Q4 & Full Year 2024 Results Presentation - Transcript

LIST OF MAIN SPEAKERS
VALERIE BAUDSON (CEO)
NICOLAS CALCOEN (DEPUTY CEO)

Cyril Meilland *(Head of Investor Relations)*

I think we're good. I think we can start. Everybody is in the room. So. Yes. Okay. Good morning everybody. Thank you for coming to our offices in London, Monday's office. And thank you for those of you who are connected. This will be a hybrid presentation of our Q4 and full year 2024 results. I'm Cyril Meilland, the head of Investor relations, and the speakers today will be Valerie Baudson, our CEO, and Nicolas Calcoen, our deputy CEO. As usual, I have to remind you of a disclaimer that features in all our documents, in particular the parts related to Victory Capital and the partnership we announced last year, as well as the fact that those accounts are in process of being audited. Even though we are pretty confident that they are accurate at this point. So sorry about this, but that's the legal stuff. From a logistical standpoint, Valerie and Nicolas will present the results. It will be followed, as usual, by a Q&A session. For those of you who are connected, you can obviously ask a question. Please raise your hand virtually so I can see that you want to ask a question. We will unmute your mic and you will be able to ask your question. I will just ask you to put your camera on so that the dialog is a bit more lively. And without further ado, please, Valerie and Nicolas, start the presentation. Thank you.

HIGHLIGHTS

Valérie Baudson *(CEO)*

Thank you very much, Cyril. Good morning to all those with us in the room. Thank you for being here as well as those connected. So I'm very pleased to be here to present our Q4 and full year 24 results and give you as well, an update on our strategic plan Ambitions 2025 . I will go first through the main highlights of the year and discuss our achievements in our strategic priorities and profitability targets so far. And then I will leave the floor to Nicolas before we take your questions.

So 2024, I'm sure you read the press release. This morning was a record year for Amundi, both in terms of commercial activity and financial results. First, and this is the most important, our clients have entrusted us with an additional €55 billion to manage. These inflows are more than double those gathered in 2023. They are positive both in active and passive management. And last but not least, all client segments, retail and institutional, contributed to these record inflows . I think this is the proof that we've been able to support all our client needs, with high performance solutions adapted to market conditions. And our assets, of course, under management exceeded €2.2 trillion, rising by 10% over the year, another record.

Now turning to our profitability. Our annual adjusted net profit reached €1.4 billion and grew by 13% . It's never been that high. And this is also the case for the very good quarterly profit at €377 million exactly . As you can see, our revenues increased by 9%, driven by net management fees. And we improved once again, our operational efficiency and our cost income ratio is better than our target of 53%. It is at is at 52.5% exactly. These results will allow us to propose to our shareholders an increased dividend of €4.25 per share, which represents a yield of more than 6%.

Finally, 2024 is a major milestone in the journey of our strategic plan. We are proud to have reached several key targets one year ahead of schedule. Not to forget, of course, our financial results that are all on track. As you know, 2024 was also very active in M&A. We signed three value creating deals that will accelerate our development. So I'm going to go through all these in the coming slides.

So I wanted to start with the three external growth operations I just mentioned. First, you remember that the acquisition of Alpha Associates, which strengthens our capabilities in private markets, particularly in multi management of private debt infrastructure and private equity, very important for the growth of the wealth market today. Second, we have signed a partnership with Victory Capital to reinforce our US expertise. This transaction is expected to close around the end of the first quarter of 2025 or early Q2. And finally, we acquired a German Wealth Tech company, aixigo, which will allow us to accelerate the deployment of digital solutions to our distributors in Europe and in Asia. These three operations , as you can see on the screen will boost our growth with a return of investment, which is completely in line with our financial guidance. So return of investment of more than 10%, 12%, sorry by 2027. The guidance is 10 but the operations will be 12. So 2024 was also a year of success in all the megatrends of the industry that will drive Amundi's future growth. Let's start with Asia. We developed a lot in Asia to capture the huge potential of this region. It's important to note that this year, our inflows are more important in Asia than in the rest of the world. Our assets under management are close to 500 billion now, thanks to very healthy net inflows in 2024, coming from all client segments and all countries. Of course, all JVs gathered as usual a very nice amount of money, 23 billion exactly in net new assets. By the way, the net contribution of our Indian JV with SBI, which you know is the most important and fast growing one, is now above 100 million, the contribution to the result of Amundi, which is a symbol and a key milestone. But we also grew in direct distribution in all countries with more than €5 billion inflows in 2024. And I wanted to take an example of the great partnerships we can manage to build in the region. This one is, this example is with Standard Chartered. We actually, this partnership allowed us to us to gather more than 2 billion with a multi-asset solutions dedicated to their clients. We have deployed for them in 11 markets, by the way, mostly in Asia, but not only also in the Middle East and Africa. So it's typically the kind of thing we can do today in Asia with very important players and which is driving our growth.

Now, in 2024, Amundi's fixed income powerhouse also played a major role in the strong commercial momentum. You may remember that in 2023, we had become the number one player in Target maturity funds while gathering a lot of assets in Treasury products, one of our key strengths. In 2024, we expanded the success in the fixed income space, and our strong net inflows came from a broader range of strategies, from short term bonds to flagship bond products like Euro credits, global aggregate and of course, the insurers' buy and maintain investment strategy. Finally, we continue to strengthen our leadership position as a tech player, which is, as you know, an important growth driver for us. Amundi Technology enjoyed again strong organic growth, reaching 82 clients by the end of 24 and a growth of 34%. So now it has become a significant contributor to the group's development, with 80 million revenues close to 100 million, if we had integrated aixigo at the beginning, at the start of the year. The fast top line and client growth for Amundi Technology.

Now let's take a look at two other growth drivers that have achieved the goals we set out in our plan ahead of schedule. Third party distribution first. 2024 was a record year. Assets under management now exceed 400 billion, rising by more than 25% compared to 2023. Definitely qualifying us as a reference partner for all distributors in open architectures . So this client segment now accounts for more than, 57% exactly, of total retail assets. And I wanted to highlight specifically our successes with the new players in this market, namely the online banks and the digital platforms, because they are growing much faster than the traditional distributors. and we managed to gather with them 6 billion in 2024. We have developed, I think we never told you that, we have developed globally 40 partnerships in Europe and Asia with digital banks or platforms, of which 12 were signed in 2024. So we're making an extra effort with all these players, which are growing very fast and which will grow, which will contribute significantly to our growth in the future.

Now, turning to passive management. We consolidated a position as the European number one ETF provider, of course, with record inflows of 28 billion in this market segments. These inflows cover a broad range of products. US and global equities this year were clearly in focus and we were very successful with our S&P 500 ETF, but also with new innovative products. I mean, Lyxor integration is completely behind us now, so we are totally focusing on innovation and development. So let me take you two example, a dedicated ETF on US market excluding mega cap that we launched recently, or another ETF on a highly diversified exposure to developed and emerging markets, which gathered more than 2 billion since its creation nine months ago. So they can be very, very significant and rapid. And last but not least, we are now also present in the active ETF space with the launch of a product based on the French responsible investment label since the beginning of the quarter.

So, at the end of the day, 2024 has been a very successful journey. We had a successful journey since 2022 and the launch of our strategic plan. This is what this slide is showing. We exceeded the growth targets we had set in terms of financial performance and results. We achieved this thanks to the growth in our revenues of course. Our net income has grown by more than 6% per year on average between 21 and 24 compared to the objective you remember of 5% in the plan at €1.382 billion exactly. Of course, we almost reached the 1.4 billion goal set for 25. So one year in advance and even restating for the very small positive capital market effect compared to 21, we still exceed the target growth. Of course, you see that we are always very efficient from an operational point of view and the goal, obviously, is that our productivity gains allow us to finance all our investments. Our cost income ratio is the reflection of this. We have maintained, I was mentioning this in the introduction, a best in class ratio of 52.5% below our target. And I think that what we can say is that having maintained this very high operating efficiency in the inflationary environment we lived in on the past years demonstrates the agility of Amundi's business model. The rest of the scorecard Illustrates our value creating allocation of resources. So the dividend increases in 2024 at €4.25 , which results in a payout ratio of 67%. This is again above the 65% minimum target of the plan. Over the three year period, we have materially exceeded this minimum with an average payout of 62%, representing 2.5 billion in dividends. And combined with the acquisition we have made, this corresponds to a surplus capital usage of 0.7 billion. So today our excess capital is around 1 billion. And of course we will generate further surplus capital before the end of 25. Voila! In conclusion, considering where we stand, we are well positioned to find new opportunities and value creating deal. So thank you very much for your attention, and I'll leave the floor to Nicolas for some more details on the quarter and the year.

Q4 & FY 2024 Activity

Nicolas Calcoen *(deputy CEO)*

Thank you, Valerie, and good morning, everyone. It's a pleasure to be with you in London today. As usual, I will I will start with a few complementary data on activity. And as you can see, and as Valerie indicated, our assets under management reach an all-time high in 2024, more than €2.2 trillion, which is an increase by 2% over the quarter and an increase by 10% over one year. This good, this significant increase in our asset under management was driven, of course, by first positive market effect linked to the increase mainly in the equity indexes, around 140 billion over the year of positive market effect, but also very a strong positive momentum in terms of in term of activity and flows, €55 billion of positive flows over the year. So moving to a little bit more detail on these net inflows, as Valerie indicated, this 55 billion means more than doubling compared to 2023. And what also is interesting is that the structure of these inflows, as you can see, is much more favorable. In 2023, net inflows came mostly from our Asian joint ventures and from Treasury products. On the contrary, in 24 Medium to long term assets represented the majority of the net inflows and almost equally balanced between passive and active managements, once restated from the large exit from a low margin insurance mandate that we mentioned over the third quarter. This trend is even more true if you look at the fourth quarter, where we gathered close to €18 billion in long term assets, and like for the full year, active management was positive at more than €5 billion and ETF posted record net inflows at more than €10 billion over this quarter.

Moving to the following slide, as you can see, like in the previous quarters, this activity was underpinned by our very solid investment management performance. Approximately 70% of our open ended funds were in the first and second quartiles, over one year, over three years and over five years with, by the way, a remarkable stability over time, close to 250 of our funds are rated 4 or 5 stars. And finally, 80% of our assets under management outperform their benchmark over five years. So once again, I would like to highlight that these KPIs have been very consistent quarter after quarter, which demonstrates all we do to work to maintain sustainability, a high level of performance, to earn and keep the trust of our clients.

Looking now at the activity, according to our various client segments, I will start with the retail. 2024, as you can see, was a very good year for this segment. Net inflows were almost four times as high as in 23 at close to 27 billion overall. Almost half of the group's total inflows of 55 billion. As Valerie said, this was largely driven by record inflows in third party distribution, where we compete in an open architecture with other asset managers and where probably clients are more eager to participate in a more bullish market. These net inflows were very much diversified across all geographies, Europe, Asia, US and within all of these regions, almost all countries posting positive flows with Third party distributors and very well diversified also in terms of expertise, active management, passive management including ETFs and also Treasury products. On the other side, risk aversion remained high in partner networks both in France and abroad, and the high level of sales for structured products, for example in UniCredit or Sabadell networks, usually with capital guarantees reflect this question. If you look at the fourth quarter, we posted net inflows of more than 11 billion, more than 40% of the total flows for the year, with basically the same mix by segment. Again, Third party distributors posted record flows with close to €13 billion during this quarter. Again, very well balanced between ETFs, active management and treasury products and well balanced across all our geographies.

Moving now to the institutional business, I would like to stress here the very high level of net inflows in Medium to long term assets, which was driven by all client segments. In total indeed, we posted €34 billion of inflows in long term assets, if you exclude the exit from the insurance mandate I mentioned earlier. So 34 billion of inflows in long term assets. And the lion's share of these inflows was in fact in active management and in particular fixed income strategies. They partially benefited from transfer from several institutions which moved from treasury products to longer, bond or fixed income products. This, by the way, explains the outflows from Treasury products, which were partially offset by good inflows with corporate clients. And basically, I won't be long on that, on the fourth quarter, the trends were exactly the same, very strong positive flows in long term assets.

Finally, turning to our Asian joint venture. They collected more than €23 billion in 24 and close to 2 billion on the on the last quarter. Flows were driven mainly by our largest joint venture, SBI MF in India, with more than €20 billion over the year. But also, even if it's to a lesser extent ,by the other JVs, in particular NH-Amundi our JV in Korea. ABC-CA posted also net positive flows in open ended mutual funds in both the full year 24 and the last quarter, but they were partially offset by outflows in the discontinued very low margin Channel business. You might recall that we announced approximately one year ago that we would expect a request for proposal to be launched and to result in a major outflow from our Indian JV. In fact, this RFP was related to a very large mandate our JV manages on behalf of a local pension fund, the Employees Provident Fund Organization EPFO. Actually this RFP, which was expected, was launched in January. So we should expect large outflows with this JV in the second or the third quarter. But we just wanted to reiterate that this will have a very marginal impact on our joint venture revenues, because it's a very low margin on the totally negligible one on Amundi net income.

Let's move now to our financial results on page 18. And started, of course, with the revenues. During the quarter, our revenues reached €924 million, which is up by 15% compared to the fourth quarter of 23, and was driven both by the high level of activity and favorable markets. In particular, net management fees were up by 9% on a year on year basis. Performance fees were up by 68%, reaching €57 million. As I mentioned earlier, our investment teams delivered a very high level of performance last year and this, of course, translated into high performance fees both during the year and the last quarter across a very diversified set of strategies. Technology revenues grew by 47% to 26 million during this quarter, reflecting , like in previous quarters, a very healthy organic growth thanks to the new clients regularly onboard, but also on this quarter the integration of aixigo starting in November. And finally, the decrease in net financial income compared to the fourth quarter is due to the lower interest rates.

Moving to slide 19. This revenue growth was complemented by a good operating efficiency, resulting in a positive jaws effect with cost increasing by 13% versus revenues by 15%. During this fourth quarter, costs were driven to a large extent by four elements. The first one is the consolidation of Alpha Associates since the second quarter and of aixigo, as I mentioned over the last months of the year. Second, the accelerated investment in our strategic priorities, in particular technology, but also in Asia, for example. Third element, the increase in bonuses related to the growth in revenues and operating profit. And finally, specifically for this fourth quarter, a few one off items, mainly one that we, by the way, announced a few months ago, the charge related to the capital increase, which is reserved to employees. In 24, it was recorded in the fourth quarter, whereas in last year in 23 it was it was in the third quarter, and this impacts on the quarterly data. Taken together, these four items represented more than 80% of the cost growth. This leaves the remaining cost growth of 2.5 percentage points very limited and corresponding to the underlying inflation.

As a consequence of best in class cost income ratio, stood at 52.1%, which is 0.7 percentage points better than the same period in 23, and obviously below our 25 targets.

This leads us to our adjusted net income. Our gross operating profit in the fourth quarter, increased by more than 16% thanks to this very healthy growth in revenues on the and controlled costs and in addition, the contribution from our joint venture was up by 1.6% compared to fourth quarter. It can be noticed that it was a bit below the fast pace that we have been accustomed to over the recent quarters. This is, in fact, entirely due to the negative mark to market effect in the own-account portfolio of the JV, which is due to the drop in Indian equity markets during this fourth quarter. So in total, our adjusted net income is up by more than 20% compared to the fourth quarter of 23 and reached €377 million. This is the highest quarterly net income we ever booked.

Now let's turn to our performance for the full year. As you will see, starting with the revenues, the trends are very similar. And the fourth quarter overall is in fact the accelerated version of the full year.

So on the revenue side or revenues grew by 9% and they grew coming from all sources. The main one being obviously management fees. They grew by 8.3%, fully in line with the growth of our asset under management. Performance fees were at a good level, €145 million, which is up by 18% compared to last year, thanks to the good investment performance I mentioned earlier. One additional point maybe to keep in mind regarding performance fees, it's true for the year and by the way, it's true for the quarter, they were very diversified across markets, across asset classes and across strategies. Fixed income stood up with a bit more than half of the performance fees coming from Euro credit and debt emerging market, US fixed income, etc. but not a single fund represents more than 5% of total performance fees . Moving to technology revenues, they grew also by 34% to €80 million. This, as I mentioned, includes aixigo for the last quarter. And as Valerie mentioned, if we had integrated aixigo over the full year total revenues from technology would average close to €100 million. So it's clearly an important milestone for the development of this new business. Finally, financial income. Contrary to what I just said about the fourth quarter, if you look at the full year, they indeed grew versus 23 because the rate cuts only started in the euro zone in June last year. So in fact, average short term rates were in 24, slightly higher than 23.

A word maybe about the margins. As I said earlier, management fees grew at the same level of as the average asset under management. So our margins were flat at 17.7 basis points. This good result in an industry where margins are structurally under pressure, is the result of contrasting trends for Amundi between market moves, client mix and product mix. But I think here that the key message is that Amundi’s very diversified business model with inflows coming from all client segments, asset classes and management types underpins our margin resilience.

Turning now to cost on the following page, the same jaws effect that I mentioned regarding the fourth quarter resulted in the same improvement, if you look, of our cost income ratio, if you look at the full year. At 52.5%, this ratio puts us at the best level of the industry and already reaches the target of our plan 25 one year earlier. We are also close to being one year earlier for the net income. On the following slide, thanks to a growth of 13%, the net income reached €1,382 million, the highest level in Amundi history, and very close to the 1.4 target we had put for next year .

Let me detail a little bit on the performance over the period on this slide, as you can see, not only are we above the growth target of 5% per annum, but at constant market, we have remained above the growth trajectory we had set over the whole period, even in the context of high risk aversion and inflation over the past three years, in particular 22 and 23. Our net income has grown by more than 6% per year on average during the period, compared to an objective of 5%, and even restated from the small positive capital market effect between 21 and 24, we still exceed the target growth. And I think that we can agree that the asset management industry as a whole has been has not been booming as the capital market would suggest in the recent period, with a high level of risk aversion and negative margin mix during this period. So we can consider that delivering on the profit growth target in this context is a remarkable achievement. To conclude with this presentation of our activity and results in fourth quarter, I would say that the key takeaway I would keep in mind is growth coming from a very high level of net flows, very diversified, driven by our growth pillar and with a good mix between long term assets, treasury product, passive and active direct distribution and joint venture. So a very healthy top line, amplified by our cost efficiency and the growth of our joint ventures. Before leaving the floor to Valerie [..] Just a very short word about the financial position remaining very strong, €4.5 billion of tangible equity, slightly above 1 billion of excess capital, which allows us to propose or to propose to our General Assembly in next May a dividend of €4.25, which represents a payout ratio of 67% on the yield based on last week stock price slightly above 6%. And, Valerie, I hand it to you.

Valérie Baudson *(CEO)*

Thank you. Nicolas. So to conclude this presentation, I would like once again, of course, to highlight our strong performance in 24. It was a record year for Amundi in terms of activity and profitability. And I would like to thank the teams in the room, but who are listening to our calls for what they've done. And of course, thank our clients for their trust. 2024 is a very significant milestone for us because we have reached many of our strategic targets set initially for 25 and because we have truly accelerated our diversification. So all these achievements put us in an ideal position to take advantage of the mega trends of the asset management industry and will boost our future growth. This new stronger profile allows me to remain very confident, very confident in our ability to continue to create value for clients and for shareholders. So we are now at your disposal for any question. You have a lot.

Cyril Meilland *(Head of Investor Relations)*

Thank you Valerie. Thank you Nicolas. So yes, there are quite a lot of questions. So sorry. I didn't see who started. So let's take them in row. Nick from Citigroup.

Nicholas Herman (Citi)

Yes. Hello. It's Nicholas Herman from Citi. Thanks for the presentation, for taking my questions. Actually, I think I'll add a thank you for the added disclosure of the data pack from this quarter. That was actually very helpful.
Three questions for me, please.
One on third party. So interesting update on the digital partnerships. In that segment, a couple of things, I guess, signing 12 new partnerships in in one year seems like pretty solid momentum, I guess. Could you give us some context around that number from prior years? And how would you describe the pipeline for further partnerships? And I guess a related question actually is like those digital players comprise about 20% of your third party flows of the 32 billion. So, so just of the other 80%, which clients regionally, with the main drivers of the other 80% as well. I'd be interested if you could provide some color there.
A second question on your costs and cost framework. You noted the uptick in strategic investment spend. I guess given you are ahead of your plan and tracking ahead of your profitability targets, presumably it's fair to say that you've now earned the right to invest a bit more than originally planned. Given the additional buffer that you've now generated.
And then a final question on M&A. You were recently linked to a German manager, AGI, and we've seen a notable pickup, I guess generally in global asset management M&A, it seems plausible that could accelerate further. What opportunities do you see in the market today. And I guess what probability would you assign to Amundi deploying the1 billion plus of surplus capital prior to the 2026 AGM? I guess in the context that you said that you would return it if you cannot spend it. Thank you.

Valérie Baudson *(CEO)*

Very precise questions. Thank you very much. I will start with the third party distribution. I really wanted and the digital players, I really wanted to stress that point because it's as you mentioned, it's significant in our inflows today. You know very much that our strategy is diversifying as much as possible our book of business in the retail area to make our book of business on the on the retail and wealth side grow very fast worldwide. But obviously there is a turning point in 2024 in the footprint of all these digital players in the investment industry, especially in Europe. What we saw between 21 and 23 was very concentrated in, if I speak about Europe, very concentrated in Germany , where we saw digital platforms booming after the Covid, but not so much in other countries. It was more shy.
What we saw in 2024, was really an acceleration everywhere. So we have a dedicated team, at a global level and also at local levels who are covering these specific clients who actually do not request the same type of service that the request required by traditional banks. It's very different. It's a lot of marketing. Very digital marketing. It has to be completely, STP in terms of service to the final retail clients. So what we have to deliver is what the asset manager has to deliver is not only dedicated, savings solutions, but also dedicated service around that. And when we manage to partner with them, it's very efficient because they do not. I mean, they are very efficient guys. They do not partner with billions of asset managers. Now they want one, two, three maximum. And when we manage to partner with them, we make a lot of business with them.
So I just wanted to share that with you because I think it's now incredibly significant in our industry. And being able to partner with these new digital players is going to be a winning exercise and we're putting a lot of focus on it. So we did accelerate the teams dedicated to these clients and the service we deliver to them. Being a company very focused on technology and services is helping us a lot because we have the teams, we have the service, we have the digital platforms which help us convince them. And to answer to your questions about the clients and country. Honestly, it's true everywhere, and obviously not only in Europe, Europe and Asia. We're working on both sides.
I'm going to let you answer on the cost side and I'll come back on the M&A.

Nicolas Calcoen *(deputy CEO)*

So on the cost side, the question was what type of investment we did or ?

Nicholas Herman (Citi)

Have you run the right to spend more on your investments?

Nicolas Calcoen *(deputy CEO)*

Globally, the investments we are making and are really driven by the strategic priorities we defined. So the first one in terms of investment is technology, both, by the way, for what we need to do to answer to allow the development of the new business with external clients and what we need to do to, to improve constantly our processes, our tools. It's really the priority. The other ones are the development in Asia, the reinforcement in third party distribution , passive management. All this is completely consistent with the plan, but obviously we are very careful in the way we manage the company and we manage the cost. So we adapt from time to time the pace to take into account the global context. We do it in terms of planning the investment as we do it in terms of managing the cost productivity, cost effort, review of processes that we regularly do to ensure that we keep this very high level of efficiency and this capacity to invest in the long run.

Valérie Baudson *(CEO)*

Maybe just to illustrate what Nicolas is saying, because this is really the way we are managing the company. On the example I was mentioning on the digital banks, we had not planned to dedicate a specific team on that topic until the beginning of 2024, and we decided to build one very quickly in 2024 for that reason. On the active ETFs we launched early Q4, we accelerated the topic because we wanted to be able to launch them quickly. On some other topics, if we feel it does not, it will not deliver quickly enough, we can be a bit less rapid, but we always want and always stay very agile to make sure that we invest, not only in the long trends. The long trends, we see them and we were focused on them, but also on short terms that then we want to catch. Absolutely. The fact to be the first in in this industry is really important. You know that. And once again, typically the digital players you have to be in now. So that's what we do.

On the M&A side, I'm going to tell you what I always say. We focus first on the strategy, the client interests and the fact that what we do in terms of M&A accelerates our growth. But we look into all directions. Typically, what we've done in 24 is an evidence of that. We made one acquisition in private assets, one acquisition in technology, one M&A deal on the US because all the planets were aligned to make it work on these three various topics. We're looking at any files possible, available ideas, not restricting any or sign on anything. But we always focus on our guidelines that we communicate to you and that we will go on following. It has to be strategic, useful for our clients, financially of a return of investment over 10% and good in terms of execution. So we need to feel comfortable with the fact to be able to execute properly any M&A deal. And we've always done that. We always promise to you that if we entered into M&A, we will do it properly. So it's really important for us and then when the planets are aligned we're here.

Cyril Meilland *(Head of Investor Relations)*

Thank you Valerie. Thank you Nick. Arnaud. Next.

Arnaud Giblat *(BNP Paribas)*

Good morning. It's Arnaud Giblat from Exane BNP Paribas. Three questions please.
First on private assets, on ETFs and on technology.
On private assets. Could you talk a bit about the outlook. On the one hand you've got real estate assets which have been virtually gated. I mean it's very hard to take your money out of SCPIs. Probably the outlook there is challenging. On the other side, you've got opportunities to launch Eltifs or leverage Alpha Associates. So how do you see the flow picture there shape up in that context?
My second question is on ETFs. I looked at your core ETF offering in US equities. They don't seem to be available on digital platforms in Europe. So I'm assuming these are institutional flows. If so could you maybe quantify how much retail ETF flows you are seeing are classified as retail and what margin, because it's quite hard to understand how it splits between institutional and retail.
And my third question is on technology. Could you update us on your time frame to which you are looking to achieve €150 million of revenues, if that's still a target? Thank you.

Valérie Baudson *(CEO)*

Well, on private asset and real estate, of course I will not tell you anything new. The only thing we see is that the real estate market is still slightly decreasing, but less and less. So we feel we are close to the end of the decrease of this market probably not early 25, of course, but at least I think we have seen most of, of this decrease. And as usual, as forever, the real estate market will grow afterwards.
What is really, I think, the most important trend I see in the private assets globally today, and on which I think we really can benefit, Amundi can benefit, for the next, when I look at the next five years, is the fact that retirement solutions are transformed, everywhere that we see more and more retirement demands and that private assets will enter more and more in these retirement solutions and in wealth solutions.
As you know it well, over the past ten years, private assets have been really mostly used by institutional clients . And this is really starting in the wealth and in the retirement solutions for the retail clients. We had this discussion with some of you I remember during our dinner. And what I really want is to make sure that Amundi is part of this growth in the future. And that was the whole point of Alpha Associates, because for these kind of clients, what you need is diversified solutions, clever solutions that they can keep for the long run in their portfolios. So typically an actor like Alpha Associates is incredibly efficient for these kind of solutions. We're seeing that in a number of countries. I'm just taking the example of France where obviously we have a strong market share. There was last year the very beginning of what we call the *Loi industrie verte*, the green industry law where we have to, it's by law, we have to put a share of private assets in the retirement solutions for French individual investors. This is just starting. So it's, we built the solutions last year, they will be on the market next year but we know that when it has started it's for the long run. And this is true with the Eltif you were mentioning as well, which are just starting as well. But we already have two on the market. We are developing evergreen solutions for wealth clients. So we want to be part of this future growth in Europe and in Asia as well. And we will play the game for that. That's for the private assets.

On the ETF one, on the pure S&P 500, if you looked at it, Arnaud, there is a huge competition on the pricing. But you will, I can tell you that, even when I don't have the exact figure maybe Nicolas or someone in the room have the exact figure, But obviously in the ETF space, most of the US assets have flown on US ETFs for obvious reasons, market trends this year. And we clearly benefited from that. I'm super confident that everything we are launching is incredibly cool. When you speak about institutional clients, Arnaud, it's actually mostly portfolio managers, multi-asset managers who can work within banks, within independent asset managers, within insurers, etc. who invest themselves for the interest of the final retail clients. So the difference we made, at the end, it's of course for retail clients, but it's either packaged by asset managers in their own portfolio and it's still I don't have the exact figure, but I would say it's still 70 to 80% of the flows. We could check. I need I need to check to be precise. But and direct retail clients investing in ETF and I'm speaking here about Europe of course, it's still a minority. It's around 20 to 30% maximum. This is "*l'ordre de grandeur*" as we said for institutional.

And pure institutional, interestingly, we can see the big tickets with some insurers and surprisingly with some central banks. More surprisingly, with some central banks, we have big, large central banks who are investing widely into ETFs. So it's a limited number of actors, but there can be big tickets as well.

Technology. I cannot give you the exact date. What I can tell you is that building this business, transforming this internal business into an external business with sales team, support teams, implementing teams, etc. has been a huge work. And this job is done now. So I'm really, really confident that we can accelerate our growth. We managed to onboard clients in Europe, but also in Asia, which shows the capacity of the team to work worldwide, which shows also the fact that the solutions can be used worldwide, at least for the asset management one. But in terms of growth, what I'm very confident in the short future is the wealth growth as well. Why? Because all the traditional banks today, for digital reasons, because they transform themselves for regulatory reasons, have to be much more efficient in delivering advisory and investment solutions to their end clients. And they need help on that front. And our Alto Wealth Solutions with aixigo very unique capacities will be a source of growth in the future.

Nicolas Calcoen *(deputy CEO)*

And aixigo in that regard is really a reinforcement. What is impressive, it’s the first time I see that, we made the acquisition of aixigo, and I think the following weeks we were already presenting their capabilities to clients.

Valérie Baudson *(CEO)*

The number of clients we spoke with, around these solutions, over the last three months is impressive. So I'm confident in the development of this structure now. Really

Cyril Meilland *(Head of Investor Relations)*

Michael? What's next? Michael Werner from UBS.

Michael Werner *(UBS)*

Thank you. Two questions from me, please.
First, on the institutional business we saw, I think the fee margin you show in the appendix is around 10.6 basis points for the full year. That's up quite considerably from the 10.3 basis points that we saw in the first half. So I was wondering if you could give us a little bit of color with regards to what's driving that.
And then second, with regards to the tax rate, my numbers say this was kind of the lowest tax rate that we have seen on a quarterly basis in some time. So I was just wondering if there is anything going on there. I know we had, you know, the former French government, you know, proposed that tax rate. I was just wondering if anything was related to that. Thank you.

Nicolas Calcoen *(deputy CEO)*

So on the institutional side, indeed, we have a slight increase in the margin for the year compared to last year and probably on the quarter, I don't, on the second half of the year, this is due to, if you compare to 23 two elements. The fact that there was a significant exit in an insurance mandate I mentioned in the third quarter, which was at a lower margin and marginally, you also have the fact that due to the increase in interest rates, the margin on Treasury products, that is a relatively significant part, even minority part of the business, margins slightly increased compared to 23.

Valérie Baudson *(CEO)*

And isn't it also the reason you mentioned during the presentation where some of our insurers ask us to transfer their money market assets to more active bond solutions?

Nicolas Calcoen *(deputy CEO)*

And there’s a business mix on 24

Valérie Baudson *(CEO)*

So it's an addition of the three factors.

Michael Werner *(UBS)*

And do you expect that you know that push away from Treasury more towards fixed income products. Do you expect that to continue in 25 ?

Valérie Baudson *(CEO)*

I would tend to imagine that that's what they would like to do. They have constraints as well. You know, managing the assets of an insurer is complicated, but normally that's what they should do.

Nicolas Calcoen *(deputy CEO)*

And your question on the tax rates in the fourth quarter. There's a few end of year exceptional elements, positive exceptional elements. So that explains the relatively low tax rate just for the quarter. It's not linked to the discussions around the budget.

Cyril Meilland *(Head of Investor Relations)*

Hubert.

Hubert Lam *(Bank of America)*

Hi. Good morning. It's Hubert Lam from Bank of America. I got three questions.
Firstly, on your network, banking network. The flows in there, particularly in medium long term assets, still remain quite subdued, particularly against the very strong growth you're seeing in third party and institutional. So just wondering what's the difference between the channels. Why is it taking much longer to re-risk there. That's first question.
The second question is on private markets. So you stressed the importance of having private markets in retirement solutions. But if you look at your alternative AUM today is only 3% of your AUM, what's your target for getting that higher? Do you have the existing capabilities to do that, or do you need to grow, make inorganic growth to get that percentage higher?
And last question is on targets. So you talked about how you've achieved your targets earlier particularly around 5% growth and the cost income ratio. If you look into the next cycle, do you expect these targets to be higher going forward.

Valérie Baudson *(CEO)*

Thank you . On the networks? Well, it's a question of math. I mean, we are starting from a much higher point. So the capacity, when we speak about the partner networks, we speak about 4 or 5 banks with whom we have a very dedicated, strong partnerships. By definition, our market share is already very high. So our capacity to grow is not as high as it is in the 600 other partners and clients we are working with. So that's the starting point.
The second point probably. No, it's not even true. What we've seen with these partners, what I was mentioning, it depends on whom and when and where. But one thing we've seen is that, and we look at with these partners, is that they are, they have end clients who are globally not taking too much risk. So what we managed to do with them, so the development of ETF, the development of equity, the development of private assets can be less rapid within these networks than it is with some other banks. So that's why with them, what we do, once again with the client interest in mind all the time is to develop solutions which are most of the time protected solutions, which were very successful this year, or typically the example we had last year with the bond topic. But honestly, the main reason is the fact that we are not starting with the same starting point. It's as simple as that. As the capacity to develop and to grow is obviously less important than it is for the rest of the world, for us. And that's why we're putting so much effort in the rest of the world, because it's a much wider and much larger.
On the private markets for the time being, we have what we need to answer the needs. It's like anything else, I never exclude, I mean, we are always very concentrated on organic growth, but I never exclude external growth. So once again, it will depend on whether the planets are aligned or not in terms of capacities, price and execution possibility. But to answer the trend of the wealth trends and the retirement trends I was mentioning, we have what we need for the time being.
On the targets. Nicolas, you will say that I know what is the answer, but I let you do it.

Nicolas Calcoen *(deputy CEO)*

We have our target for 25. We keep the target for 25.

Valérie Baudson *(CEO)*

And the medium term plan is ending at the end of the year. So you will have news soon.

Cyril Meilland *(Head of Investor Relations)*

Bruce. Bruce Hamilton from Morgan Stanley.

Bruce Hamilton *(Morgan Stanley)*

Hey, thanks. Just maybe on sort of ETF and active ETF. So in terms of the kind of scale of ambitions with active ETFs, what's the size of AUM now? And in terms of the opportunities that mostly through the kind of digital channels you were talking about, or is it more broad than that? And in terms of the margin uplift, maybe just to understand what sort of fee rates?

I guess I think you kind of answered it with Arnaud's question. But on the passive side, the moves by Vanguard, does that represent a risk to any of your pure passive ETF businesses? And should we expect pricing compression to pick up in that line?

And then a final question on Italy because no one has asked it I don't know what, if anything, you can say, but it certainly sounds from the press as though we're moving towards perhaps something being announced, you know, first half this year and it sounds like it could be a better outcome. Anything you can share there in terms of the most recent conversations with your key Italian partner. Thank you.

Valérie Baudson *(CEO)*

No, on Italy, as you can imagine, Bruce, I will not give you any as usual additional details because we never comment the discussions we have, the only thing I can tell, but which is in the press that you read, is that our relationship with Unicredit are very good and confirmed by all the figures I gave you when we had dinner together, but everything we do every day with them, and also thanks to what the CEO of UniCredit confirmed, is that what we do for them is very high quality, and they do appreciate the service we deliver .

On the ETF and the active ETFs. Once again, let's go back to the clients and client needs. With I think a difference between, the US market and the European market.

Well, first of all, the activity of market will grow. I should start for sure. The reasons why it has grown in the US is twofold. The first one is the fact that it's a way to deliver the same type of strategy in a much cheaper way for some active managers, and you know it perfectly, active funds are much more expensive in the US than in Europe. So it probably accelerated significantly the growth of active ETFs in the US. I'm not saying it will accelerate differently in Europe, but it's not as significant as it is in the US.

And second, and this is a big difference, in the US, the ETF is a tax efficient envelope, which is not it is not in Europe. So to make it clear and simple, the growth of ETFs in Europe in my opinion, will be clearly mostly passive in the next three years. It doesn't mean it will not grow on the active side. And it can be very efficient on some topic in the active side. Typically taking the client's interest, we developed our first active ETFs on what we call the "label ISR" in France, where we used, I would say, passive ETF, on which we applied a responsible guidelines from the French label, which is typically a super clever way to use an active ETF. It's using the advantage of an ETF and adding the advantage of what we can add as an active manager on a product on which we know there will be a demand. For sure. So I think this is typically a good idea. There will be others. I mean, we now have a very dedicated team looking at everything we do at Amundi and checking what kind of active ETF could be really interesting for the end clients at the end of the day, and we will participate to the growth. But never forget that the ETF in Europe does not have this tax envelope advantage, which is a big driver in the US and less in Europe.

Vanguard topic is typically US topic for the time being. And I think that's it. I answered all your questions.

Cyril Meilland *(Head of Investor Relations)*

Angeliki from JP Morgan.

Angeliki Bairaktari *(JP Morgan)*

Good morning and thank you for taking my questions. It's Angeliki Bajraktari from JP Morgan.
First of all, if we can come back to the digital platforms that you mentioned, can you give us some color outside of Germany that you said has been developing really well over the past few years. In France , Italy and Spain and where typically, if I'm not mistaken, distribution is taking place through banks, at least until now, what share of retail is now done via platforms? And I'm just trying to figure out whether that's sort of a growing distribution channel, both for you and the industry overall. And Secondly with.

Valérie Baudson *(CEO)*

Sorry. What do you mean? Share of retail on the ETF specifically or ?

Angeliki Bairaktari *(JP Morgan)*

No, also everything. (globally) Yes.
And secondly on consolidation since we last spoke, there was another deal announcement, a very big deal in Europe Generali combining its investment management operations with Natixis investment managers. Can you give us your thoughts on this deal, and could it lead to higher competitive pressure for Amundi, whether that's in Italy, whether that's in insurance channels or in France?
And the third question, there was an opinion piece by Ursula von der Leyen and Christine Lagarde in the FT last week talking about a plan for a savings and investments union in Europe. What could this look like, and have you considered potential implications for the industry? Thank you.

Valérie Baudson *(CEO)*

Okay. Just on Generali. Can you can you remind me? What is the precise question you wanted to know.

Angeliki Bairaktari *(JP Morgan)*

Your thoughts and whether it could lead to more competition for you?

Valérie Baudson *(CEO)*

Okay. On digital banks, I will not give you a figure because, honestly, first of all, it's difficult to monitor and we can try to see if we find figures.
What I can tell you is what we see on our side with our figures and where we see that definitely the growth is higher, but for normal reasons, but once again higher, but with a starting point, which is much lower. The reason is that selling savings solutions, investment solutions for a bank, it's much more complicated than selling credit or some other usual traditional bank products and solutions. Because you need to know, you need to understand, you need to follow the market. It requires people who know that well. So it's hard, for real. In a true digital way, you manage to offer solutions which are very well packaged and on which you communicate with your clients digitally. So the same communication for everybody at the same time. So it can be very efficient. When you add the ETF to it, it makes a cost efficient solution at the end of the day for the final client. So all this explains the fact that the growth is higher and that what we see is real and will go on and will benefit Amundi for sure considering who we are.
But I will try to find something a bit official to answer more, more precisely to your question in terms of figures.
The consolidation in Europe, we were expecting it. I mean, we've seen it over the past five years, clearly in the US. It's happening. So it's normal, it's natural. Obviously. Does that represent a competition for Amundi? Not at all. Why? for two reasons . First, an obvious reason, which is when you concretely make a merger, you have a lot of work. We know that by heart. And it's obviously taking a lot of time to the companies. And second, because all these companies which are merging were working very much for their own banks or insurers. They were very internal and not at all at the level of Amundi in terms of capacity to deliver service to the rest of the world. So that's the two reasons why I'm not at all worried.
And but I think it's natural and good that it happens in the market.
And maybe one last one sorry. Ursula von der Leyen and Christine Lagarde. And we had a lunch in Davos on that specific topic with Christine and a lot of financial actors. I actually think that the investment and savings union is a bit more easier to make than the Capital Markets Union. So I think it's a good road to follow. Obviously, Amundi as such is a good evidence of a strong European, completely integrated asset manager working absolutely everywhere in Europe without any difficulties. And I think we must encourage definitely that. What would be useful is a bit more

simplification in the regulation to accelerate all this. For a company like Amundi. I mean, we are big enough, skilled enough, and staffed enough to be able to manage 27 regulators all over Europe and manage the differences from one to another but all efforts in terms of simplification and aligning everybody will be very useful for the industry globally. What's easy for us is not easy for a small asset manager somewhere and it is a bit costly. So yes, obviously I'm more than in favor of all these efforts in that direction.

Angeliki Bairaktari *(JP Morgan)*

Can I ask a follow up, if I may, on this particular topic? Is there any risk that we're moving more towards stronger consumer protection, which is something that we've seen, for example, in the UK, that may end up harming business models that exist today in asset management and we already had a discussion on rebates over the past couple of years. So do you get a sense that this is the direction where the commission is moving towards or not really?

Valérie Baudson *(CEO)*

No, I mean this was already I mean, the protection of the European consumer is one of the goals of Europe in all areas and also in financial areas. I think what is important that I was mentioning here is also the protection and the fact to work on the autonomy of European players and actors. And doesn't mean that we do not need to work in favor of our clients at the end of the day, but also to protect and to work in favor of the big, large European actors in Europe. And that's typically why we encourage that as well.

Cyril Meilland *(Head of Investor Relations)*

Okay. Do we have other questions from the room ? Yes. Isobel from Autonomous.

Isobel Hettrick *(Autonomous Research)*

Hi. Thank you for taking my questions. Isobel Hettrick from Autonomous Research. I also have three, please.
So first, you obviously mentioned the lower market share within third party distribution. What do you think you need to do to increase your share of wallet with either existing distribution partners or continuing to add new partners? Is it just more of the same products and capabilities, or is it the missing? Not missing, but developing piece around retirement solutions and wealth private markets offering, which will really help accelerate growth there.
Second, turning back to Italy, we saw outflows within the international networks, but in Italy we saw some of the asset gatherers such as Fineco and Mediolanum actually report some quite strong AUM numbers for the fourth quarter. So can you talk about the specific dynamics here? And is it potentially that UniCredit is diverting flows and paying penalties to divert flows to its new joint venture with Azimut?
And then finally with the Indian mandate RFP, you said we could see substantial outflows in terms of the €110 billion currently under management within this mandate, how much could be at risk? Thank you.

Valérie Baudson *(CEO)*

So EPFO, just to precise what Nicolas was mentioning, it's a huge pension fund in India, and it's growing so fast that they decided for very obvious (…), for the time being, they have two asset managers. We are one of them. And they decided, for obvious reasons, that considering the incredible size of this mandate, they wanted to give it to 4 or 5. We don't know yet. And not only two. So we know by definition it's not a question that whether we are good or not good or whether they will keep us or not, we're absolutely certain that they will keep us as one provider. But they made, I would say, a structural decision to increase a little bit the number of people managing this huge portfolio, which will go on growing forever. So it will depend on will it be four, will it be five? Will it be more? We don't know yet. I cannot answer. What I can tell you and remind you once again is that, so, it will be a big minus on the flows of Amundi somewhere in 25. But honestly, zero impact on our results. That's why we wanted to mention. And by the way, the rest of the business in India is growing incredibly fast.
On Italy, it's been a long time the IFAs are growing faster in the investment area than the traditional banks. As you may remember when we discussed during our dinner, we're working with 200 clients in Italy. So we, I always remind that because it's a very big portfolio of clients. So we have a very precise view of what's going on on the market and Fineco is one of our big clients, by the way. So what I can tell you is that the trends are obvious in all the assets. I mean, when you look at the Italian asset managers, you see what happened on the Italian market. It's not at all one bank specific. It's true for everybody. It has been very much true also because of the solutions, I would say built by the government to push directly Italian bonds. So this is not at all case specific. It's really trends that we've seen on the Italian market and trends that everybody saw on the Italian market.

Nicolas Calcoen *(deputy CEO)*

And we have very positive flows with third party distributors, with IFS networks and so on in Italy.

Valérie Baudson *(CEO)*

That was I was mentioning typically Fineco is one of our big clients. So we're benefiting from all the trends on the markets on all sides.
And on the third party, it's really an addition of things. The most important trend for me is the fact that all third party distributors in the world are rationalizing their setup in terms of distributing investment solutions to their clients, selecting a limited number of partners. Whereas five years ago, you still saw in some banks 250 asset managers in the portfolio. It's really more and more rare. And when you can be one of the big partners, driving and bringing everything, you are winning the game. But to be able to do that, you have to invest in, once again, active, passive, advisory, OCIOs for certain private banks, private assets, the new Eltifs, retirement solutions, training of the workforces sometimes ; we have a gamification, now I'm giving you very concrete example, and we have a digital gamification for the financial advisors within the banks, for instance, to help them advise the final retail clients. it can be also partnerships on the middle office and obviously once again technology. So I think we have close to answer your question, Isobel, I think we have close to everything to answer the needs of our partners. It also requires a strong willingness of adjustment and adaptation. The example I gave you on Standard Chartered is a very good one. Standard Chartered is a global bank. They are operating in countries which are not obvious for everybody. Especially when you speak about Africa, for instance, you have to be able to invest and to dedicate people and energy to launch something very global. So Standard Chartered it was more than a one year project to be able to deliver one solution in 11 countries in Asia and Africa. And there were very few people able to do that kind of thing, and we are one of them.

Cyril Meilland *(Head of Investor Relations)*

Yes. Tom. Tom Mills from Jefferies. And then we will take one question from the room. I'm conscious that this has been a very long conference call, so we'll try to make it shorter, please.

Tom Mills *(Jefferies)*

Thanks. I just had one question, kind of follow up on the question that Bruce asked around the Vanguard fee cuts and appreciate you probably insulated in the short term. Europe is insulated in the short term. But I guess if I was Larry Fink out there in the US, I would think, thank God I got those two large alts deals done last year. I may have paid up for them, but I was able to do them because of my multiple, because of my ability to kind of raise enough debt to get it done. But for everyone else, it's a bit of a nightmare, I think. And if I fast forward ten years, what does all this mean? Because you've got, I think, unlike almost any other industry in the world, a disruptive player that is not profit seeking out there, that's just going to crush margins, consistently over time. How do you guys kind of think about that?

Valérie Baudson *(CEO)*

Well, first of all, you should ask the question to Larry Fink not to me. I'm sure you can ask it to me. And second, this is not new. I mean, honestly, the fact that Vanguard is nonprofit is not news. It’s a fact for a long time. So they will go on doing what they do. We will go on doing what we do. And I'm sorry , I'm going to repeat myself. But if it was only a question of price, we would know that, if it were only a question of performance, we would know that, if it was only a question of scale, we would know that. So unfortunately or fortunately, our job is a bit more complicated than that. So we stick to the strategy, focusing on our clients what they want, increase our scale, and make sure we are the winner in this race. Which it is true, is limiting the number of asset managers and giving the largest share of the profit and the business to the big ones.

Tom Mills *(Jefferies)*

Okay, thanks.

Cyril Meilland *(Head of Investor Relations)*

So we will take one question from the connected people. So Sharath. Can you open your mic and ask your question?

Sharath Kumar *(Deutsche Bank)*

Hello? Sorry I was not able to unmute, so thank you for taking my questions and apologies for not being in person. So I have three questions. Two on India and one on French retail.
Firstly, on India I wanted to understand the stance of you and SBI when it comes to your commitment to doing the IPO. Again, specifically, the thing that I wanted to understand is versus fourth quarter 2021, when the previous IPO intent was publicized, I would think that the environment for IPOs in India is much more positive. Was the second best market for IPOs in 2024. So if anything, the situation is tailor made for you to do an IPO. So I acknowledge that you would probably sell only a minority stake. But nevertheless, you know, the significant difference in valuation I think could be a useful help to for your rerating story . So that is the first question.
The second, again, dwelling into India, a bit into the underperformance, you know, in the fourth quarter, both in terms of PNL and flows. So should we be worried about the relative underperformance of Indian markets in recent months? You know, maybe resulting in lower appetite for flows? I know retail appetite has been very strong, but maybe can you comment on January performance if the weaker equity markets still had an impact on flows.
And the last one is on French retail? you know, given all the recent political developments, how would you categorize risk appetite? Do you see any change in sentiment, especially after the cut to regulated savings deposits have been announced? Thank you.

Valérie Baudson *(CEO)*

Sorry. After the what?

Sharath Kumar *(Deutsche Bank)*

After the Livret A rate

Valérie Baudson *(CEO)*

Okay. Well, SBI IPOs. Obviously I mean, you're right in your analysis. But we'll see if it comes back. For the time being it's still not yet on the table. But you're right that it would obviously be very positive on the valuation for sure if it was happening.
Second, I'm absolutely not worried about the recent underperforming markets in India. It doesn't change anything on the secular trend, which is the level of I mean, the penetration of savings solution in India is less than 9% for the time being. So the trend is so huge that it will not have any effect in the short, medium and long term.
And on the French retail, and Livret A story, honestly, for the time being, we haven't seen any change, you know. It's also a bit early.
First of all, it's a bit early and it's quite structural. French retail investors are quite risk adverse and they're not moving so much their habits according to what's going on. So I do not expect any huge change on that front. But what I can confirm to you to finish is the fact that the flows we see globally in the beginning of 25 are very positive and we are very confident on the fact that the trends we've seen over the last quarter are continuing in 2025.

Cyril Meilland *(Head of Investor Relations)*

Okay. Thank you. Valerie. I think we can wrap up this conference call right now. We can continue this discussion if you have some time in the next room. And for those of you connected, thank you very much for having attended and participated, and we'll talk to you at the very last when we publish our Q1 results. You will have noticed that we will publish this year only on Tuesdays. It's not a habit, it's just a coincidence. But so see you on a Tuesday at the end of April. Thank you.

Valérie Baudson *(CEO)*

Thank you very much to all of you.

Nicolas Calcoen *(deputy CEO)*

Thank you.