

# FORM 4

[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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(f) of the  
Investment Company Act of 1940

1. Name and Address of Reporting Person *			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
<b>MCCAUGHAN JAMES P</b>			<b>PRINCIPAL FINANCIAL GROUP INC [ PFG ]</b>			<input type="checkbox"/> Director <span style="float:right"><input type="checkbox"/> 10% Owner</span> <input checked="" type="checkbox"/> Officer (give title below) <span style="float:right"><input type="checkbox"/> Other (specify below)</span> <b>President - Global Asset Mgmt.</b>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (MM/DD/YYYY)					
			<b>5/6/2011</b>					
711 HIGH STREET			4. If Amendment, Date Original Filed (MM/DD/YYYY)			6. Individual or Joint/Group Filing (Check Applicable Line)		
(Street)						<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
DES MOINES, IA 50392								
(City) (State) (Zip)								

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

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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)			
Common Stock	5/6/2011		M (1)		6586	A	\$27.48	156710 (2)	D
Common Stock	5/6/2011		S (1)		6586	D	\$31.67 (3)	150124 (2)	D

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option (right to buy)	\$27.48	5/6/2011		M (1)		6586		4/29/2005	4/29/2012	Common Stock	6586	\$0	72444	D	

**Explanation of Responses:**

- (1) Pursuant to a 10b5-1 plan adopted February 19, 2011.
- (2) Includes 5,070 shares acquired pursuant to the Principal Financial Group, Inc. Employee Stock Purchase Plan.
- (3) The price reported is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$31.56 to \$31.78. The reporting person undertakes to provide to Principal Financial Group, Inc., any security holder thereof, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth herein.

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCCAUGHAN JAMES P				

711 HIGH STREET  
DES MOINES, IA 50392

President - Global Asset Mgmt.

**Signatures**

Joyce N. Hoffman, by Power of Attorney

5/10/2011

\*\* Signature of Reporting Person

Date

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

\* 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).

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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