

ModernGraham Valuation

Company Name:

Company Ticker AMP
Date of Analysis

Ameriprise
Financial, Inc.

6/12/2016



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	\$16,323,085,581	Pass
2. Earnings Stability	Positive EPS for 10 years prior		Fail
3. Dividend Record	Dividend Payments for 10 years prior		Fail
4. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	303.08%	Pass
5. Moderate PEmg Ratio	PEmg < 20	12.79	Pass
6. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	2.45	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	7.78
MG Growth Estimate	14.76%
MG Value	\$296.02
MG Value based on 3% Growth	\$112.88
MG Value based on 0% Growth	\$66.17
Market Implied Growth Rate	2.14%

MG Opinion

Current Price	\$99.55
% of Intrinsic Value	33.63%
Opinion	Undervalued
MG Grade	C+

Stage 3: Information for Further Research

Graham Number	\$87.98
PEmg	12.79
PB Ratio	2.45
Dividend Yield	11.87%
Number of Consecutive Years of Dividend Growth	0

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	\$8.09	Next Fiscal Year Estimate	\$7.78
Dec2015	\$8.48	Dec2015	\$7.24
Dec2014	\$8.30	Dec2014	\$6.27
Dec2013	\$6.44	Dec2013	\$5.01
Dec2012	\$4.62	Dec2012	\$3.92
Dec2011	\$4.37	Dec2011	\$3.36
Dec2010	\$4.18	Dec2010	\$2.77
Dec2009	\$2.95	Dec2009	\$2.11
Dec2008	-\$0.17	Dec2008	\$1.88
Dec2007	\$3.39	Dec2007	\$2.89
Dec2006	\$2.54	Dec2006	\$2.50
Dec2005	\$2.32	Dec2005	\$2.22
Dec2004	\$3.20	Dec2004	\$1.85
Dec2003	\$2.95	Dec2003	\$0.98
Dec2002	\$0.00	Dec2002	\$0.00
Dec2001	\$0.00	Dec2001	\$0.00
Dec2000	\$0.00	Dec2000	\$0.00
Dec1999	\$0.00	Balance Sheet Information 3/1/2016	
Dec1998	\$0.00	Long-Term Debt	\$5,356,000,000
Dec1997	\$0.00	Total Assets	\$140,250,000,000
Dec1996	\$0.00	Intangible Assets	\$0
		Total Liabilities	\$133,157,000,000
		Shares Outstanding (Diluted Average)	174,400,000





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.

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