

Press Information

Tokyo — March 31, 2003 —

HOPE Report: 1,600 Japanese in their 50s & 60s talk about money

Two in three elder Japanese are not short of money

- 40% dissatisfied with current savings and investment regimes
- Proactive toward new financial services

Hakuhodo constantly monitors the sentiments of what we refer to as *sei-katsu-sha* — living people, not just consumers. The following is a summary of a *sei-katsu-sha* survey conducted by Hakuhodo in late November 2002 titled “1,600 Japanese in their 50s & 60s talk about money.”

The report presents analysis of data gathered from “elder” respondents in a postal survey of 5,000 Tokyo/Kanto and Osaka/Kansai residents aged 12–69 conducted in November 2002. The results show that in the current economic climate in Japan, “elders” (in this survey defined as those in their 50s and 60s) have more financial freedom than younger members of society, and also greater interest in their finances and experience, knowledge and interest in financial products.

Two in three elders (65.5%) reported not having trouble coming up with money for their everyday needs. When limited to those in their 60s, more than 70% (70.8%) were living without financial worries.

Elders’ experience with, and knowledge of, major financial products also tops that of their juniors, with 74.7% having used fixed-amount postal savings; 30.0% stocks; and 20.7% mid-term government bond funds. While elders’ use of banking services at convenience stores and supermarkets was lower than that of the younger generations, use was up on the previous year, indicative of elders’ overall proactive stance toward financial products.

Yet nearly 40% of elders were dissatisfied with their savings and investment schemes, and a similar number wanted financial institutions to offer more information and advice. While awareness of interest rates, pensions and insurance was high, we discovered many elders saw plenty of room for improvement in their own particular investments.



Survey outline

Survey period: Late November, 2002
Area: Area within 40 km radius of Tokyo and the Osaka/Kyoto/Kobe (Kansai) area
Respondents: 5000 males and females aged 12–69 (distributed in proportion to population total)
Valid responses: Respondents from the above sample aged 50–59: 876, and 60–69: 743, N = 1,619
Method: Postal survey

For further information, please contact:

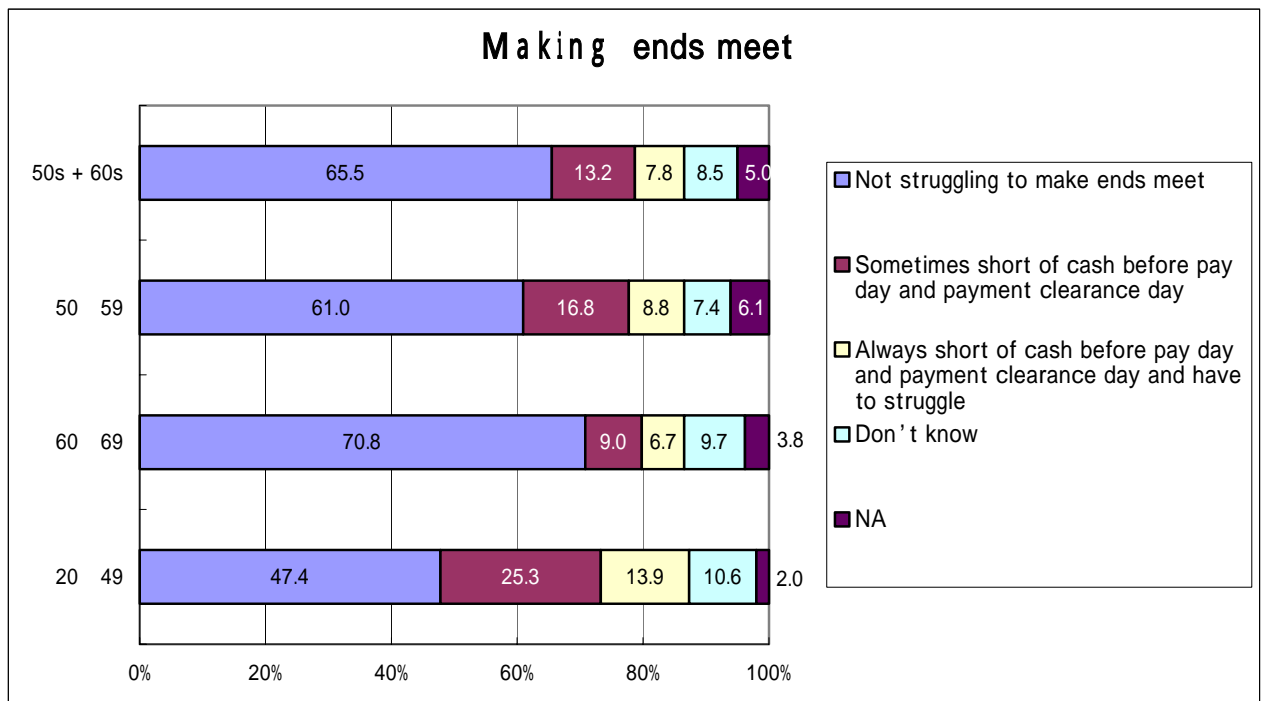
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Survey Data

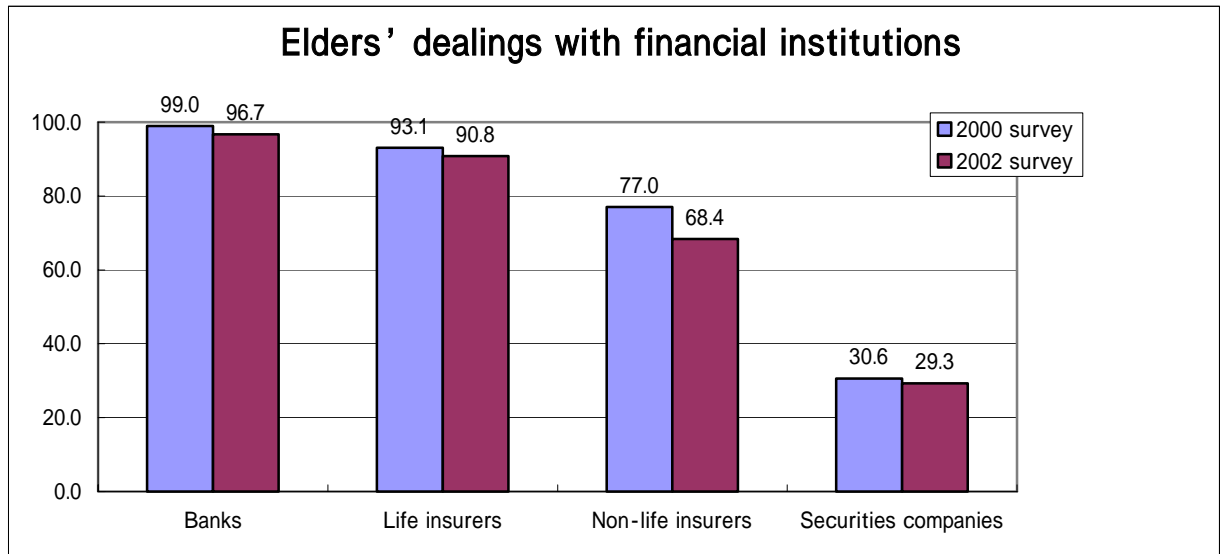
- **Two in three elders (aged 50–69) have no trouble making ends meet, rising to more than 70% for those in their 60s**

More than two thirds (65.5%) of elders state they are not struggling to make ends meet. The elder group’s degree of financial freedom stands out when compared with the minority (47.4%) of respondents aged 20–49 who did not have enough cash on hand to meet their day to day needs. The 60-69 age group, at just over 70% (70.8%), is almost 10 percentage points clear of the 50–59 age group (61.0%) in terms of living a life free from financial worry.



- **Actual dealings with financial institutions**

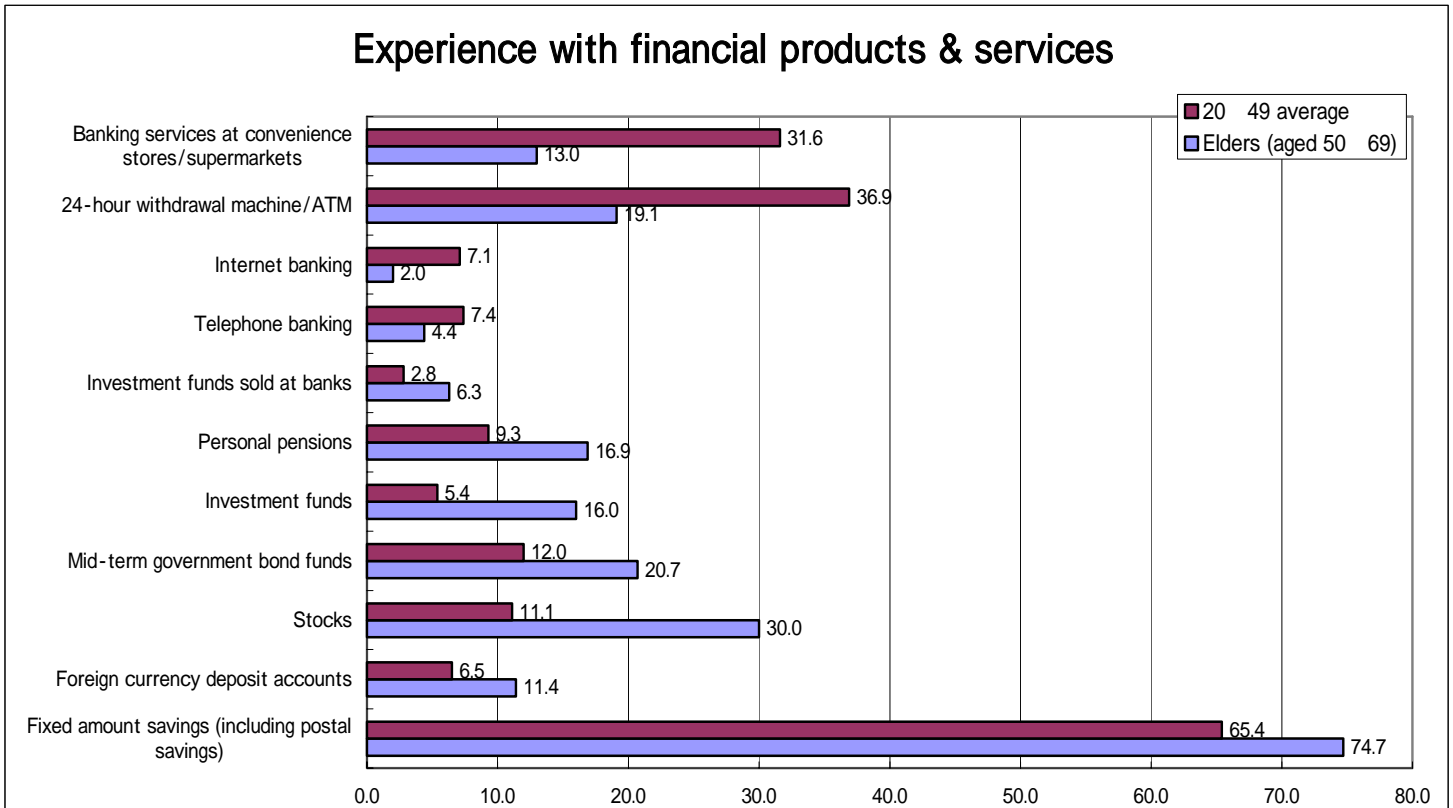
When asked about their dealings with financial institutions, we discovered 96.7% of respondents had dealings with banks; 90.8% with life insurers; 68.4% with non-life insurers; and 29.3% with securities companies. Overall, the 2002 results showed a slight decrease on those of 2000.



- **Elders have extensive experience with financial products, and are proactive toward new services**

Looking at experience in using specific financial products and services, fixed amount postal savings (savings accounts at post offices), which had been used by close to three quarters (74.7%) of respondents, was followed by stocks, 30.0%, and mid-term government bond funds, 20.7%. Experience with these and other major financial products was higher among the elder than the younger groups, indicative of this group's greater experience in financial matters.

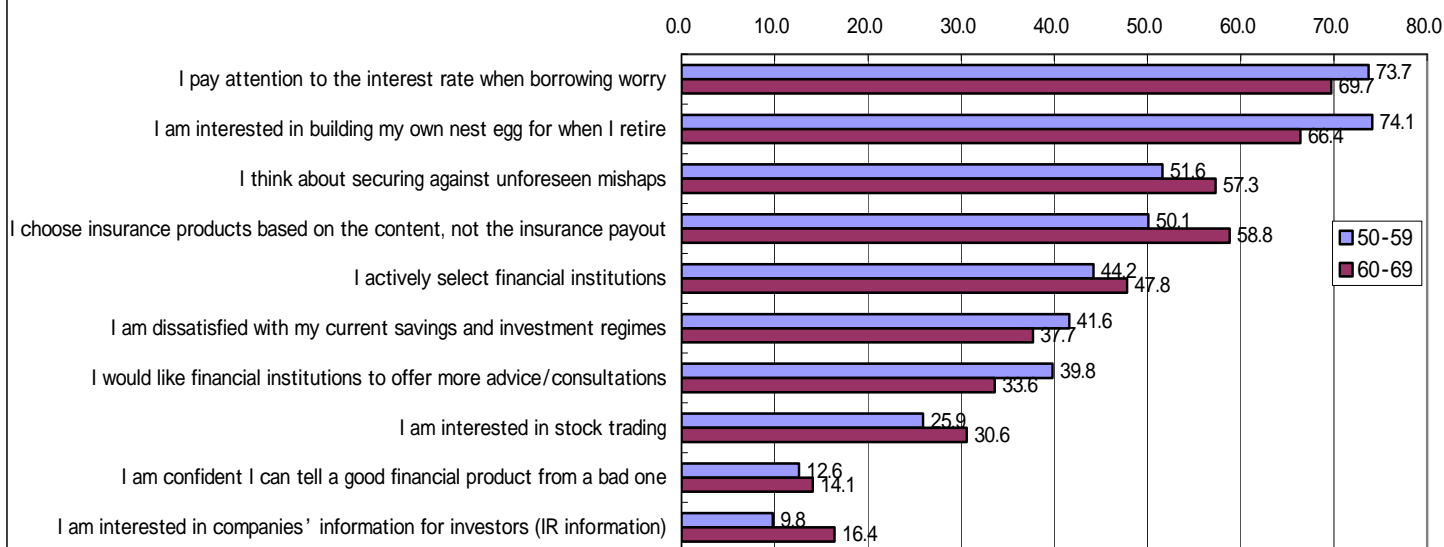
Conversely, experience with new services that have been gaining ascendancy in the last few years is higher in the younger group, though elders had more experience with investment trusts sold by banks. While experience with banking services at convenience stores and supermarkets, and 24-hour ATMs and withdrawal machines ("cash dispensers"), was also lower among elders than among the younger group, elders' experience with these services was up 1.7 and 1.4 times, respectively, on 2001 survey results.



- Almost 40% are dissatisfied with their current savings and investment regimes**

While attention to interest rates, pensions and insurance is high overall, close to 40% of respondents (41.6% of those aged 50–59; 37.7% of those aged 60–69) were not satisfied with their savings and investment setups. At the same time, with less than 15% of respondents (12.6% of those aged 50–59; 14.1% of those aged 60–69) confident they can tell a good financial product from a bad one, elders may be concerned about their finances, but apparently do not feel they have the knowledge to know what they need. Elders in their 60s are highly financially-aware, showing greater interest than those in their 50s in the desire to actively select financial institutions, and their degree of interest in stock trading, and investor relations information.

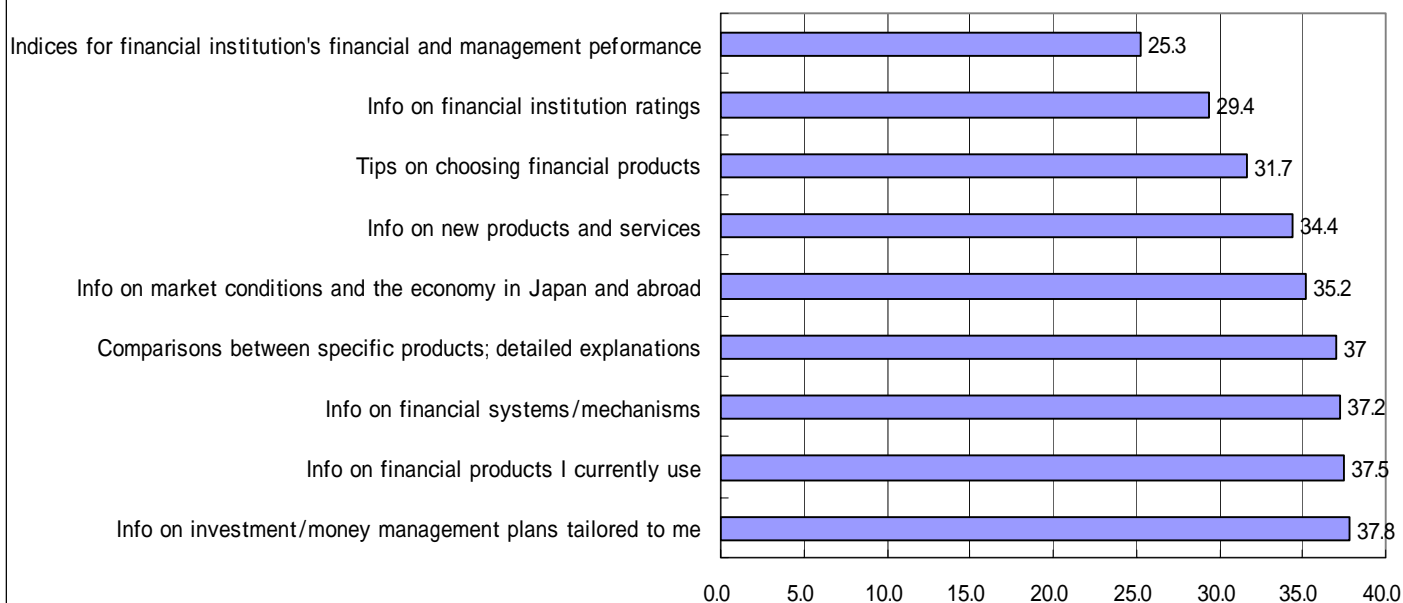
Financial Awareness (%)



- Elders want financial institutions to give them information on how their investments are performing**

Elders are interested in their future financial security, but not satisfied with what's on offer. 37.8% want more information on investment/money management plans tailored to their circumstances; 37.5% want information on the products they currently use. In other words, they want information that gives them a clear understanding of where they stand financially.

Desired information from financial institutions (elders overall)



Reference

◆ **Definition of “Elder” (Hakuhodo’s Elder Business Promotion Division)**

People aged 50 and over

Younger Elders (age 50–64)

Older Elders (age 65–74)

Aged Elders (age 75+)

◆ **HOPE Reports to date (in Japanese)**

1. HOPE Report: “New elders” appear in Japan (May 2001)
 - New elders appear on the scene: Keywords in building connections with the elder generation
2. HOPE Report: Information networks – Places to connect (July 2001)
 - Universal designs
3. HOPE Report: Information networks – Relationships that connect (August 2001)
 - Elders’ personal relationships
4. HOPE Report: Information networks – Three-generation communication (September 2001)
 - How Japanese elders communicate with their children and grandchildren
5. HOPE Report: Japanese elders’ awareness of money issues (November 2001)
6. HOPE Report: Media that connects – Radio and elders (November 2001)
7. HOPE Report: Japanese elders and travel (March 2002)
8. HOPE Report: Preliminary report – Survey of Japanese in their 50s (July 2002)
9. HOPE Report: HOPE survey preliminary report – Japanese elders and PCs & cell phones (October 2002)
10. HOPE Report: 1,600 Japanese in their 50s & 60s talk about money (this report)

* This press release is written in 11 point font to make it easier on the eyes of people of all ages. (11 point is the smallest font size that can still be easily read)