

Amundi

First Quarter 2019 Results

A high level of accounting net income: €235m
up by 6% vs. Q1 2018 and by 22% vs. Q4 2018

Results	<p>A new improvement in results:</p> <ul style="list-style-type: none">▪ A high level of accounting net income at €235m, up by +6.4% vs. Q1 2018 and +22.4% vs. Q4 2018▪ Adjusted net income¹ of €247m, up by +3.2% vs. Q1 2018 and by +10.0% vs. Q4 2018<ul style="list-style-type: none">▪ Net management fees of €621m, up by +0.9% on Q1 2018 and +0.6% on Q4 2018▪ Cost/income ratio¹ of 50.9%, stable vs. Q1 2018 and improved by 1.6pt compared to Q4 2018
Business activity	<ul style="list-style-type: none">▪ Assets under management²: €1,476bn at 31 March 2019, +3.6% vs. 31 December 2018▪ Steady net inflows² in Medium-Long-Term Assets³, in both the Retail and Institutional segments: +€8.4bn excluding reinternalisation of a specific mandate in Italy▪ Total net outflows of -€6.9bn due to:<ul style="list-style-type: none">▪ substantial outflows from treasury products (-€9.0bn)▪ the reinternalisation (in January) of a specific institutional mandate in Italy (-€6.3bn)

Paris, 26 April 2019

Amundi's Board of Directors, chaired by Xavier Musca, convened on 25 April 2019 to review the financial statements for the first quarter of 2019.

Commenting on the figures, Yves Perrier, CEO, said:

"With a sharp improvement of profitability, this first quarter is in line with the roadmap and the targets stated for 2020. The Pioneer integration is finalized. Against a backdrop of persistent risk aversion, the turnaround in inflows in medium-long-term assets illustrates Amundi's capacity to meet the needs of all its clients, through the continuous enhancement of its solutions and international presence."

¹ Adjusted data: excluding amortisation of the distribution contracts and, in 2018, excluding costs associated with the integration of Pioneer.

² Assets under management and net inflows include assets under advisory and assets sold, and take into account 100% of assets under management and net inflows on the Asian JVs. For Wafa in Morocco, assets are reported on a proportional consolidation basis.

³ Medium-Long-Term (MLT) Assets excluding treasury products: equity, fixed income, real, alternative and structured assets.

I. Sharp improvement in results

**Slight increase in net asset management revenue and an improved cost/income ratio
Strong growth in accounting net income (+6.4% vs. Q1 2018 and +22.4% vs. Q4 2018)**

In a market environment that is improving, yet marked by persistent risk aversion, Amundi's earnings in Q1 2019 were to the upside once again, confirming its business-model's resilience.

Accounting data⁴

Q1 2019 accounting net income was €235m, up +6.4% on Q1 2018 and up +22.4% compared to Q4 2018. This growth in profitability is related to:

- a good level of net management fees and net financial income,
- controlled operating costs.

Adjusted data⁵

Total net **revenues** were virtually stable at €663m (-0.6% vs. Q1 2018):

- **Net management fees posted moderate growth (€621m, +0.9%)**, reflecting resilient margins.
- Performance fees, which continue to be affected by the difficult market conditions of the past 12 months, were down compared to a particularly high Q1 2018.
- Financial income rose to €18m, in connection with the market recovery in Q1 2019.

Operating expenses were stable (€336m, -0.2% vs. Q1 2018), with synergies related to the integration of Pioneer offsetting reinvestments of growth as well as unfavourable foreign exchange and price effects.

Consequently, the cost-to-income ratio stood at 50.9%, near-stable compared to Q1 2018 and a significant 1.6-point improvement compared to Q4 2018. Gross operating income stood at €323m.

In light of the (increased) contribution from equity-accounted entities (primarily the Asian joint ventures) to income, and a virtually identical tax charge of -€94m, **adjusted net income, Group share totalled €247m, up +3.2% compared to Q1 2018 and +10.0% compared to Q4 2018.**

⁴ Including amortisation of distribution contracts.

⁵ Adjusted data: excluding amortisation of the distribution contracts and, in 2018, excluding costs associated with the integration of Pioneer.

II. Business activity

Assets under management: €1,476bn (+3.6% vs. end-2018)
Sustained high inflows in MLT assets⁶

Amundi's assets under management totalled €1,476bn at 31 March 2019, up +3.6% compared to the end of 2018, thanks to a positive market effect.

Net inflows rebounded in MLT assets, both in Retail and for Institutionals, totalling +€8.4bn excluding the reinternalisation of a specific mandate in Italy (-€6.3bn).

The first quarter was marked by substantial outflows from treasury products (-€9.0bn) at the end of the period, and by the reinternalisation (in January) of a specific mandate by an Italian institutional client. Taking account these items, overall net flows totalled -€6.9bn.

Retail

The Retail segment posted a recovery in MLT assets (+€2.4bn in Q1 2019 vs. +€0.1bn in Q4 2018), driven by International Networks (+€2.6bn) thanks to discretionary portfolio management in Italy, and by Asian joint ventures (+€0.8bn, particularly in India and Korea). However, there were moderate outflows in French networks, a trend reflected in the decline in the Unit-Linked⁷ share of gross inflows from life insurance policies (24% in January-February vs. 28% in 2018).

Net outflows from treasury products (-€7.8bn) were significant at the end of the quarter in the French Networks, third-party distributors and JVs.

Net outflows from Retail totalled -€5.4bn for the quarter.

Institutionals

This quarter was characterised by robust net inflows in MLT assets, totalling +€6.0bn excluding the reinternalisation of an Italian mandate (-€6.3bn).

Net inflows in CA & SG Insurance Mandates were brisk and driven by subscriptions to euro-denominated life insurance contracts.

Also of note were the substantial net outflows from money-market products in the Corporates segment at the end of the quarter.

Net outflows from the Institutional segment totalled -€1.5bn for the quarter.

By asset class, MLT inflows were evenly distributed, driven by all areas of expertise. Structured products had notable success in meeting clients' need for protection.

From a geographic standpoint, 70%⁸ of net inflows in MLT assets were achieved outside of France.

Financial communication schedule

- 16 May 2019: General Shareholders' Meeting for FY 2018
- 24 May 2019: Ex-dividend date
- 28 May 2019: Dividend payout date
- 31 July 2019: Publication of first-half 2019 results
- 31 October 2019: Publication of results for the first nine months of 2019

⁶ Medium-Long-Term (MLT) Assets excluding treasury products: equity, fixed income, real, alternative and structured assets.

⁷ French market figures. Source: FFA

⁸ Excluding reinternalisation of an Italian mandate

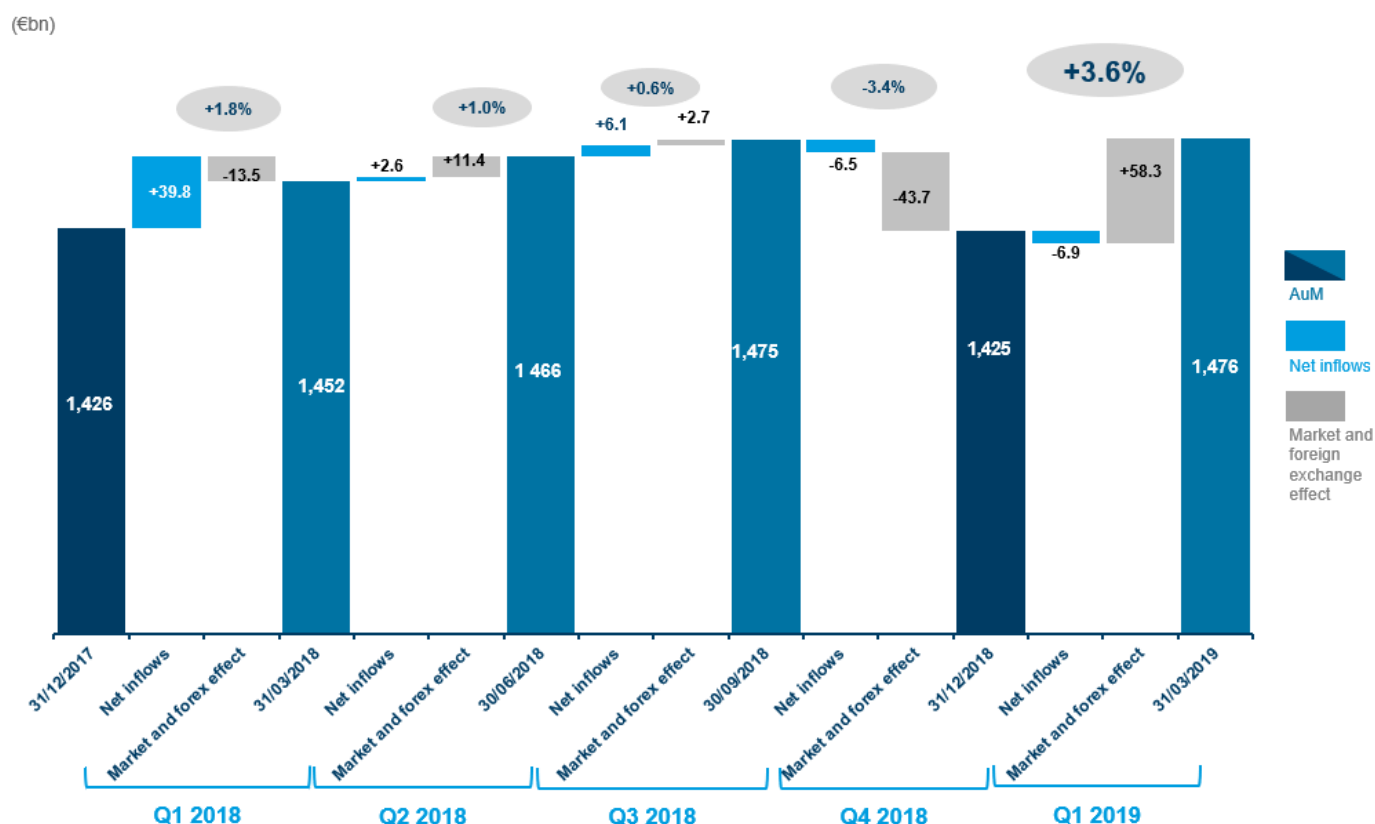
Income statement

€m	Q1 2019	Q1 2018	Q1/Q1 change	Q4 2018	Q1 2019 / Q4 2018
Adjusted net revenue ¹	659	663	-0.6%	620	+6.2%
Net asset management revenue	641	667	-4.0%	638	+0.5%
o/w net management fees	621	615	+0.9%	617	+0.6%
o/w performance fees	20	52	-61.7%	21	-2.8%
Net financial income and other net income ¹	18	(5)	NS	(18)	NS
Adjusted operating expenses ²	(336)	(336)	-0.2%	(326)	+3.0%
Adjusted gross operating income ^{1, 2}	323	326	-0.9%	294	+9.8%
Adjusted cost/income ratio ^{1,2}	50.9%	50.7%	+0.2 pts	52.5%	-1.6 pts
Cost of risk & Other	5	(4)	NS	(13)	NS
Equity-accounted entities	13	12	+8.4%	12	+8.8%
Adjusted income before taxes ^{1,2}	341	334	+2.1%	293	+16.5%
Adjusted taxes	(94)	(95)	-0.9%	(68)	+38.3%
Adjusted net income, Group share ^{2,3}	247	240	+3.2%	225	+10.0%
Amortisation of distribution contracts after tax	(13)	(12)	+0.7%	(12)	+0.7%
Pioneer integration costs after tax	0	(6)	NS	(21)	NS
Net income, Group share	235	221	+6.4%	192	+22.4%

1- Excluding amortisation of UniCredit, SG, and Bawag distribution contracts.

2- Excluding costs associated with the integration of Pioneer

Change in assets under management from end-December 2017 to end-March 2019



Assets under management and net inflows by client segment

(€bn)	AuM	AuM	% chg. vs.	Inflows	Inflows	Inflows
	31/03/2019	31/03/2018	31/03/2018	Q1 2019	Q1 2018	Q4 2018
French networks	105	108	-2.5%	-3.1	+2.6	+0.5
International networks	123	121	+1.4%	+2.3	+2.9	-0.8
JVs	147	129	+14.2%	-2.8	+12.1	+2.6
Third-party distributors	181	177	+2.3%	-1.9	+4.1	-1.8
Retail	556	534	+4.0%	-5.4	+21.7	+0.5
Institutionals* & sovereigns	367	366	+0.0%	-1.5**	+14.4	-10.4
Corporates	62	74	-15.5%	-5.9	+2.2	+1.8
Employee Savings	57	55	+3.9%	-0.5	-0.1	-0.1
CA & SG insurers	435	423	+2.8%	+6.4	+1.5	+1.7
Institutionals	920	918	+0.3%	-1.5	+18.1	-7.0
TOTAL	1,476	1,452	+1.7%	-6.9	+39.8	-6.5
Average AuM (excl. JVs)	1,312	1,323	-0.9%			

* Including funds of funds

** Including the reinternalisation of an Italian mandate for -€6.3bn in Q1 2019

Assets under management and net inflows by asset class

(€bn)	AuM 31/03/2019	AuM 31/03/2018	% chg. vs. 31/03/2018	Inflows Q1 2019	Inflows Q1 2018	Inflows Q4 2018
Equities	250	234	+7.1%	+1.4	+8.9	-2.2
Multi-asset	259	256	+1.1%	-2.4*	+5.8	-1.7
Bonds	668	658	+1.6%	+1.5	+13.3	-3.4
Real, alternative and structured assets	78	70	+12.1%	+1.6	+0.1	+1.4
MLT ASSETS	1256	1,218	+3.1%	+2.1	+28.1	-5.9
Treasury products	220	235	-6.1%	-9.0	+11.7	-0.6
TOTAL	1,476	1,452	+1.7%	-6.9	+39.8	-6.5

* Impact of the reinternalisation of an Italian Multi-asset mandate for -€6.3bn in Q1 2019

Assets under management and net inflows by region

(€bn)	AuM 31/03/2019	AuM 31/03/2018	% chg. vs. 31/03/2018	Inflows Q1 2019	Inflows Q1 2018	Inflows Q4 2018
France	838*	851	-1.5%	-0.6	+14.3	-5.0
Italy	169	178	-4.9%	-3.8**	+4.1	-1.0
Europe excl. France and Italy	165	149	+10.6%	-2.7	+2.5	+5.5
Asia	207	190	+8.9%	-5.2	+14.8	-4.0
Rest of world	97	85	+15.0%	+5.4	+4.0	-1.9
TOTAL	1,476	1,452	+1.7%	-6.9	+39.8	-6.5
TOTAL excl. France	638	602	+6.1%	-6.3	+25.5	-1.5

* Of which €419bn for CA & SG insurers

** Impact of the reinternalisation of an Italian Multi-asset mandate for -€6.3bn in Q1 2019

I. Q1 2019 Income statement

1. Accounting data

In Q1 2019, information corresponds to data after amortisation of distribution contracts (in Q1 2019 and Q1 2018) and after integration costs related to Pioneer (in Q1 2018).

2. Adjusted data

To present an income statement that is closer to the economic reality, the following adjustments have been made:

- In Q1 2019: restatement of amortisation of distribution contracts (deducted from net revenues) with SG, BAWAG and UniCredit.
- In Q1 2018: restatement of Pioneer-related integration costs and amortisation of distribution contracts (deducted from net revenues) with SG, BAWAG and UniCredit.

Costs associated with the integration of Pioneer Investments:

- Q1 2018: €9m before tax and €6m after tax

Amortisation of distribution contracts:

- Q1 2019: €18m before tax and €13m after tax
- Q1 2018: €18m before tax and €12m after tax

II. Reminder of amortisation of distribution contracts with UniCredit

When Pioneer was acquired, 10-year distribution contracts were entered into with UniCredit networks in Italy, Germany, Austria, and the Czech Republic; the gross valuation of these contracts came to €546m (posted to the balance sheet under Intangible Assets). At the same time, a Deferred Tax Liability of €161m was recognised. Thus the net amount is €385m which is amortised using the straight-line method over 10 years, as from 1 July 2017.

In the Group's income statement, the net tax impact of this amortisation is €38m over a full year (or €55m before tax), posted under "Other revenues," and will be added to existing amortisations of the SG and Bawag distribution contracts of €12m after tax over a full year, or €17m before tax.

III. Alternative Performance Indicator⁹

To present an income statement that is closer to the economic reality, Amundi publishes adjusted data which are defined as follows: they have excluded costs associated with the integration of Pioneer and amortisation of the distribution contracts with SG, Bawag and UniCredit since 1 July 2017 (see above).

These combined and adjusted data are reconciled with accounting data as follows:

	Q1 2019	Q1 2018
€m		
Net revenues (a)	641	645
+ Amortisation of distribution contracts before tax	18	18
Adjusted net revenues (b)	659	663
Operating expenses (c)	-336	-345
+ Pioneer integration costs before tax	0	9
Adjusted operating expenses (d)	-336	-336
Gross operating income (e) = (a)+(c)	306	299
Adjusted gross operating income (f) = (b)+(d)	323	326
Cost/income ratio (c)/(a)	52.3%	53.6%
Adjusted cost/income ratio (d)/(b)	50.9%	50.7%
Cost of risk & Other (g)	5	-4
Equity-accounted entities (h)	13	12
Income before tax (i) = (e)+(g)+(h)	323	307
Adjusted income before tax (j) = (f)+(g)+(h)	341	334
Taxes (k)	-89	-87
Adjusted taxes (l)	-94	-95
Net income, Group share (i)+(k)	235	221
Adjusted net income, Group share (j)+(l)	247	240

⁹ Please refer to section 4.3 of the 2018 Registration Document filed with the French AMF on 08/04/2019

About Amundi

Amundi is Europe's largest asset manager by assets under management and ranks in the top 10¹⁰ globally. It manages 1,476 billion¹¹ euros of assets across six main investment hubs¹². Amundi offers its clients in Europe, Asia-Pacific, the Middle East and the Americas a wealth of market expertise and a full range of capabilities across the active, passive and real assets investment universes. Clients also have access to a complete set of services and tools. Headquartered in Paris, Amundi was listed in November 2015.

Thanks to its unique research capabilities and the skills of close to 4,500 team members and market experts based in 37 countries, Amundi provides retail, institutional and corporate clients with innovative investment strategies and solutions tailored to their needs, targeted outcomes and risk profiles.

Amundi. Confidence must be earned.

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This information is based on scenarios that employ a number of economic assumptions in a given competitive and regulatory context. As such, the projections and results indicated may not necessarily come to pass due to unforeseeable circumstances. The reader should take all of these uncertainties and risks into consideration before forming their own opinion.

The figures presented were prepared in accordance with IFRS guidelines.

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¹⁰ Source IPE "Top 400 asset managers" published in June 2018 and based on AUM as of end December 2017

^{2A} Amundi figures as of March 31, 2019

¹² Investment hubs: Boston, Dublin, London, Milan, Paris and Tokyo