

# Appendix – as of 06/30/2008

## Investment portfolio as of 06/30/2008

- Financial Guarantors - \$734 million of total exposure
  - No wrapped transactions, no direct investments in guarantors, no exposure to guarantors in the Ameriprise liquidity facilities
  - Investment decisions based on the integrity of the underlying cash flows
  - \$640 million of enhanced municipal securities
    - Enhanced securities comprise almost 50% of the municipal market
  - \$94 million of enhanced asset back securities

# Appendix – as of 06/30/2008

- Structured asset portfolio - \$9.9 billion
  - \$6.0 billion RMBS, \$2.8 billion CMBS, \$1.1 billion ABS
- Residential mortgage backed securities portfolio of \$6.0 billion is 96% AAA-rated
  - Agency mortgage exposure totals \$4.3 billion
    - Stable prepayment profile with less negative convexity and interest rate sensitivity than the MBS index
    - Portfolio has a higher coupon bias which should perform well in a rising interest rate environment
  - Prime mortgage exposure totals \$599 million
    - \$514 million is AAA-rated and \$85 million is AA-rated

# Appendix – as of 06/30/2008

- Residential mortgage backed securities (cont'd)
  - Alt A exposure is \$1.1 billion
    - \$939 million is AAA-rated, \$67 million AA-rated, \$4 million A-rated, and \$70 million BB-rated or below
    - Majority of Alt-A holdings are “super senior” bonds
      - » Greater credit enhancement than required to get a AAA rating
    - Market value of 78% of book as of 06/30/2008

# Appendix – as of 06/30/2008

- Commercial mortgage backed securities portfolio - \$2.8 billion exposure
  - Entirely AAA-rated
  - Seasoned collateral, predominantly 2005 or earlier vintages
    - Lower delinquency rates than the overall CMBS market
  - Market value of 98% of book as of 6/30/2008
- Asset backed securities portfolio - \$1.1 billion exposure
  - 82% AAA-rated
  - \$415 million are securitized small business loans backed by the full faith and credit of the US government.
  - \$411 million - primarily credit cards, automobile loans, and student loans, 72% AAA-rated.

# Appendix – as of 06/30/2008

- Asset backed securities portfolio (cont'd)
  - \$247 million of securities back by subprime residential mortgages, less than 1% of the Ameriprise portfolio
    - \$174 million are senior AAA-rated tranches, \$56 million are AA-rated, \$12 million are BBB-rated, and \$5 million BB-rated or below
    - High quality exposure - short duration, with limited negative convexity
- Commercial real estate - \$3.0 billion exposure
  - Average loan to value ratio of 54%
  - Solid weighted average debt service coverage ratio of 1.82x
  - No delinquencies over the past year and a half

# Appendix – as of 06/30/2008

- Corporate credit - \$13.8 billion exposure
  - Investment grade portfolio is highly diversified and well positioned with a preference toward non-cyclicals and a bias toward regulated industries and asset rich-companies
  - High yield portfolio includes \$2.2 billion in below investment grade securities, comprising 7% of the investment portfolio
    - Highly diversified with a focus on credits that can generate free cash flow through economic cycles
  - Homebuilders - \$164 million exposure
    - As of 06/30/2008, unrealized losses on homebuilders were \$34 million