



Allianz Life Insurance Company of North America
5701 Golden Hills Drive
Minneapolis, MN, 55416

NEWS RELEASE

For additional information:
Laurie Bauer
(763) 765-6174
Laurie.bauer@allianzlife.com

Outliving Your Money Feared More Than Death *Allianz Life Study Reveals Boomers Guessing at Retirement Needs*

MINNEAPOLIS – June 17, 2010 – More than 90 percent of Baby Boomers feel the United States is facing a retirement crisis, yet most have a limited understanding of how much money they'll need and fear they'll outlive their income according to a new survey* from Allianz Life Insurance Company of North America ([Allianz Life](#)). The study, titled *Reclaiming the Future: Challenging Retirement Income Perceptions*, was conducted in May 2010 with more than 3,200 Baby Boomers ranging in age from 44 to 75.

Although 61 percent of Boomers fear outliving their money in retirement more than death, nearly one third (31 percent) say they are not too clear about what their expenses will be in retirement and 36 percent have no idea if their income will last.

"These results are troubling not only because people are fearful about retirement income, but also because of how little they know about how much money they'll need," said Gary C. Bhojwani, president and CEO of Allianz Life. "We hope that our *Reclaiming the Future* study will shed some light on the issue and inspire Boomers to take control of their retirement planning today."

A majority of respondents feel their retirement lifestyle must surpass their parents (79 percent), indicating a need to focus on income in retirement versus accumulation of assets. When asked how much yearly income is needed in retirement, respondents indicated a median income of \$59,000 per year. Unfortunately, Boomers were off by a factor of nearly three times too small when estimating how much they'd need to save to create that household income.

It's clear that this level of planning amounts to no more than a guessing game, but that point was underscored even further when Boomers were asked which they were more likely to guess correctly, exactly how much money they'll have (or need) at the point of retirement or how many gumballs are in the jar at the local county fair. Sadly, just over half (53 percent) felt confident in their ability to

gauge their retirement income needs – only six percent higher than those more certain of their gumball guessing skills.

While there are no easy answers to the retirement puzzle, the Allianz Life *Reclaiming the Future* study did yield some reasons for optimism. Perhaps the biggest of these was the fact that Americans do have options in planning for their retirement in a way that addresses reduced sources of income, the longevity risk, and market volatility.

During the next several months, Allianz Life will be releasing more data from the Reclaiming the Future study, addressing topics including; Boomer generational differences, attitudes toward working, financial education needs, working with financial professional and the role of annuities.

About Allianz Life

Allianz Life Insurance Company of North America has been keeping its promises since 1896. Today, it carries on that tradition, helping Americans achieve their retirement income goals with a variety of annuities and life insurance products. As a leading provider of fixed index annuities, Allianz Life is part of Allianz SE, a global leader in the financial services industry with nearly 155,000 employees worldwide. Based on its revenue, Allianz SE is the 20th largest company in the world (*Fortune Global 500*, August 2009).

***Study Methodology**

Larson Research and Strategy Consulting, Inc. and DSS Research fielded a nationwide online survey for Allianz Life among 3,257 U.S. adults, age 44 to 75. The margin of error for the total sample was approximately +/- 1.7%. The online survey was conducted in the United States between May 6th, 2010 and May 12th, 2010. In addition to a representative sample of 1,642 US households, subsamples of more affluent households and households who own annuities were also targeted. Results were weighted by age, gender, education, race/ethnicity and income to account for disproportionate sampling of certain populations.

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