (D)		
Common Stock	02/28/2005		A		3,502 A \$ 0 ⁽¹⁾	11,488 ⁽²⁾	D
Common Stock	02/28/2005		A		401 A \$ 0 ⁽³⁾	11,889 ⁽²⁾	D
Common Stock	02/28/2005		F		131 D \$ 39.02	11,758 ⁽²⁾	D
Common Stock						914	I By 401(k) Plan

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

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(9-02)

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 Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Performance Units	(4)	02/28/2005		A	401	(5) (5)	Common Stock	401
Employee Stock Option (Right to Buy)	\$ 39.02	02/28/2005		A	38,100	(6) 02/28/2015	Common Stock	38,100

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LAWLER JULIA M 711 HIGH STREET DES MOINES, IA 50392			Sr VP & Ch Invst Officer	

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 1,468 shares acquired pursuant to the Principal Financial Group, Inc. Employee Stock Purchase Plan.

(3) Settlement of vested performance units.

(4) Security converts to common stock on a one-for-one basis.

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- (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 the date of vesting.
- (6) The option vests in three equal 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.