



FINANCIAL ENGINES ANNOUNCES INCOME+, THE FIRST RETIREMENT INCOME SOLUTION DESIGNED SPECIFICALLY FOR 401(k) PLANS

Aon Hewitt Live. ACS, A Xerox Company; ING; J.P. Morgan Retirement Plan Services and Mercer to Offer Income+ Over the Next Year

NEW YORK, January 31, 2011 – Financial Engines (NASDAQ: FNGN), America's largest independent registered investment advisor,¹ today announced Financial Engines® Income+, the first retirement income solution designed specifically for 401(k) plans. Income+² is a new feature of Financial Engines' managed account program that provides steady monthly payouts from a 401(k) account that can last for life³. The company also announced that Aon Hewitt is already live with the service and that four large employers have agreed to offer Income+ to more than 200,000 employees. A FORTUNE 20 financial services firm administered by Aon Hewitt has been offering Income+ to its employees since Q4 of 2010. In addition to Aon Hewitt, four other leading 401(k) providers have agreed to make Income+ available to their clients over the next year: ACS, A Xerox Company; ING; J.P. Morgan Retirement Plan Services and Mercer.

The Income+ feature is available to participants in Financial Engines' managed accounts program at no additional cost. Income+ provides steady monthly payouts from an employee's 401(k) to their checking account by using 401(k) investments early in retirement and an optional annuity later in retirement for a lifetime income guarantee.⁴

Income+ does not require employers to add an annuity or change the fund line-up in their plan and is designed to meet Required Minimum Distribution rules. In addition, as part of a managed account, Income+ can continue to provide employers with a Qualified Default Investment Alternative (QDIA) safe harbor. It gives employees control of their money, which stays in their 401(k) account and doesn't lock them into a particular investment or insurance product. Employees can start payouts, stop payouts, and take additional withdrawals at any time, so they have full access to their 401(k) savings as needed. Employees can cancel at any time with no fee or penalty.

By professionally managing the portfolio with an income objective, Income+ helps protect participants from big losses before retirement. Once in retirement, Income+ generates steady monthly payouts that are designed to last for life⁵ and are unlikely to go down when the market drops but are likely to go up when the market rises. In addition, Income+ gives near-retirees and retirees the ability to talk to a non-commissioned

advisor representative about their total retirement income picture.

“We’ve all been told how to put money into our 401(k)s, but nobody’s helped us take money out of them until now,” explained Jeff Maggioncalda, president and CEO of Financial Engines. “Any successful 401(k) retirement income solution must meet the needs of both employees and employers, so we designed Income+ to provide flexibility and safety for employees and still be safe and easy for employers to implement.”

“With the growing reliance on savings plans to provide retirement security, employers are interested in ways to help employees figure out how to make their money last,” said Alison Borland, retirement strategy leader at Aon Hewitt, the first provider to go live with Income+. “According to our retirement survey, nearly 25 percent of employers indicated that they were very or somewhat likely to offer a managed drawdown similar to Income+ within their 401(k) plan in 2011. We are delighted to add Income+ to our suite of solutions to help clients improve financial security for their employees.”

“Throughout our history, Financial Engines has focused on helping people save and invest before retirement, and today we extend that help through retirement and for the rest of their lives,” explained Maggioncalda. “We believe that only Financial Engines has the technology, independence, and relationships to provide this kind of solution to so many employees.”

About Financial Engines (NASDAQ: FNGN)

Financial Engines is the nation’s largest independent investment advisor, committed to providing everyone the trusted retirement help they deserve. The company helps investors with their total retirement picture by offering personalized retirement plans for saving, investment, and retirement income. To meet the needs of different investors, Financial Engines offers both Online Advice and Professional Management. Professional Management includes Income+, which provides steady monthly payouts from a 401(k) that can last for life. Co-founded in 1996 by Nobel Prize-winning economist Bill Sharpe, Financial Engines works with America’s leading employers and retirement plan providers to make retirement help available to millions of American workers. For more information, please visit www.financialengines.com.

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Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. These forward-looking statements may be identified by terms such as “to,” “designed,” “to meet,” “can,” “will,” “enables,” “expect,” “believe,” “to be” or the negative of these terms, and similar expressions intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding the anticipated features and benefits of Financial Engines’ Income+ retirement income solution, such as the ability to provide participants with help, safety, flexibility and control, and the ability for plan sponsors to safely and easily implement Income+ for their

401(k) plans, providing safety in the form of professional portfolio management to help protect participants from the risk of big losses before retirement, the Company's plans to work with Aon Hewitt; ACS, A Xerox Company; ING; J.P. Morgan Retirement Plan Services; Mercer and other providers to make Income+ available to their participants, that Financial Engines sponsor clients will have the ability to make Income+ available to their participants, the Company's plans to work with large plan sponsors to make Income+ available to their participants, and any statements regarding employers' interest in helping employees spend their retirement savings and the likelihood of employers offering a managed drawdown similar to Income+ within their 401(k) plan in 2011, and intellectual property. These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, demand for our Income+ service, our ability to accurately estimate such demand and to successfully deliver our Income+ service or to deliver it as designed, our relationships with plan providers and plan sponsors, our reliance on accurate and timely data from plan providers and plan sponsors, system failures, errors or unsatisfactory performance of our services, our reputation, our ability to compete, our regulatory environment, risks associated with our fiduciary obligations, the risk that our patent applications may not lead to issued patents and other risks, uncertainties and factors contained in the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010, filed with the Securities and Exchange Commission (the "SEC"), and in other reports filed by the Company with the SEC from time to time. You are cautioned not to unduly rely on these forward-looking statements, which speak only as of the date of this press release. Unless required by law, Financial Engines undertakes no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this press release or to report the occurrence of unanticipated events.

¹ Registered Rep., July 2010.

² Patent pending.

³ Optional annuity purchase required for lifetime income.

⁴ Insurance for lifetime income is optional and purchased outside of the plan.

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