NEWS RELEASE

Ameriprise Financial Money Across Generations(SM) Study Reveals Gen-Xers Aren't Slackers about Financial Responsibilities

2008-01-29

MINNEAPOLIS--(BUSINESS WIRE)--

While simultaneously stressed and optimistic about their money issues, the adult children of the baby boom generation defy conventional, Gen-X "slacker" stereotypes by showing a high degree of concern and responsibility when it comes to financial matters, according to the Ameriprise Financial (NYSE: AMP) Money Across Generations(SM) study. They also have markedly different attitudes and feelings about money and financial planning compared to their parents' and grandparents' generations.

Adult Children of Boomers More Engaged and More Stressed Regarding Finances

The adult children of boomers (with an average age of 29.5 in the study) are much more likely than their parents' or grandparents' generations to report that they feel stress and tension. One in four adult children of boomers (25 percent) say they personally feel stress and tension quite often, compared to 16 percent of the boomers and only ten percent of the boomers' parents generation. An important component of that stress may relate to the adult children of boomers' concerns about money: they are much more likely (46 percent) to say that their family regularly discusses money and finances (compared to 39 percent for boomers and 26 percent of parents of boomers).

Contrary to prevailing stereotypes, the children of boomers are much more reluctant to part with their money than the older generations. For example, the adult children of boomers express the lowest level of confidence that now

is a good time to purchase. More than one third (36 percent) of them say "now is a good time to wait" before buying, compared to 28 percent of both boomers and parents of boomers. The adult children of boomers also are the most likely generation to strongly agree with the statement, "I don't like to be in debt at any time" (80 percent of the adult children compared to 68 percent of their parents' generation).

"It's telling how concerned the adult children of boomers are about debt," said Craig Brimhall, vice president of retirement wealth strategies for Ameriprise Financial. "Growing up in an era where credit cards have largely replaced currency and college tuition saddles many with huge liabilities before they embark on their careers, they are eager to overcome the moniker of 'generation debt,' yet find saving for the distant future more challenging."

Optimism in Spite of Financial Challenges and a Lack of Confidence

Despite all the high levels of concern and tension about money, the adult children of boomers are also demonstrably the most optimistic generation about their financial futures. Forty-six percent of the adult children of boomers say they are very optimistic about their personal financial future, compared to 39 percent of boomers and only 28 percent of the boomers' parents' generation who report they are very optimistic about their financial future. Likewise, 48 percent of the adult children of boomers say that they are very confident in their ability to reach all of their financial goals over time; only 36 percent of boomers and 34 percent of boomers' parents feel the same way.

"Even with the significant financial challenges faced by this generation, they exhibit the greatest level of optimism about their future," said Brimhall. "Aside from their positive attitude, their biggest advantage is that they have time on their side. Getting started early and establishing a financial plan should help them negotiate the obstacles and maintain their optimism as they work to achieve their dreams."

The financial stresses the adult children of boomers are experiencing are exacerbated by a notable lack of confidence in their own money management skills. When they were asked, "Do you think your generation, your parents' generation, or your grandparents' generation has the best money management skills?" only 15 percent of the adult children of boomers said their own generation had the best money management skills. Their parents, the boomers, are perceived somewhat better: 31 percent of the adult children said their parents' generation had the best money management skills. Boomers' adult children, however, are most likely to report that their grandparents' generation has the best money management skills: 53 percent say the boomers' parents' generation is the best at handling money.

A final factor in adult children of boomers' feelings of tension about money may be reflected in the fact that they are the most likely to agree strongly with the statement, "I look upon my earnings as a statement of my success" (25 percent of adult children of boomers as compared to only 21 percent of boomers and 18 percent of boomers'

parents).

Adult Children of Boomers Maintain High Expectations

For four of six key financial goals, the adult children of boomers are the generation most likely to say the goal is very important. Eighty-seven percent of the adult children of boomers say that it is very important to them now, at this stage in their life, to assure a financially secure life (as compared to 80 percent of boomers and 62 percent of boomers' parents). Seventy-two percent of adult children of boomers say it is very important to them to substantially help their children or grandchildren pay for education (as compared to only 50 percent of boomers and only 38 percent of boomers' parents). Twice as many adult children of boomers, 60 percent, say that it is very important to them to preserve wealth to leave to their children: only 31 percent of boomers and 23 percent of boomers' parents say it is very important to preserve wealth to leave to their children. Also, half of adult children of boomer (51 percent) say it is very important that they help assure a financially secure life for their parents (compared to 28 percent of boomers).

"It's no myth that things are harder financially at this life stage for the adult children of boomers than they were for boomers," said Brimhall. "Many are contending with much higher education costs, often resulting in debt, as well as a higher cost to get established by purchasing a first home. Some also may be envisioning the need to help their parents in some capacity down the road. It's encouraging see how these challenges translate into their financial goals and ambitions."

About the study

Working with GfK Roper Public Affairs, a leading global marketing research and consulting firm, Ameriprise Financial launched the national study in April and May 2007. Telephone interviews were conducted among 1,001 affluent baby boomers (those with $100,000 or more in investable assets); 300 parents of baby boomers; and 301 children of baby boomers at least 18 years old. Survey data were weighted to Current Population Survey statistics. The margin of error is +/- three percentage points for the affluent boomers segment and +/- six percentage points for the parents and children of boomers segments. To help shape the research study, focus groups were conducted with boomers in San Francisco, Miami, Denver, and Dallas to explore intergenerational issues affecting their daily lives.

Copies of the study report are available at ameriprise.com/presscenter

About Ameriprise Financial

Ameriprise Financial, Inc. is a leading financial planning and services company with approximately 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 planning services and investments are available through Ameriprise Financial Services, Inc. Member FINRA and SIPC. For more information, visit ameriprise.com.

(C) 2008 Ameriprise Financial, Inc. All rights reserved.

Source: Ameriprise Financial, Inc.

Contact: Ameriprise Financial, Inc. Todd Wold, 612-671-6583 todd.wold@ampf.com