PRINCIPAL FINANCIAL GROUP INC

Form 4

August 28, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

3235-0287 Number:

OMB APPROVAL

January 31, Expires: 2005

0.5

Estimated average burden hours per

response...

if no longer subject to Section 16. Form 4 or Form 5

obligations

Check this box

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

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading MCCAUGHAN JAMES P Issuer Symbol PRINCIPAL FINANCIAL GROUP (Check all applicable) INC [PFG] (Last) (First) (Middle) 3. Date of Earliest Transaction Director 10% Owner X_ Officer (give title Other (specify (Month/Day/Year) below)

711 HIGH STREET 08/24/2007 President - Global Asset Mgmt. (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year) Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting Person

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

DES MOINES, IA 50392

(State)

(Zip)

(City)

1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect (Instr. 3) Code Disposed of (D) Beneficially (D) or Indirect Beneficial (Instr. 3, 4 and 5) Ownership (Month/Day/Year) (Instr. 8) Owned (I) Following (Instr. 4) (Instr. 4) Reported

(A) Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

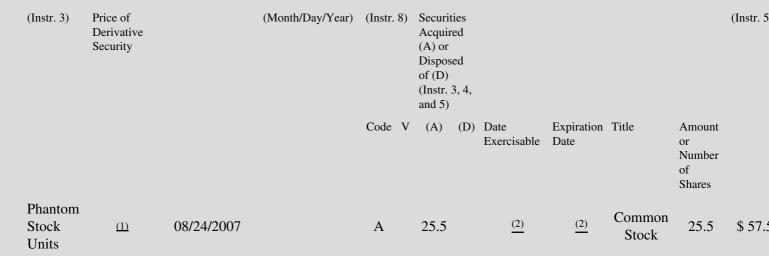
Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5. Number	6. Date Exercisable and	7. Title and Amount of	8. Price
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactionof		Expiration Date	Underlying Securities	Derivati
Security	or Exercise		any	Code	Derivative	(Month/Day/Year)	(Instr. 3 and 4)	Security

Edgar Filing: PRINCIPAL FINANCIAL GROUP INC - Form 4



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

08/28/2007

**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) Security converts to common stock on a one-for-one basis.
- The reported phantom stock units were acquired pursuant to the Principal Select Savings Excess Plan and may be transferred at any time (2) 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. 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.

Reporting Owners 2