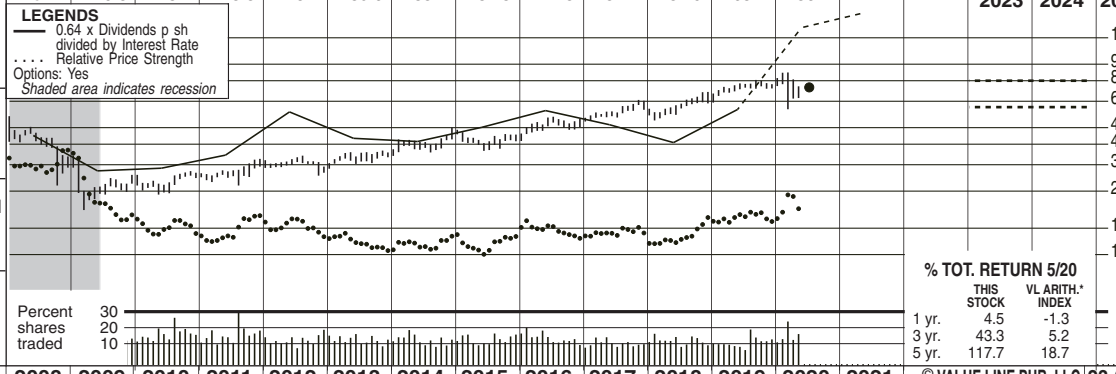
AMEREN NYSE-AEE

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
74.37	21.6	(Trailing: 23.5 Median: 17.0)	1.10	2.8%	VALUE LINE

TIMELINESS 3 Lowered 3/29/19
SAFETY 2 Raised 6/20/14
TECHNICAL 1 Raised 5/8/20
BETA .80 (1.00 = Market)

High:	35.3	29.9	34.1	35.3	37.3	48.1	46.8	54.1	64.9	70.9	80.9	87.7
Low:	19.5	23.1	25.5	28.4	30.6	35.2	37.3	41.5	51.4	51.9	63.1	58.7

LEGENDS
— 0.64 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



Target Price Range
2023 | 2024 | 2025

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$56-$117	$87 (15%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(+10%)	5%
Low	60	(-20%)	-1%

Institutional Decisions

	3Q2019	4Q2019	1Q2020
to Buy	257	266	242
to Sell	257	265	273
Hld's(000)	186859	186367	187833

% TOT. RETURN 5/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	4.5	-1.3
3 yr.	43.3	5.2
5 yr.	117.7	18.7

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
26.43	33.12	33.30	36.23	36.92	29.87	31.77	31.04	28.14	24.06	24.95	25.13	25.04	25.46	25.73	24.00	*22.05*	*22.70*	Revenues per sh	*24.25*
5.57	6.10	6.02	6.76	6.44	6.06	6.33	5.87	5.87	5.25	5.77	6.08	6.59	6.80	7.64	7.83	*8.05*	*8.50*	"Cash Flow" per sh	*10.00*
2.82	3.13	2.66	2.98	2.88	2.78	2.77	2.47	2.41	2.10	2.40	2.38	2.68	2.77	3.32	3.35	*3.45*	*3.65*	Earnings per sh A	*4.50*
2.54	2.54	2.54	2.54	2.54	1.54	1.54	1.56	1.60	1.60	1.61	1.66	1.72	1.78	1.85	1.92	*2.01*	*2.11*	Div'd Decl'd per sh B ■	*2.45*
4.13	4.63	4.99	6.96	9.75	7.51	4.66	4.50	5.49	5.87	7.66	8.12	8.78	9.05	9.56	9.92	*15.85*	*11.55*	Cap'l Spending per sh	*11.00*
29.71	31.09	31.86	32.41	32.80	33.08	32.15	32.64	27.27	26.97	27.67	28.63	29.27	29.61	31.21	32.73	*35.70*	*37.40*	Book Value per sh C	*43.50*
195.20	204.70	206.60	208.30	212.30	237.40	240.40	242.60	242.63	242.63	242.63	242.63	242.63	242.63	244.50	246.20	*254.00*	*260.00*	Common Shs Outst'g D	*275.00*
16.3	16.7	19.4	17.4	14.2	9.3	9.7	11.9	13.4	16.5	16.7	17.5	18.3	20.6	18.3	22.1	*Bold figures are*		Avg Ann'l P/E Ratio	*15.5*
.86	.89	1.05	.92	.85	.62	.62	.75	.85	.93	.88	.88	.96	1.04	.99	1.18	*Value Line*		Relative P/E Ratio	*.85*
5.5%	4.9%	4.9%	4.9%	6.2%	6.0%	5.8%	5.3%	5.0%	4.6%	4.0%	4.0%	3.5%	3.1%	3.0%	2.6%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 3/31/20
Total Debt $10350 mill. **Due in 5 Yrs** $2660 mill.
LT Debt $9378 mill. **LT Interest** $428 mill.
(LT interest earned: 3.4x)
Leases, Uncapitalized Annual rentals $8 mill.
Pension Assets-12/19 $4564 mill.
Oblig $4967 mill.
Pfd Stock $142 mill. **Pfd Div'd** $6 mill.
807,595 sh. $3.50 to $5.50 cum. (no par), $100 stated val., redeem. $102.176-$110/sh.; 616,323 sh. 4.00% to 6.625%, $100 par, redeem. $100-$104/sh.
Common Stock 246,891,031 shs. **as of 4/30/20**
MARKET CAP: $18 billion (Large Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
7638.0	7531.0	6828.0	5838.0	6053.0	6098.0	6076.0	6177.0	6291.0	5910.0	*5600*	*5900*	Revenues ($mill)	*6700*
669.0	602.0	589.0	518.0	593.0	585.0	659.0	683.0	821.0	834.0	*875*	*950*	Net Profit ($mill)	*1230*
36.8%	37.3%	36.9%	37.5%	38.9%	38.3%	36.7%	38.2%	22.4%	17.9%	*12.5%*	*12.5%*	Income Tax Rate	*12.5%*
7.8%	5.6%	6.1%	7.1%	5.7%	5.1%	4.1%	5.6%	6.9%	5.8%	*6.0%*	*5.0%*	AFUDC % to Net Profit	*4.0%*
48.2%	45.3%	49.5%	45.2%	47.2%	49.3%	47.7%	49.2%	50.3%	52.1%	*54.0%*	*51.0%*	Long-Term Debt Ratio	*49.5%*
50.9%	53.7%	49.4%	53.7%	51.7%	49.7%	51.3%	49.8%	48.8%	47.1%	*45.5%*	*48.5%*	Common Equity Ratio	*50.0%*
15185	14738	13384	12190	12975	13968	13840	14420	15632	17116	*20000*	*20150*	Total Capital ($mill)	*23900*
17853	18127	16096	16205	17424	18799	20113	21466	22810	24376	*27225*	*28950*	Net Plant ($mill)	*33600*
6.0%	5.6%	6.0%	5.6%	5.8%	5.3%	6.0%	6.0%	6.4%	6.0%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.5%*
8.5%	7.5%	8.7%	7.7%	8.7%	8.3%	9.1%	9.3%	10.6%	10.2%	*9.5%*	*9.5%*	Return on Shr. Equity	*10.0%*
8.6%	7.5%	8.8%	7.8%	8.7%	8.3%	9.2%	9.4%	10.7%	10.3%	*9.5%*	*9.5%*	Return on Com Equity E	*10.0%*
3.8%	2.8%	3.0%	1.9%	2.9%	2.5%	3.3%	3.4%	4.8%	4.4%	*4.0%*	*4.0%*	Retained to Com Eq	*4.5%*
56%	63%	66%	76%	67%	70%	64%	64%	56%	57%	*58%*	*58%*	All Div'ds to Net Prof	*55%*

ELECTRIC OPERATING STATISTICS

	2017	2018	2019
% Change Retail Sales (KWH)	-3.4	+5.6	-3.5
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	350	313	307

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-3.0%	-.5%	*-.5%*
"Cash Flow"	1.5%	5.5%	*5.0%*
Earnings	1.0%	6.5%	*6.0%*
Dividends	-2.0%	3.0%	*5.0%*
Book Value	-.5%	2.5%	*5.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	1514	1538	1723	1402	6177.0
2018	1585	1563	1724	1419	6291.0
2019	1556	1379	1659	1316	5910.0
2020	1440	*1300*	*1600*	*1260*	*5600*
2021	*1600*	*1350*	*1650*	*1300*	*5900*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	.42	.79	1.18	.39	2.77
2018	.62	.97	1.45	.28	3.32
2019	.78	.72	1.47	.38	3.35
2020	.59	*.80*	*1.61*	*.45*	*3.45*
2021	*.65*	*.85*	*1.70*	*.45*	*3.65*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.425	.425	.425	.44	1.72
2017	.44	.44	.44	.4575	1.78
2018	.4575	.4575	.4575	.475	1.85
2019	.475	.475	.475	.495	1.92
2020	.495	.495			

BUSINESS: Ameren Corporation is a holding company formed through the merger of Union Electric and CIPSCO. Has 1.2 million electric and 127,000 gas customers in Missouri; 1.2 million electric and 813,000 gas customers in Illinois. Discontinued nonregulated power-generation operation in '13. Electric revenue breakdown: residential, 43%; commercial, 32%; industrial, 8%; other, 17%. Generating sources: coal, 63%; nuclear, 23%; hydro & other, 6%; purchased, 8%. Fuel costs: 24% of revenues. '19 reported deprec. rates: 3%-4%. Has 9,300 employees. Chairman, President & CEO: Warner L. Baxter. Inc.: Missouri. Address: One Ameren Plaza, 1901 Chouteau Ave., P.O. Box 66149, St. Louis, Missouri 63166-6149. Tel.: 314-621-3222. Internet: www.ameren.com.

We cut our 2020 and 2021 earnings estimates for Ameren. The company's electric business in Missouri is being hurt by kilowatt-hour sales reductions resulting from the weak economy. Ameren's electric operations in Illinois have had a cut in the allowed return on equity, which tracks the 30-year U.S. Treasury bond rate. At least Ameren Illinois isn't being hurt by a decline in sales because it operates under a regulatory mechanism that decouples volume and revenues. Moreover, the company's transmission business does not depend on retail sales. We lowered our 2020 earnings estimate by $0.05 a share, to $3.45. This is still within the company's guidance of $3.40-$3.60, which management did not change upon releasing March-quarter results. Because any growth in 2021 will come off a lower base, we cut our estimate by $0.10 a share, to $3.65. The 6% increase we estimate for next year is within Ameren's target of 6%-8% for annual profit growth.

Ameren's electric rates were reduced in Missouri, but this wasn't a bad outcome for the utility. The commission cut Ameren's rates by $32 million, effective April 1, 2020. But this included the pass-through to customers of some $115 million of lower fuel costs and $50 million of decreased nonfuel expenses. This was a "black box" order in which an allowed ROE and common-equity ratio were not specified, but the decision was based on an implicit ROE in a range of 9.4%-9.8%.

A gas rate application is pending in Illinois. Ameren filed for $102 million, including $46 million that would otherwise be recovered through riders (surcharges) on customers' bills. The utility requested a 10.5% ROE and a 54.1% common-equity ratio. A ruling is due by January, with new tariffs taking effect in February.

Ameren is adding wind projects. The company is spending $1.2 billion to add 700 megawatts of capacity. Most, if not all, of this should be in service by yearend.

The stock has outperformed most utility equities in 2020. Its price has fallen just 3%. The dividend yield is almost one percentage point below the industry average. Total return potential is average for the next 18 months, but not for the 2023-2025 period.

Paul E. Debbas, CFA *June 12, 2020*

(A) Dil. EPS. Excl. nonrec. gain (losses): '05, (11¢); '10, ($2.19); '11, (32¢); '12, ($6.42); '17, (63¢); gain (loss) from disc. ops.: '13, (92¢); '15, 21¢. '17 EPS don't sum due to rounding. Next egs. report due early Aug. (B) Div'ds pd. late Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '19: $5.70/sh. (D) In mill. (E) Rate base: Orig. cost depr. Rate all'd on com. eq. in MO in '20: elec., none; in '11: gas, none; in IL in '14: elec., 8.7%, in '18: gas, 9.87%; earned on avg. com. eq., '19: 10.5%. Reg. Climate: MO, Avg.; IL, Below Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	80
Earnings Predictability	85

© 2020 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE