KERR WILLIAM T
Form 5
February 14, 2003

FORM 5

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

_ Form 3 Holdings Reported

_ Form 4 Transactions Reported

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

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

OMB APPROVAL

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1. Name and Address of Reporting Person* **Kerr, William T.**	2. Issuer Name **and** Ticker or Trading Symbol **Principal Financial Group, Inc. (PFG)**		6. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director _ 10% Owner _ Officer (give title below) _ Other (specify below)
(Last) (First) (Middle) **711 High Street**	3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)	4. Statement for Month/Year **December 2002**	
(Street) **Des Moines, IA 50392**		5. If Amendment, Date of Original (Month/Year)	7. Individual or Joint/Group Filing (Check Applicable Line) X 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. Trans-action Date (Month/ Day/ Year)	2A. Deemed Execution Date, if any (Month/Day/ Year)	3. Trans-action Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5)			5. Amount of Securities Beneficially Owned at End of Issuer's Fiscal year (Instr. 3 & 4)	6. Owner-ship Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			

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).

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FORM 5 (continued) 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. Conver-sion or Exercise Price of Derivative Security	3. Trans-action Date (Month/ Day/ Year)	3A. Deemed Execution Date, if any (Month/ Day/ Year)	4. Trans-action Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D)	6. Date Exercisable and Expiration Date (Month/Day/ Year)	7. Title and Amount of Underlying Securities (Instr. 3 & 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of Year (Instr. 4)	10. Owner-ship Form of Deriv-ative Security: Direct (D) or	11. Nature of Indirect Beneficial Ownership (Instr. 4)

					(Instr. 3, 4 & 5)								Indirect (I) (Instr. 4)	
					(A)	(D)	Date Exer-cisable	Expira-tion Date	Title	Amount or Number of Shares				
Stock Option (right to buy)	**$27.48**	**4/29/02**		**A**	**2,000**		**4/29/03**	**4/29/12**	**Common Stock**	**2,000**		**2,000**	**D**	
Stock Option (right to buy)	**$28.93**	**5/20/02**		**A**	**2,000**		**5/20/03**	**5/20/12**	**Common Stock**	**2,000**		**2,000**	**D**	

Explanation of Responses:

By: /s/ **Joyce N. Hoffman**
Attorney-in-Fact
**Signature of Reporting Person

February 14, 2003
Date

**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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