

ModernGraham Valuation

Company Name:

Ameren Corp

Company Ticker AEE

Date of Analysis

8/20/2016



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

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$12,424,902,323	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.66	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Fail
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	-12.96%	Fail
6. Moderate PEmg Ratio	PEmg < 20	26.56	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.77	Pass

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.66	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-7.90	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Fail
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$1.90
MG Growth Estimate	15.00%
MG Value	\$73.30
MG Value based on 3% Growth	\$27.61
MG Value based on 0% Growth	\$16.18
Market Implied Growth Rate	9.03%

MG Opinion

Current Price	\$50.57
% of Intrinsic Value	68.99%
Opinion	Undervalued
MG Grade	C-

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$62.97
Graham Number	\$40.30
PEmg	26.56
Current Ratio	0.66
PB Ratio	1.77
Current Dividend	\$1.69
Dividend Yield	3.33%
Number of Consecutive Years of Dividend Growth	3

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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.53	Next Fiscal Year Estimate	\$1.90
Dec2015	\$2.59	Dec2015	\$1.35
Dec2014	\$2.40	Dec2014	\$0.64
Dec2013	\$1.18	Dec2013	\$0.02
Dec2012	-\$4.01	Dec2012	-\$0.08
Dec2011	\$2.15	Dec2011	\$2.01
Dec2010	\$0.58	Dec2010	\$2.09
Dec2009	\$2.78	Dec2009	\$2.85
Dec2008	\$2.88	Dec2008	\$2.88
Dec2007	\$2.98	Dec2007	\$2.90
Dec2006	\$2.66	Dec2006	\$2.87
Dec2005	\$3.02	Dec2005	\$2.99
Dec2004	\$2.84	Dec2004	\$3.01
Dec2003	\$3.25	Dec2003	\$3.09
Dec2002	\$2.61	Dec2002	\$3.00
Dec2001	\$3.40	Dec2001	\$3.12
Dec2000	\$3.33	Dec2000	\$2.75
Dec1999	\$2.81	Balance Sheet Information 6/1/2016	
Dec1998	\$2.82	Total Current Assets	\$1,594,000,000
Dec1997	\$2.44	Total Current Liabilities	\$2,430,000,000
Dec1996	\$0.00	Long-Term Debt	\$6,605,000,000
		Total Assets	\$23,793,000,000
		Intangible Assets	\$411,000,000
		Total Liabilities	\$16,871,000,000
		Shares Outstanding (Diluted Average)	242,600,000





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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