

ModernGraham Valuation



Company Name:

Ameriprise
Financial, Inc.

Company Ticker AMP

Date of Analysis

11/16/2015

Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass all 6 of the following tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$19,594,558,144	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Pass
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	306.76%	Pass
5. Moderate PEmg Ratio	PEmg < 20	15.28	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.68	Pass

Enterprising Investor; must pass all 3 of the following tests, or be suitable for the Defensive Investor.

1. Earnings Stability	Positive EPS for 5 years prior		Pass
2. Dividend Record	Currently Pays Dividend		Pass
3. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	7.33
MG Growth Estimate	15.00%
MG Value	\$282.18
MG Value based on 3% Growth	\$106.28
MG Value based on 0% Growth	\$62.30
Market Implied Growth Rate	3.39%

MG Opinion

Current Price	\$112.00
% of Intrinsic Value	39.69%
Opinion	Undervalued

Stage 3: Information for Further Research

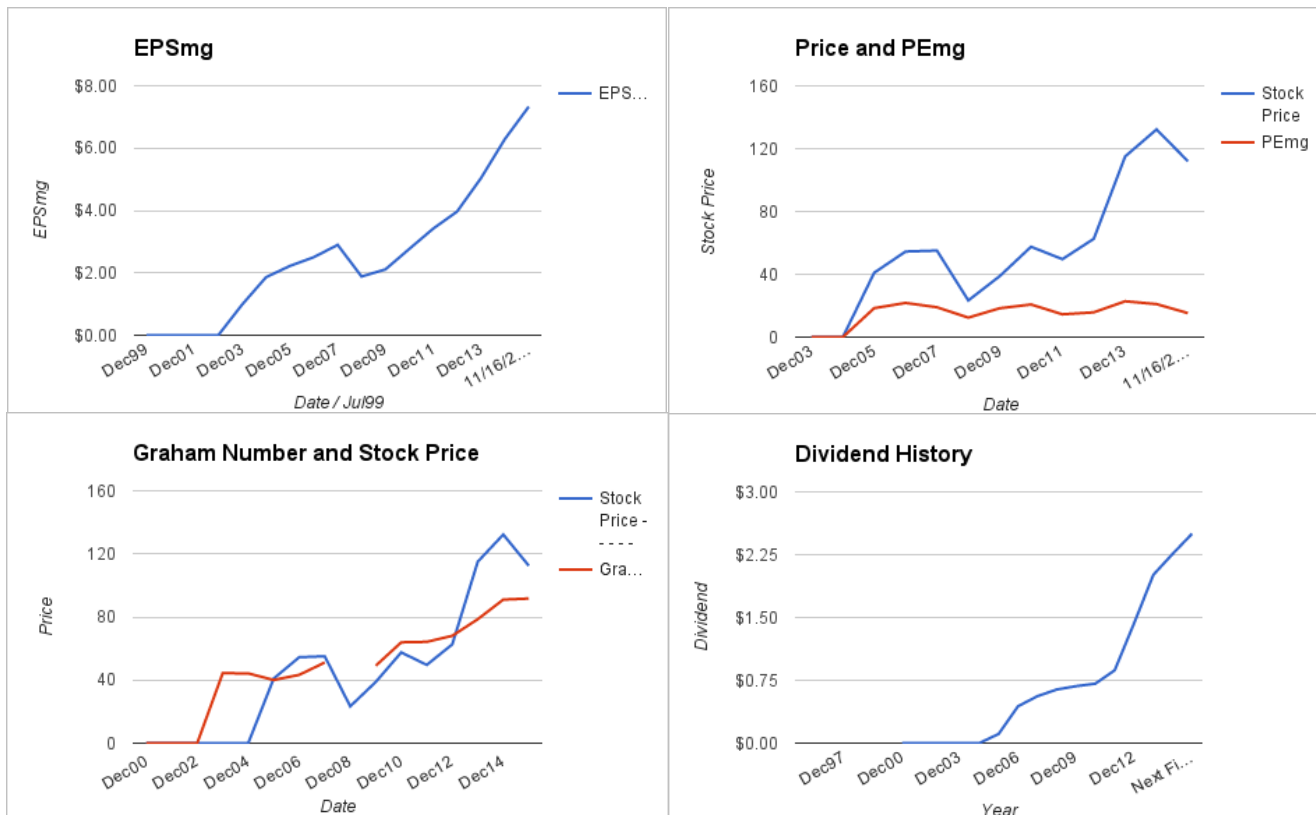
Graham Number	\$91.70
PEmg	15.28
PB Ratio	2.68
Dividend Yield	2.23%
Number of Consecutive Years of Dividend Growth	11

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$8.73	Next Fiscal Year Estimate	\$7.33
Dec14	\$8.30	Dec14	\$6.29
Dec13	\$6.44	Dec13	\$5.04
Dec12	\$4.62	Dec12	\$3.97
Dec11	\$4.53	Dec11	\$3.42
Dec10	\$4.18	Dec10	\$2.77
Dec09	\$2.95	Dec09	\$2.11
Dec08	-\$0.16	Dec08	\$1.88
Dec07	\$3.39	Dec07	\$2.90
Dec06	\$2.54	Dec06	\$2.50
Dec05	\$2.32	Dec05	\$2.22
Dec04	\$3.22	Dec04	\$1.86
Dec03	\$2.95	Dec03	\$0.98
Dec02	\$0.00	Dec02	\$0.00
Dec01	\$0.00	Dec01	\$0.00
Dec00	\$0.00	Dec00	\$0.00
Dec99	\$0.00	Dec99	\$0.00
Dec98	\$0.00	Balance Sheet Information	Sep15
Dec97	\$0.00	Long-Term Debt	\$11,145,000,000
Dec96	\$0.00	Total Assets	\$145,320,000,000
Dec95	\$0.00	Intangible Assets	\$0
		Total Liabilities	\$137,691,000,000
		Shares Outstanding (Diluted Average)	182,700,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other ModernGraham posts about the company

- [The Best Stocks of the Financial Services Industry – September 2015](#)
- [The 20 Best Stocks For Value Investors This Week – 8/15/15](#)
- [Ameriprise Financial Inc. Analysis – August 2015 Update \\$AMP](#)
- [The Best Companies of the Financial Services Industry – May 2015](#)
- [30 Companies in the Spotlight This Week – 5/23/15](#)

Other ModernGraham posts about related companies

- [BlackRock Inc. Valuation – November 2015 Update \\$BLK](#)
- [Goldman Sachs Group Inc. Valuation – November 2015 Update \\$GS](#)
- [American Express Company Valuation – October 2015 Update \\$AXP](#)
- [KKR & Co. LP Valuation – October 2015 Update \\$KKR](#)
- [Invesco Limited Analysis – October 2015 Update \\$IVZ](#)
- [CME Group Inc. Analysis – October 2015 Update \\$CME](#)
- [T.Rowe Price Group Inc. Analysis – September 2015 Update \\$TROW](#)
- [Moody's Corporation Analysis – September 2015 Update \\$MCO](#)
- [The Best Stocks of the Financial Services Industry – September 2015](#)
- [Franklin Resources Inc. Analysis – September 2015 \\$BEN](#)