NEWS RELEASE

2007 Retirement Confidence Survey: Many Workers See--But Ignore--Retirement System Changes

2007-04-11

MINNEAPOLIS--(BUSINESS WIRE)--

A large percentage of American workers see that the U.S. retirement system is going through major changes, but many are not taking steps that are likely to leave them well-positioned for a comfortable retirement, according to the 17th annual Retirement Confidence Survey (RCS). The survey, released today, is sponsored by the nonpartisan Employee Benefit Research Institute (EBRI) and Mathew Greenwald & Associates, with underwriting support from Ameriprise Financial.

The RCS, begun in 1991, is the country's most established and comprehensive study of the attitudes and behavior of American workers and retirees toward all aspects of saving, retirement planning and long-term financial security. The full report is available online at, **http://www.ebri.org**.

Highlights from the 2007 RCS include:

-- Pension-plan changes by employers have left nearly half of workers less confident about the benefits they will receive from a traditional pension plan, but that those experiencing a decline in retirement benefits often fail to react constructively. Among workers who have personally experienced reductions in the retirement benefits offered by their employer, nearly 2 in 5 indicate that they have done nothing in response to these reductions.

-- Many workers are counting on employer-provided benefits in retirement that are increasingly unavailable. Forty-one percent of workers indicate they or their spouse currently have a defined benefit pension plan, while 62 percent say they are expecting to receive income from such a plan in retirement. Both numbers suggest unrealistic beliefs.

-- Almost half of workers saving for retirement report total savings and investments (not including the value of their primary residence or any defined benefit plans) of less than $25,000. The majority of workers who have not put money aside for retirement have little in savings at all: 7 in 10 of these workers say their assets total less than $10,000.

"The level of pension plan change employees have experienced over the past several years has been unprecedented. But change has not been isolated to retirement plan benefits," said Rusty Field, vice president and general manager of Workplace Financial Planning for Ameriprise Financial. "Virtually all areas of employee benefits have been affected by increasing costs and more complicated choices--and employees have been struggling to keep up with it all. Without a clear plan, supported by a collaborative relationship with a trusted advisor, it is not surprising to see these results."

Additional key survey findings:

-- Confidence--Americans generally are quite confident they will have enough money to live comfortably throughout their retirement years. This year, 72 percent were either very confident (30 percent) or somewhat confident (42 percent) of having enough money for a comfortable retirement. That is statistically the same as the 70 percent who were either very confident or somewhat confident in 2006.

-- However, changes in the employer pension system that have taken place in the last five years have left a total of 45 percent of workers either a little less confident (27 percent) or much less confident (18 percent) about the amount of money they will receive from a traditional pension from an employer. Sixteen percent said they were much more confident (5 percent) or a little more confident (10 percent) about receiving money from an employer-provided traditional pension. The rest were just as confident as workers were five years ago.

-- The survey showed that nearly 1 in 5 workers or their spouses (17 percent) experienced a cut in the level of retirement

benefits from an employer plan in the last two years. Seventy-one percent of workers and their spouses experienced no decrease in the last two years. The finding comes against a background of many employers switching from traditional defined benefit pensions to defined contribution plans (typically 401(k) plans) in recent years.

-- The survey found that more people (40 percent) found the advice of a financial professional most helpful when compared with all other sources of education materials about retirement. The next highest rated sources people found most helpful were the advice of family, friends or coworkers (18 percent) and written materials from an employer (15 percent). Online professional investment advice services were only found most helpful by 1 percent of workers surveyed.

"More people are recognizing the value of having a relationship with financial advisor to help guide them in making benefits decisions that fit within an overall plan to achieve their retirement dreams," said Field.

About Ameriprise Financial

Ameriprise Financial is a leader in workplace financial planning providing corporations and other institutions with a broad spectrum of employee financial education and financial planning programs to help improve benefits utilization and the financial lives of employees. The Ameriprise(SM) Workplace Financial Planning unit serves more than 1,600 companies and their approximately 1.8 million employees across the United States.

Ameriprise Financial, Inc. is a leading financial planning and services company with more than 12,000 financial advisors and registered representatives that provides solutions for clients' asset accumulation, income management and insurance protection needs. The Company's financial advisors deliver tailored solutions to clients through a personalized financial planning approach built on a long-term relationship with a knowledgeable advisor. The Company specializes in meeting the retirement-related financial needs of the mass affluent and affluent. Financial advisory services and investments are available through Ameriprise Financial Services, Inc. Member NASD and SIPC. For more information, visit ameriprise.com.

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Source: Ameriprise Financial

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