

**Ameriprise Financial**

**Fourth Quarter 2011 Conference Call**

February 2, 2012



# Forward-looking statements

Some of the statements made in our February 1, 2012 earnings release and/or in this February 2, 2012 presentation constitute forward-looking statements. These statements reflect management's estimates, beliefs and expectations, and speak only as of February 2, 2012. These forward-looking statements involve a number of risks and uncertainties.

A list of certain factors that could cause actual results to be materially different from those expressed or implied by any of these forward-looking statements is set forth under the heading "Forward-looking statements" in our February 1, 2012 earnings release, a complete copy of which is available on our website, under the heading "Forward-looking statements" in our Form 8-K dated February 1, 2012 on file with the SEC, and under the heading "Risk Factors" and elsewhere in our 2010 Annual Report on Form 10-K, also on file with the SEC. We undertake no obligation to update publicly or revise these forward-looking statements for any reason. In addition, the financial results and values presented in our fourth quarter earnings release and/or in this presentation are based upon asset valuations that represent estimates as of February 1, 2012 and may be revised in our Form 10-K for the year ended December 31, 2011.

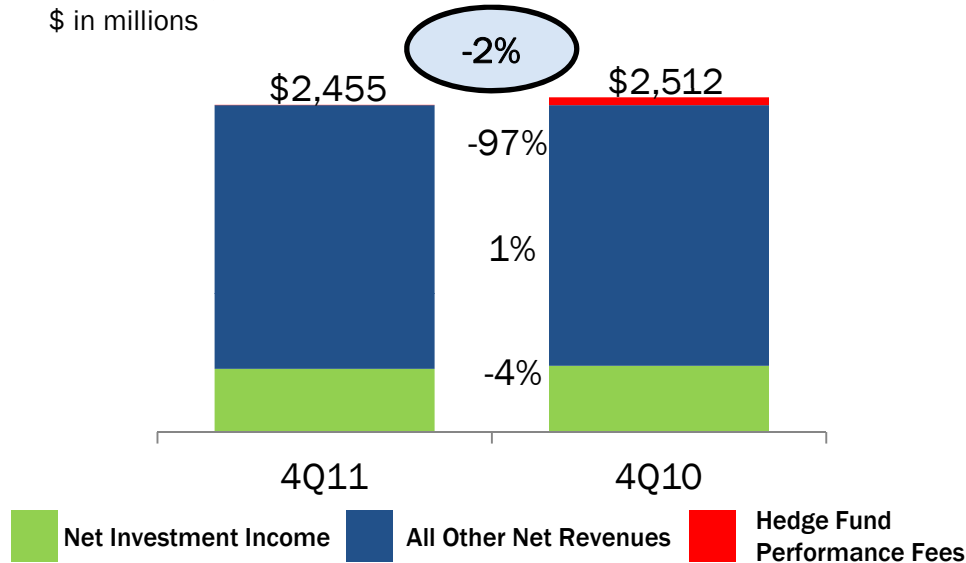
## Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures that our management feels best reflect the underlying performance of our operations. Reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measure have been provided along with the presentation.

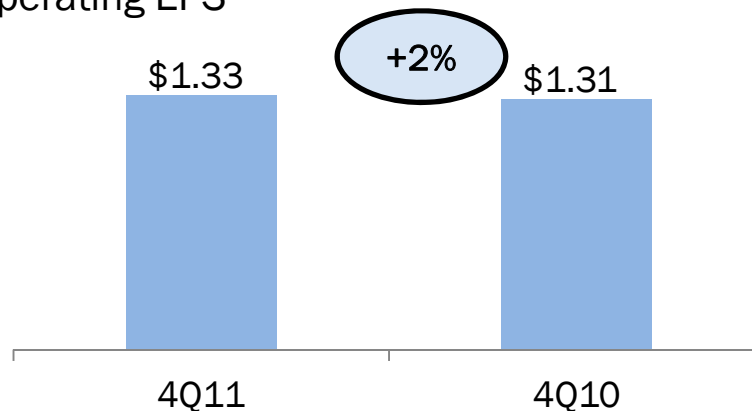
# Long term growth fundamentals in place, slower growth rates reflect markets

## Operating Net Revenues

\$ in millions



## Operating EPS

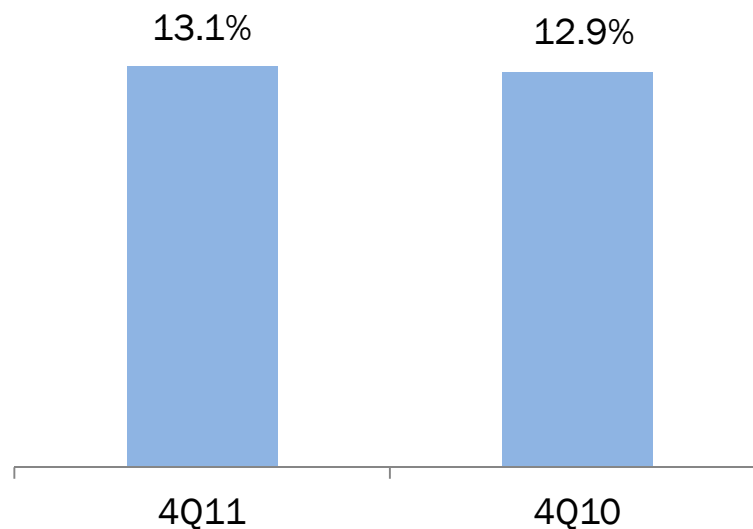


- Revenue growth slowed - clients reacting to market on lagged basis and lower hedge fund fees
- Revenues excluding hedge funds and net investment income grew 1%
- Continued low interest rate environment
- Managed expense levels while increasing growth investments including advertising and technology
- Improved auto and home results

See GAAP to operating reconciliations in appendix.

## On track to achieve 15% - 18% return on equity in 2012

Operating ROE excl. AOCI



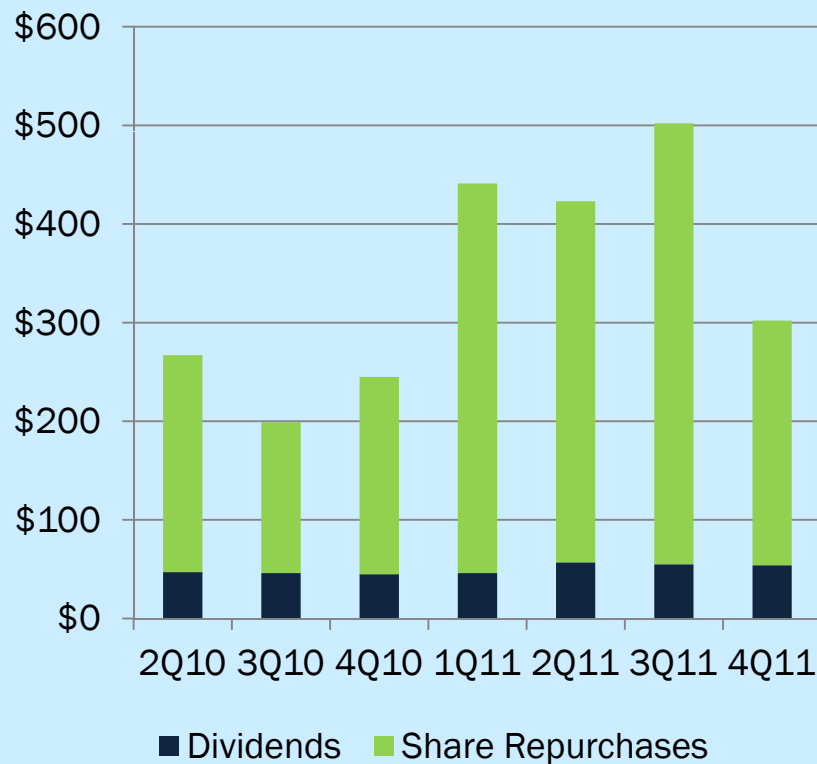
- Year-over-year ROE comparison affected by annual DAC unlocking swing
- Strong balance sheet is the foundation:
  - Effective hedging program
  - Strong capital ratios
  - High-quality investment portfolio

## Strong excess capital position remains in place



### Returning Capital to Shareholders

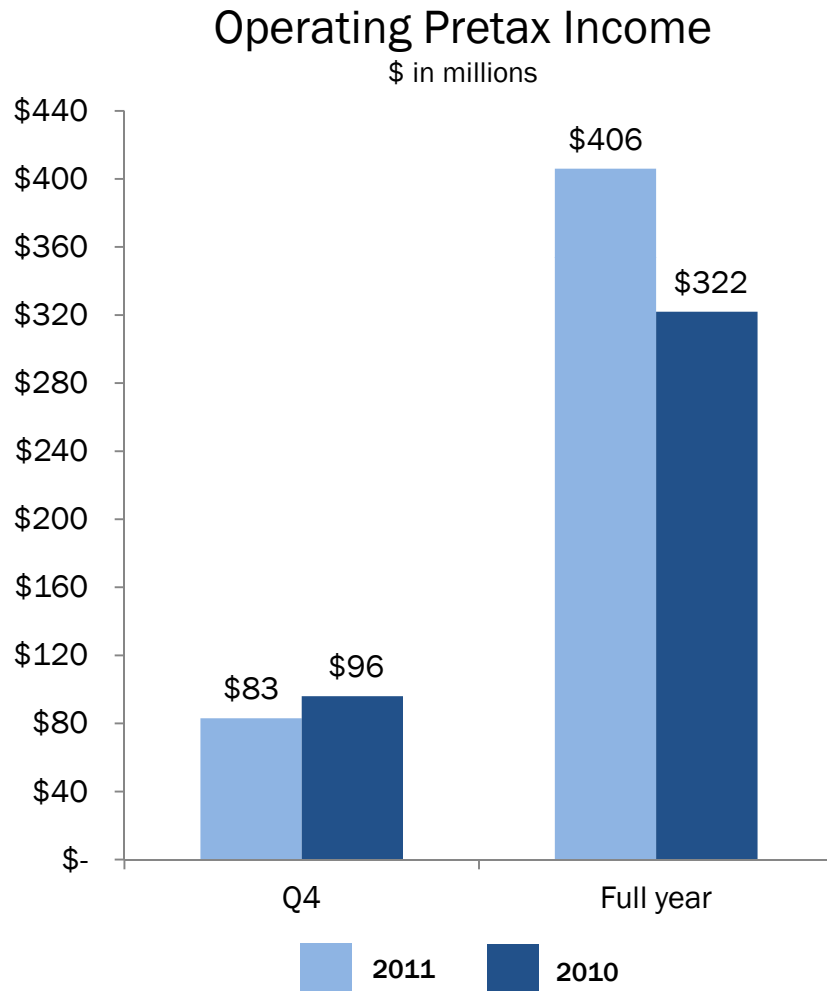
(\$ in millions)



- \$2 billion + in excess capital
- \$1.7 billion returned to shareholders in 2011, 135% of operating earnings
- Increased dividend 56% in 2011
- \$2.1 billion of operating company dividends in 2011 with 77% from the life company
- Estimated life company RBC ratio of 490% after \$850 million dividend in the quarter

# Advice & Wealth Management

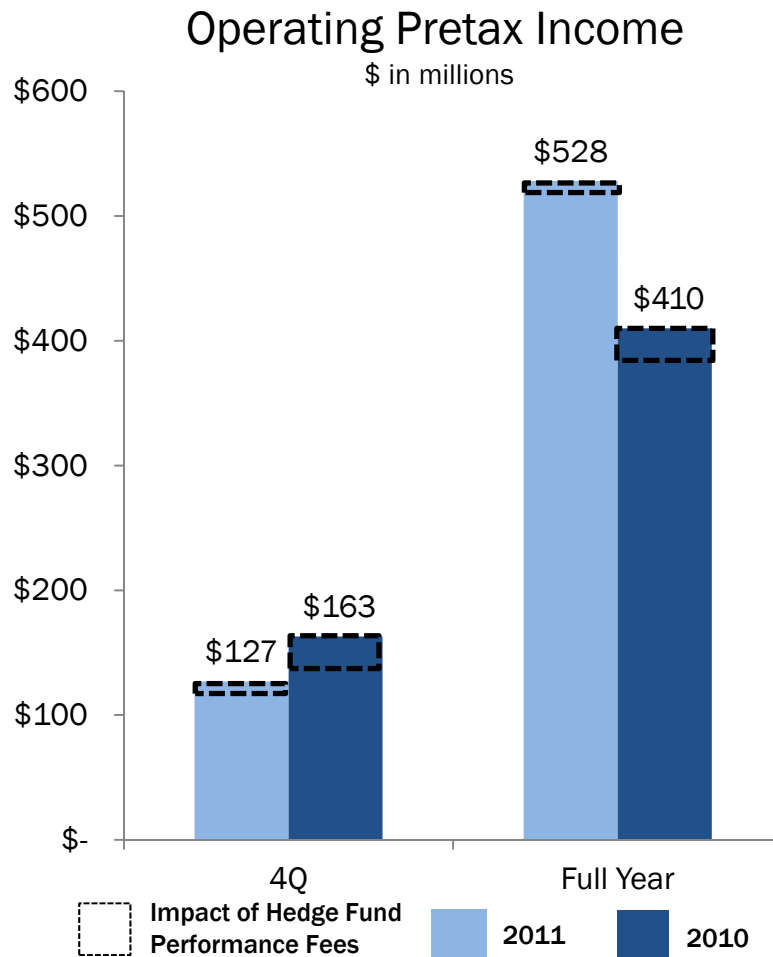
Operating margins 9.2%, full year operating earnings up 26% and 10.9% margin



- Asset growth continues and asset retention strong. Wrap asset net inflows of \$1.4 billion
- Client activity has lagged unstable markets. Transactional activity declined and cash balances increased 10%
- Low short-term rates continue to impact earnings with \$14.8 billion of brokerage cash earning 42 bps
- Continuing to invest for business growth: advertising and technology investments impacted fourth quarter 2011 results and will continue in 2012

# Asset Management

Adjusted net operating margins at 31.4%<sup>(1)</sup>, full year earnings up 29%, with full year adjusted net operating margins at 33.2%



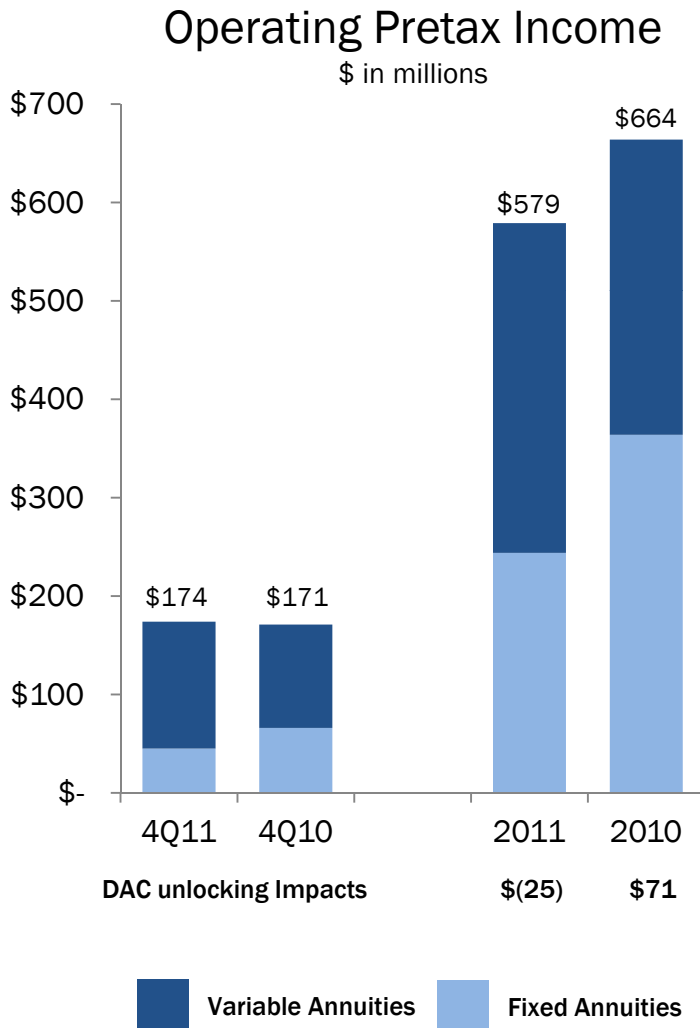
- Operating income includes \$21 million lower earnings from hedge funds
- Markets and net outflows impacted earnings
- G&A expenses lower, including increased brand investment
- Columbia Management integration on track

<sup>(1)</sup> Net margins of 31.4% net pass through expenses such as distribution fees from revenue when calculating the margin.

See GAAP to operating reconciliations in appendix.

# Annuities

*Underlying earnings are in line with our expectations, full year comparison impacted by DAC unlocking*



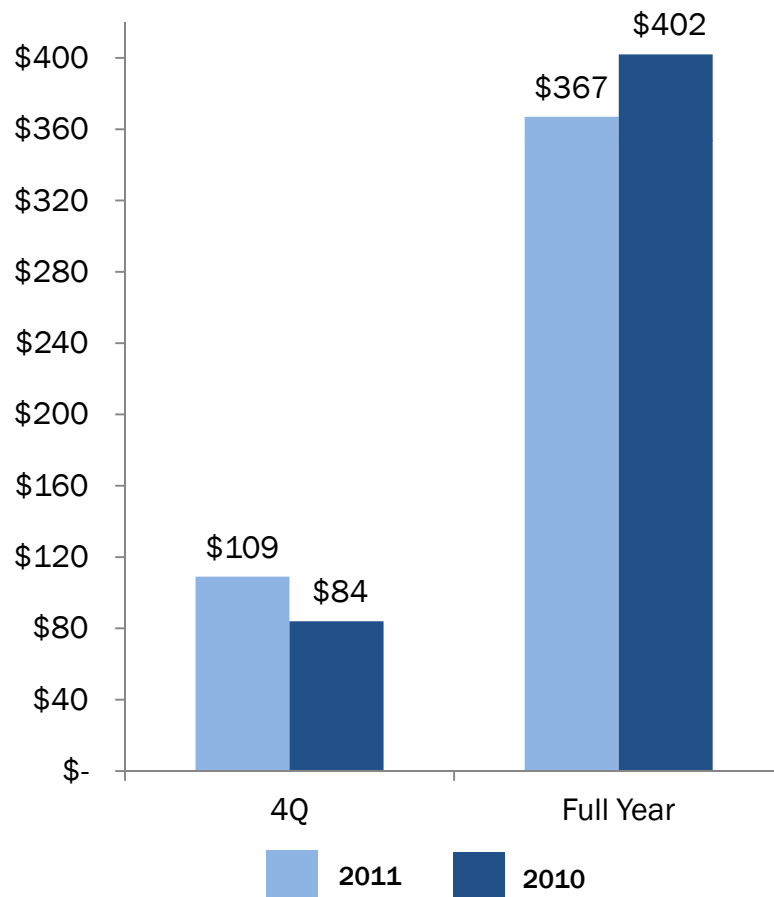
- Market impact on DAC/DSIC similar to fourth quarter last year
- Variable annuities reflects client net inflows and \$10 million favorable adjustment
- Operating earnings for fixed annuities reflect the continued low interest rate environment and an \$8 million unfavorable adjustment
- Variable annuity net inflows in Ameriprise channel of \$442 million in the quarter



# Protection

*Operating results driven by Auto & Home turnaround in quarter; full year comparison reflects higher catastrophe losses in first part of 2011*

Operating Pretax Income  
\$ in millions



## Life & Health

- Operating earnings within target range
- Improved life and health claims
- New indexed UL product gaining traction

## Auto & Home

- 6% revenue growth
- Increased pricing on auto policies 5%
- Improving auto losses and loss frequency
- 2011 included \$45 million of catastrophe losses vs. \$29 million in 2010

## Summary

- Performed well in 2011
- Strong record of managing through market cycles
- Managing for the short term and focused on the medium to long term
- Risk fundamentals and balance sheet remain strong

## Appendix: Reconciliation tables

Long term growth fundamentals in place, slower growth rates reflect markets - Slide 3

(\$ in millions)	4Q	4Q	B (W)	B (W)
	2011	2010		
Reported net revenues	\$2,582	\$2,558	\$ 24	1%
CIE impact	(126)	(27)		
Realized net gains	(1)	(19)		
Operating net revenues	<u>\$2,455</u>	<u>\$2,512</u>	\$ (57)	-2%

## Appendix: Reconciliation tables

Long term growth fundamentals in place, slower growth rates reflect markets - Slide 3

(\$ in millions, except per share amounts)	4Q		B (W)	Per Diluted Share		B (W)
	2011	2010		4Q 2011	4Q 2010	
Net income attributable to Ameriprise Financial	\$ 253	\$ 280	-10%	\$ 1.08	\$ 1.08	0%
Less: Income (loss) from discontinued operations, net of tax	13	(26)	NM	0.06	(0.10)	
Net income from continuing operations attributable to Ameriprise Financial	240	306	-22%	1.02	1.18	-14%
Add: Market impact on variable annuity guaranteed living benefits, net of tax <sup>(1)</sup>	59	27		0.25	0.10	
Add: Integration charges, net of tax <sup>(1)</sup>	14	20		0.06	0.08	
Less: Net realized gains, net of tax <sup>(1)</sup>	1	13		-	0.05	
Operating earnings	\$ 312	\$ 340	-8%	\$ 1.33	\$ 1.31	2%
Weighted average common shares outstanding:						
Basic	230.6	252.7				
Diluted	234.5	258.9				

<sup>(1)</sup> Calculated using the statutory tax rate of 35%.

## Appendix: Reconciliation tables

On track to achieve 15% -18% return on equity in 2012 - Slide 4

(\$ in millions)

	4Q 2011	4Q 2010
Net income attributable to Ameriprise Financial	\$ 1,076	\$ 1,097
Less: Loss from discontinued operations, net of tax	(60)	(24)
Net income from continuing operations attributable to Ameriprise Financial	1,136	1,121
Less: Adjustments <sup>(1)</sup>	(96)	(67)
Operating earnings	<u>\$ 1,232</u>	<u>\$ 1,188</u>
Total Ameriprise Financial, Inc. shareholders' equity	\$ 10,482	\$ 10,309
Less: Assets and liabilities held for sale	29	102
Less: Accumulated other comprehensive income, net of tax	603	540
Total Ameriprise Financial, Inc. shareholders' equity from continuing operations excluding AOCI	9,850	9,667
Less: Equity impacts attributable to the consolidated investment entities	478	455
Operating Equity	<u>\$ 9,372</u>	<u>\$ 9,212</u>
Return on equity from continuing operations, excluding AOCI	11.5%	11.6%
Operating return on equity excluding CIEs and AOCI <sup>(2)</sup>	13.1%	12.9%

<sup>(1)</sup> Adjustments reflect the trailing twelve months' sum of after-tax net realized gains/losses; market impact on variable annuity guaranteed living benefits, net of DAC and DSIC; and integration/restructuring charges.

<sup>(2)</sup> Operating return on equity excluding consolidated investment entities and accumulated other comprehensive income is calculated using the trailing twelve months of earnings excluding the after-tax net realized gains/losses; market impact on variable guaranteed living benefits net of DAC and DSIC; integration/restructuring charges; and discontinued operations in the numerator, and Ameriprise Financial shareholders' equity excluding accumulated other comprehensive income; the impact of consolidating investment entities; and the assets and liabilities held for sale using a five-point average of quarter-end equity in the denominator.

## Appendix: Reconciliation tables

### Advice & Wealth Management - Slide 6

(\$ in millions)	4Q		% Change	Full Year		% Change
	2011	2010		2011	2010	
Segment PTI	\$ 79	\$ 97	-19%	\$ 401	\$ 316	27%
Realized (gains) losses	4	(1)		5	(1)	
Integration charges	-	-		-	7	
Operating PTI	\$ 83	\$ 96	-14%	\$ 406	\$ 322	26%
Net revenues	\$ 901	\$ 895	1%	\$ 3,708	\$ 3,343	11%
Realized (gains) losses	4	(1)		5	(1)	
Operating net revenues	\$ 905	\$ 894	1%	\$ 3,713	\$ 3,342	11%
Pretax margin	8.8%	10.8%		10.8%	9.5%	
Pretax operating margin	9.2%	10.7%		10.9%	9.6%	

### Asset Management - Slide 7

(\$ in millions)	4Q		% Change	Full Year		% Change
	2011	2010		2011	2010	
Segment PTI	\$ 107	\$ 140	-24%	\$ 436	\$ 318	37%
Realized (gains) losses	(1)	(1)		(3)	(3)	
Integration charges	21	24		95	95	
Operating PTI	127	163	-22%	528	410	29%

## Appendix: Reconciliation tables

### Asset Management - Slide 7

Q4 2011 (\$ in millions)	Reported Margin	Operating Adjustments <sup>(1)</sup>	Operating Margin	Netting Adjustments <sup>(2)</sup>	Net Margin
Net Revenues	\$ 703	\$ (1)	\$ 702	\$ (301)	\$ 401
PTI	\$ 107	\$ 20	\$ 127	\$ (1)	\$ 126
Pretax Margin	15.2%		18.1%		31.4%

<sup>(1)</sup> Adjusting items include realized gains and integration charges

<sup>(2)</sup> Adjusting items include pass through distribution costs, subadvisory and other fees, and intangible amortization

Q4 2010 (\$ in millions)	Reported Margin	Operating Adjustments <sup>(1)</sup>	Operating Margin	Netting Adjustments <sup>(2)</sup>	Net Margin
Net Revenues	\$ 774	\$ (1)	\$ 773	\$ (283)	\$ 490
PTI	\$ 140	\$ 23	\$ 163	\$ 4	\$ 167
Pretax Margin	18.1%		21.1%		34.1%

<sup>(1)</sup> Adjusting items include realized gains and integration charges

<sup>(2)</sup> Adjusting items include pass through distribution costs, subadvisory and other fees, and intangible amortization

## Appendix: Reconciliation tables

Asset Management - Slide 7

Full Year 2011 (\$ in millions)	Reported Margin	Operating Adjustments <sup>(1)</sup>	Operating Margin	Netting Adjustments <sup>(2)</sup>	Net Margin
Net Revenues	\$ 2,900	\$ (3)	\$ 2,897	\$ (1,218)	\$ 1,679
PTI	\$ 436	\$ 92	\$ 528	\$ 29	\$ 557
Pretax Margin	15.0%		18.2%		33.2%

<sup>(1)</sup> Adjusting items include realized gains and integration charges

<sup>(2)</sup> Adjusting items include pass through distribution costs, subadvisory and other fees, and intangible amortization

Full Year 2010 (\$ in millions)	Reported Margin	Operating Adjustments <sup>(1)</sup>	Operating Margin	Netting Adjustments <sup>(2)</sup>	Net Margin
Net Revenues	\$ 2,368	\$ (3)	\$ 2,365	\$ (919)	\$ 1,446
PTI	\$ 318	\$ 92	\$ 410	\$ 25	\$ 435
Pretax Margin	13.4%		17.3%		30.1%

<sup>(1)</sup> Adjusting items include realized gains and integration charges

<sup>(2)</sup> Adjusting items include pass through distribution costs, subadvisory and other fees, and intangible amortization



## Appendix: Reconciliation tables

### Annuities - Slide 8

(\$ in millions)	4Q		% Change	Full Year		% Change
	2011	2010		2011	2010	
Segment PTI	\$ 88	\$ 131	-33%	\$ 521	\$ 648	-20%
Realized (gains) losses	(5)	(3)		(1)	(9)	
Market impact on VA guaranteed living benefits	91	43		59	25	
Operating PTI	174	171	2%	579	664	-13%

### Protection - Slide 9

(\$ in millions)	4Q		% Change	Full Year		% Change
	2011	2010		2011	2010	
Segment PTI	\$ 109	\$ 83	31%	\$ 370	\$ 403	-8%
Realized (gains) losses	-	1		(3)	(1)	
Operating PTI	109	84	30%	367	402	-9%