

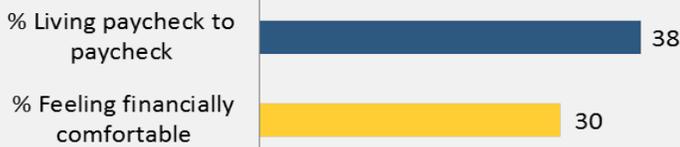


According to the Household Financial Planning Survey, a national survey released by the Consumer Federation of America and Certified Financial Planner Board of Standards, Inc., the recent recession and current economy have left many American families struggling to make ends meet and to save for the future. However, those who have prepared a personal financial plan feel more confident and report more success managing money, savings and investments than those who have not.

The survey examines American households' financial priorities, savings and preparedness on a series of financial goals, including emergencies, retirement, education and major purchases. It specifically explores the impact of financial planning on household financial decision makers' outlook, as well as outcomes, across a range of incomes. The survey draws comparisons to a similar one conducted in 1997.

Since the recession, many households find themselves in a tougher economic situation.

Today's economic landscape has shifted the way household financial decision makers view their financial situation.



Q1 How would you describe your own personal financial situation?

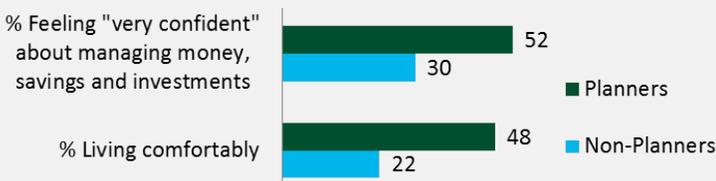
Those who have prepared a personal financial plan are more likely to feel on pace to meet all of their financial goals, such as saving for retirement or for emergencies.

% who feel on track to meet all of their financial goals



Q20 How do you feel about the progress you have made so far in saving for [various financial goals] – do you feel you are ahead, behind, or just about where you should be at this point?

Planners feel more confident about managing money, savings and investments than non-planners, across all incomes, and are more likely to describe themselves as living comfortably.

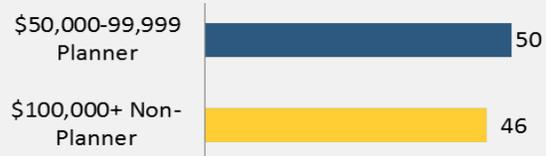


Q47 How confident are you that you are making the best choices for how to manage your money, savings and investments-- very confident, somewhat confident, not too confident, or not confident at all?

Q1 How would you describe your own personal financial situation?

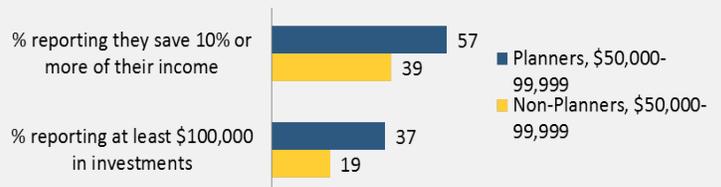
As many planners in the \$50,000-99,999 bracket say they live comfortably as non-planners in the \$100,000+ bracket.

% who feel they live comfortably, by income



Q1 How would you describe your own personal financial situation?

Not only do those with a financial plan feel more confident about their finances – they also report more success, including saving a higher percentage of their income and building greater wealth than non-planners, especially in the two highest income brackets.

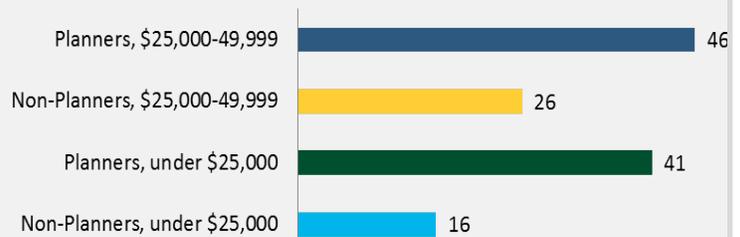


Q45 About what percent of your income are you (and your husband/wife/partner) able to put into savings or investments each year?

Q61 Altogether about how much do you (and your husband/wife/partner) have in ALL the different accounts and investments I just mentioned?

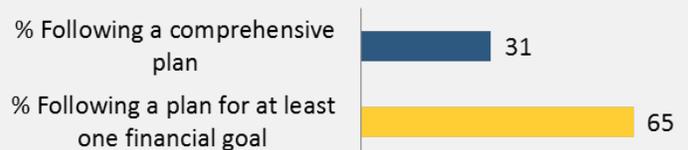
For those in the two lowest income brackets, planners are more likely to pay their credit card bills in full.

% reporting Full Credit Card Bill Payment



Q38 When you (or your husband/wife/partner) get a credit card bill, do you USUALLY pay the MINIMUM amount due, pay off the WHOLE amount so you have no unpaid balance, or pay something IN BETWEEN the minimum and the whole amount?

Only 31 percent of household financial decision makers have a comprehensive financial plan, but nearly two-thirds follow a plan to save for at least one of their financial goals.



Q18 Do you have a specific plan or schedule for how often, how much, and where to save or invest your money for [specific financial goal]?

Q48 Have you (or your husband/wife/partner) ever prepared a comprehensive financial plan for yourself or had a professional prepare one for you?



The Household Financial Planning Survey incorporates questions previously asked in a CFA-NationsBank survey from 1997. This allows a comparison between consumer attitudes and habits in 1997, a year with lower unemployment and more optimistic consumers, and those in 2012, following the worst recession since the Great Depression.

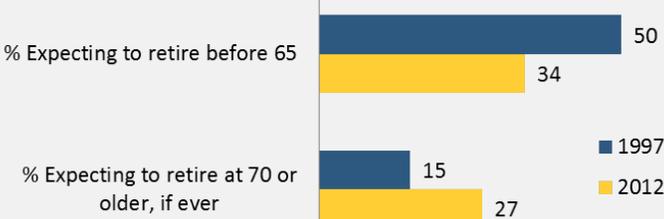
Fewer financial decision makers felt behind on retirement savings in 1997 than in 2012.

% who feel behind on retirement savings



Q20 How do you feel about the progress you have made so far in saving for retirement – do you feel you are ahead, behind, or just about where you should be at this point?

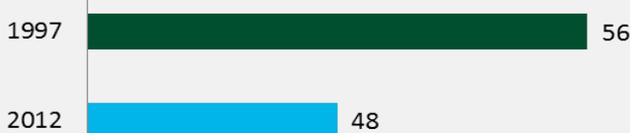
Financial decision makers have had to significantly reevaluate their expectations for retirement.



Q3 Looking ahead, at what age do you (and your husband/wife/partner both) plan to retire?

More families with college-bound children were saving for higher education in 1997 than in 2012.

% saving for children's college



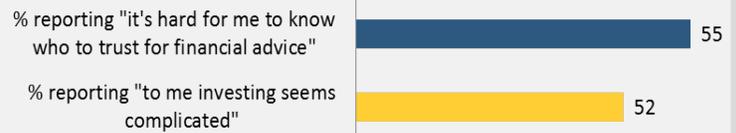
Q17 Do you have ANY money saved or invested for [various financial goals]?

The percentage of household financial decision makers with a retirement investment plan has largely remained steady over the last 15 years.



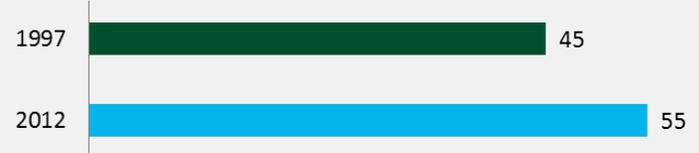
Q18 Do you have a specific PLAN or schedule for how OFTEN, how MUCH, and WHERE to save or invest your money for [various financial goals]?

In light of the financial crisis and its aftermath, financial decision makers' comfort level with financial matters is low. While new technology has brought more information and tools for financial management, many household financial decision makers lack financial understanding, resulting in increased worries.



Q2 I'm going to read a list of statements describing how some people feel about money and planning for the future. As I read each one, please tell me if you think it describes you very well, somewhat well, not too well, or not at all well.

% reporting "I'm worried about losing my money if I invest it"



Q2 I'm going to read a list of statements describing how some people feel about money and planning for the future. As I read each one, please tell me if you think it describes you very well, somewhat well, not too well, or not at all well.

For the purposes of this survey, a **comprehensive financial plan** is defined as a document that includes savings and investments; planning for retirement, education, emergencies, major purchases, and other financial goals; and insurance needs.

Survey respondents were required to be **household financial decision makers** – those identifying themselves as responsible or sharing responsibility for making most financial plans and decisions for their household.

ABOUT THE SURVEY METHODOLOGY:

CFA and CFP Board developed the survey instrument with Princeton Survey Research Associates International, which administered the survey to a representative sample of 1,508 financial decision makers nationwide via landline or cell phones. Interviews were conducted from May 7-20, 2012. The margin of sampling error for results based on total sample at the 95 percent level of confidence is +/- 3 percentage points. Only statistically significant differences at the 95 percent level of confidence are included in the companion report and detailed results, which can be found at consumerfed.org or cfp.net. A description of the survey methodology and a questionnaire with complete survey results are included in the report appendix following detailed findings.

PSRAI also conducted the 1997 CFA-NationsBank survey.