

Key Statistics (USD)

Price	499.34
Market Cap	48.00B
Enterprise Value	44.95B
PEG Ratio (5 yr. expected)	1.01
52 weeks high	582.05
52 weeks low	385.74
Beta (5Y-monthly)	1.33
Dividend yield %	1.19%
EPS (TTM)	33.06
1-Yr Stock performance	21.29%

Growth Rates

	YoY	3-Yr Avg
Revenues	11.37%	10.24%
Earnings	33.06%	-7.97%
Free Cash Flow	49.40%	33.63%

Margins

	Company	3-Yr Avg
Gross Profit Margin	52.02%	54.42%
Operating Margin	29.14%	29.06%
Net Profit Margin	18.97%	18.94%

Key Ratios

	Company	3-Yr Avg
Current Ratio	0.60x	0.57x
Total Ratio	1.03x	1.03x
Financial Leverage	34.70x	37.84x
ROE	65.05%	67.30%
ROA	3.02%	2.81%
ROIC	26.42%	24.67%

Valuation Metrics

	TTM	FY 2024
Price to Sales	2.82x	2.69x
Price to Earnings	15.11x	14.46x
Price to Cash Flow	7.28x	8.36x
Price to Book Value	9.68x	9.48x

Firm's Brief Description.

Ameriprise Financial, Inc. is a diversified financial services company operating in the U.S. and internationally. It provides financial planning, investment management, and insurance solutions through three segments: Advice & Wealth Management, Asset Management, and Retirement & Protection Solutions. The company offers brokerage services, investment advisory, mutual funds, and banking products under Columbia Threadneedle Investments. It also provides annuities, life, and disability insurance. Originally known as American Express Financial Corporation, it rebranded as Ameriprise Financial in 2005. Founded in 1894, the company is headquartered in Minneapolis, Minnesota, serving retail, high-net-worth, and institutional clients worldwide.

Sector Overview

- UK Blocks VAT on Investment Funds – The UK government plans to prevent a 20% VAT on investment fund administration services to protect the industry from £147 million in extra costs.
- The European Central Bank has reduced its benchmark deposit rate by a quarter percentage point to 2.5%, marking the second rate cut this year. This decision comes amid concerns over potential trade wars and their impact on the economy.
- The financial services sector is expected to undergo systemic change within the next decade, driven by ESG factors. Industry leaders anticipate that ESG considerations will significantly influence business models and investment strategies.

Fundamental Analysis

Ameriprise Financial Inc. has delivered solid performance over the past year, with its stock price currently at \$499.34 and a market capitalization of \$48 billion. Despite its strong valuation, the company has maintained a relatively low PEG ratio of 1.01, indicating that its growth is expected to be in line with its price. The company has demonstrated decent growth, with year-over-year revenue increasing by 11.37% and earnings rising by 33.06%. Additionally, free cash flow has shown substantial growth, rising by 49.40% YoY. In terms of profitability, Ameriprise Financial has maintained strong margins, with a gross profit margin of 52.02%, an operating margin of 29.14%, and a net profit margin of 18.97%. While these figures are very close to the company's 3-year averages, they still indicate solid profitability. The company's return on equity (ROE) is notably high at 65.05%, reflecting strong shareholder returns, though slightly lower than the 3-year average of 67.30%. When it comes to valuation, Ameriprise appears fairly priced with a price-to-earnings (P/E) ratio of 15.11 for the trailing twelve months (TTM), compared to the 14.46 value during the FY 2024, suggesting the stock is priced reasonably relative to its earnings potential. Additionally, the price-to-sales ratio stands at 2.82x, which, although high, remains reasonable in the context of the company's impressive growth rates. The company also offers a moderate dividend yield of 1.19%, providing an attractive income stream for

DISCLAIMER

THE FINANCE CLUB OF UNIVERSITY OF MACEDONIA, THESSALONIKI, GREECE

The Finance Club of University of Macedonia - www.financeclub.gr is an independent non-profitable student organization founded by students of the University of Macedonia, Greece (UoM - www.uom.gr) that aims to build strong relations between the market and the University. Though based in the University of Macedonia, it also operates via associates in Aristotle University of Thessaloniki, Greece and other institutions. The Club's goal is to give its members the chance to view the market in a more practical approach rather than solely relying on the abstract knowledge offered by the university. In order to achieve this goal, the Club organizes various events like conferences, workshops and seminars. Moreover, its members are able to cooperate with companies by taking up real case projects to work on along with the managers of the associated companies. In addition, the Club is trying to build and expand its network among students, market professionals and professors therefore giving its members a very broad pool of potential partners and employers.

This report has been compiled by the authors mentioned above and published by them via the Finance Club UoM site and many other platforms. The club confirms that the authors are active members at the time this article is published but emphasizes the fact that opinions and views given by the authors in this article are their own views. Finance Club UoM takes no responsibility for the completeness or correctness of information provided. No investment advice is given with the text above and the reader should not take any financial position based on the information published in this article. The Club recommends extensive research by the reader before investing in any financial asset. General this report may be based on the information extracted from various sources including but not limited to various companies' and statistical agencies' websites, online portals, third-party research, annual reports etc. No representation or warranty of any kind is or may be made with respect to the accuracy or completeness of, and no representation or warranty should be inferred from, any projections or futuristic statement contained herein or any underlying assumptions. This article may include descriptions, statements, estimates and projections/futuristic statements with respect to current and anticipated performance of the underlying. Such statements, estimates and projections reflect various assumptions and best estimates made by the participants concerning anticipated results, whose assumptions and estimates may or may not prove to be accurate or correct. There are no assurances whatsoever that any statements, estimates or projections contained in this article, including without limitation any financial or business projections, accurately present in all material respects the underlying's financial and/or business position as of the respective dates specified and the results of its operations for any respective periods indicated. No copyright or trademark infringement is intended in any form.

© Copyright 2020. Finance Club UoM