

AMERIPRISE FINANCIAL INC

Form 10-Q

May 05, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2016

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _____ to _____

Commission File No. 1-32525

AMERIPRISE FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

13-3180631

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

1099 Ameriprise Financial Center, Minneapolis, Minnesota 55474

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (612) 671-3131

Former name, former address and former fiscal year, if changed since last report: Not Applicable

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☒

Accelerated Filer ☐

Non-Accelerated Filer ☐

Smaller reporting company ☐

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class

Outstanding at April 22, 2016

Common Stock (par value \$.01 per share) 165,813,448 shares

AMERIPRISE FINANCIAL, INC.

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AMERIPRISE FINANCIAL, INC.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended March 31, 2016 2015 (in millions, except per share amounts)	
Revenues		
Management and financial advice fees	\$1,386	\$1,468
Distribution fees	435	466
Net investment income	331	484
Premiums	368	353
Other revenues	254	289
Total revenues	2,774	3,060
Banking and deposit interest expense	9	7
Total net revenues	2,765	3,053
Expenses		
Distribution expenses	770	819
Interest credited to fixed accounts	146	172
Benefits, claims, losses and settlement expenses	482	533
Amortization of deferred acquisition costs	110	75
Interest and debt expense	55	84
General and administrative expense	727	752
Total expenses	2,290	2,435
Pretax income	475	618
Income tax provision	111	139
Net income	364	479
Less: Net income attributable to noncontrolling interests	—	86
Net income attributable to Ameriprise Financial	\$364	\$393
Earnings per share attributable to Ameriprise Financial, Inc. common shareholders		
Basic	\$2.11	\$2.11
Diluted	\$2.09	\$2.08
Cash dividends declared per common share	\$0.67	\$0.58
Supplemental Disclosures:		
Total other-than-temporary impairment losses on securities	\$(2)	\$(1)
Portion of loss recognized in other comprehensive income (before taxes)	1	—
Net impairment losses recognized in net investment income	\$(1)	\$(1)
See Notes to Consolidated Financial Statements.		

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended March 31, 2016	2015 (in millions)
Net income	\$364	\$479
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustment	(11)	(85)
Net unrealized gains on securities	193	71
Net unrealized gains on derivatives	1	—
Total other comprehensive income (loss), net of tax	183	(14)
Total comprehensive income	547	465
Less: Comprehensive income attributable to noncontrolling interests	—	30
Comprehensive income attributable to Ameriprise Financial	\$547	\$435
See Notes to Consolidated Financial Statements.		

AMERIPRISE FINANCIAL, INC.

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	March 31, 2016	December 31, 2015
	(in millions, except share amounts)	
Assets		
Cash and cash equivalents	\$2,649	\$ 2,357
Cash of consolidated investment entities	146	502
Investments	34,643	34,144
Investments of consolidated investment entities, at fair value	2,511	6,570
Separate account assets	80,182	80,349
Receivables	5,232	5,167
Receivables of consolidated investment entities (includes \$63 and \$70, respectively, at fair value)	63	107
Deferred acquisition costs	2,650	2,725
Restricted and segregated cash and investments		