

GERSIE MICHAEL H  
Form 4  
December 20, 2005

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
GERSIE MICHAEL H

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)  
12/16/2005

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Executive Vice President/CFO

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	12/16/2005		A	165 A \$ 0 (1)	34,119 (2)	D	
Common Stock	12/16/2005		A	28 A \$ 0 (1)	3,453 (3)	I	By Spouse
Common Stock					450	I	By 401(k) Plan
Common Stock					223	I	By Spouse's 401(k) Plan

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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)	8. Price or Value of Underlying Securities (Instr. 3 and 4)
Performance Units	(4)	12/16/2005		A	43	(5) (5)	Common Stock	43
Performance Units	(4)	12/16/2005		A	12	(5) (5)	Common Stock	12
Phantom Stock Units	(4)	12/16/2005		A	1.4	(7) (7)	Common Stock	1.4 \$ 4
Phantom Stock Units	(4)					(5) (5)	Common Stock	0

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director 10% Owner Officer Other

GERSIE MICHAEL H  
711 HIGH STREET  
DES MOINES, IA 50392

Executive Vice President/CFO

## Signatures

Joyce N. Hoffman, by Power of Attorney

12/20/2005

\*\*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 2,326 shares acquired pursuant to the Principal Financial Group, Inc. Employee Stock Purchase Plan.
- (3) Includes 1,701 shares acquired pursuant to the Principal Financial Group, Inc. Employee Stock Purchase Plan.
- (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 the date of vesting.
- (6) Corrects prior inadvertent mathematical error.

The reported phantom stock units were acquired pursuant to the Principal Select Savings Excess Plan and may be transferred at any time

- (7) into another investment alternative under the Plan. Interests under the Plan will be settled upon the reporting person's retirement or other termination of service.

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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