

18.8% Upside | Price Target: €74.3 | Last Close: €62.6





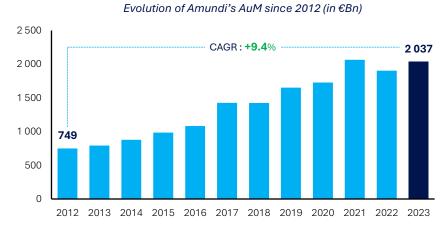
Amundi, a European leader with a global reach...

Amundi stands as the European leader...

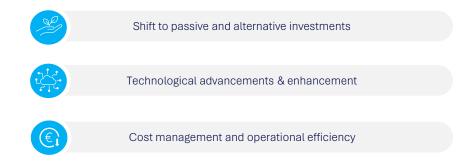




...achieving robust expansion in Assets under Management...



...in an industry undergoing full-scale evolution and transition

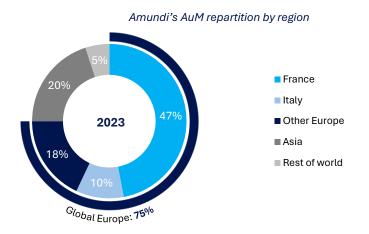


Overview

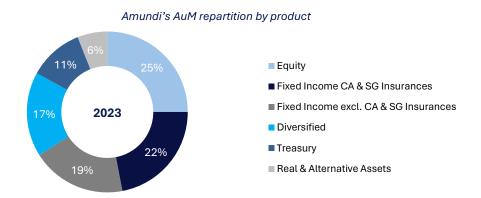


...in a growth industry driven by new assets and new geographical markets

Amundi's AuM distribution spans multiple regions and assets class...



Market

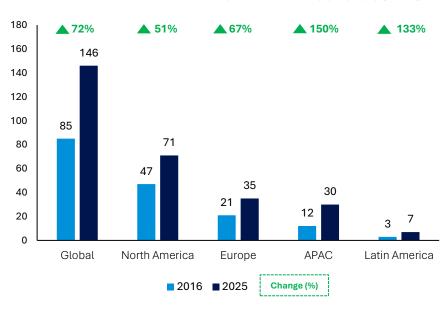


Profitability

... with a significant increase in future industry AuM



AuM evolution on the Asset Management industry by geography (in €Tn)

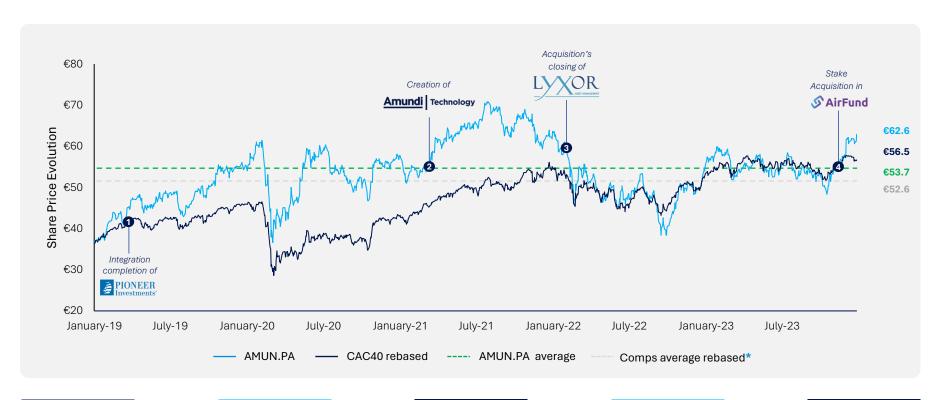


Diversification ESG Valuation Risks Appendix



Amundi's robust historical stock performance

Amundi stock outperform the benchmark since 2019, exceeding CAC40 and direct rivals













*DWS, Allianz, T Row Price, BlackRock, Vanguard, State Street, Schroders, Janus Handerson, Invesco, Alliance Bernstein



Amundi poised for market leadership and growth

We issue a BUY recommendation, with a target price of €74.36, representing a 18.8% premium over the previous closing price*



Amundi asserts its supremacy in European market leadership with a robust stock performance



Amundi sets sights on strategic M&A alongside the cultivation of dynamic JVs to deepen market penetration



A pioneering force advancing sustainability and spearheading the ESG evolution

BUY RECOMMENDATION

*€62.60: closing price at 9 Jan 2024 (EUR)





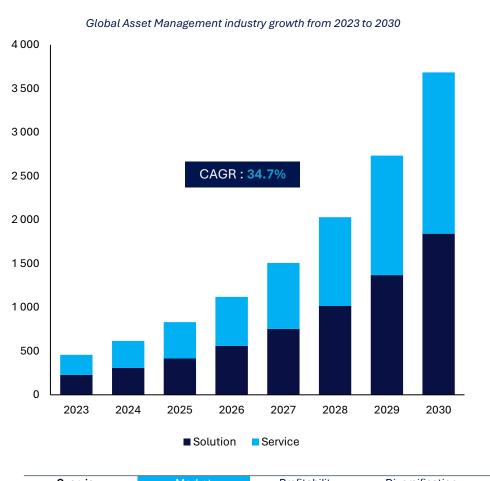
Market Dynamics Overview

Insights and Forecasts for informed investment decisions



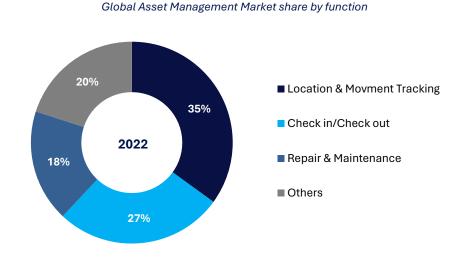
Global Asset Management industry overview

Asset Management industry's experiences robust growth...



...and is primarily driven by location & movement tracking function







Market and competitive landscape overview

Amundi maintains a strong position in the competitive landscape...



Amundi ranks #8 in AuM among its top competitors



*As of 31/12/2022

Amundi's focus on cost efficiency and a diversified investment approach has solidified its competitive edge in the industry

... innovating with ETFs and tech services

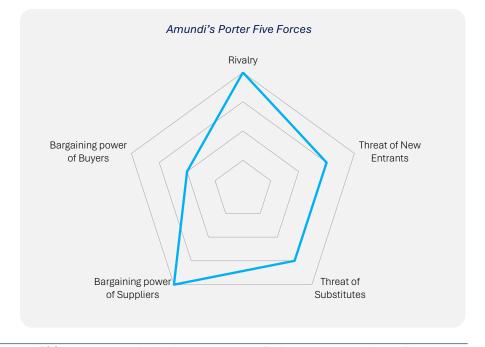


Amundi has adapted to harsh financial conditions and legislative challenges, pivoting towards passive investments to attract new fund flows



The firm capitalized on regulatory changes and sustainability demands, expanding its ETF portfolio and venturing into technology services

Amundi's top competitors by AuM (in €Bn)* 9000 8 053 8 096 8 000 6743 7000 6000 5000 3 653 4000 3 2 6 2 2616 3000 2 152 2 044 1 904 2000 1000 Vanguard* STATE STREET J.P.Morgan Amundi CAPITAL GROUP Goldman | Asset Sachs | Manager



Overview Market Profitability Diversification ESG Valuation Risks Appendix

R





Performance & profitability

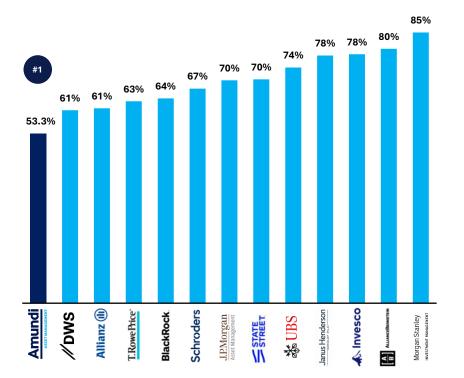
Financial success of Europe's largest Asset Manager



Amundi stands as a global beacon of performance

A robust performance and cost-to-income advantage...

FY22 cost-to-income ratio of the main Asset Management players



... securing a strong global ranking in Europe





Forecasting Amundi's roadmap to sustained profitability and cost efficiency

Amundi expects to significantly enhance its total revenue streams...

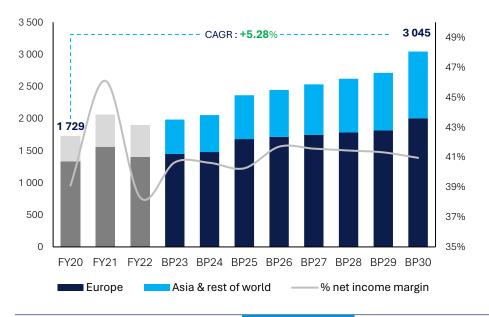


Robust AuM organic growth (+3,5%), supported by revenue diversification, leveraging the Asian markets and the rest of the world



Stable profitability maintained , with a net income margin consistently exceeding 40% through 2030, even amid a competitive landscape

AuM forecasted growth from 2023 to 2030 (in €Bn) with its net income margin (%)



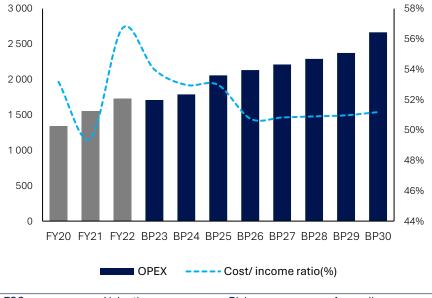
...while ensuring cost efficiency to sustain a strong cost-to-income ratio







Operating expenses and cost-to-income ratio projections from 2023 to 2030







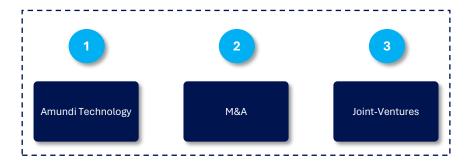
Diversification across a broad spectrum of activities

Strategies for risk mitigation and robust growth

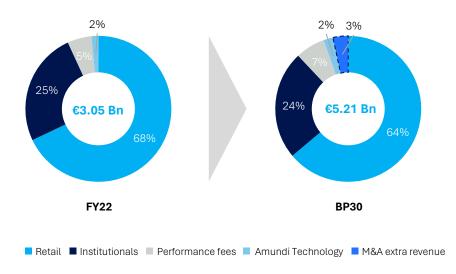


Amundi develop a strong diversification strategy (1/2)

Amundi amplifies its diversification through strategic initiatives...



Total revenues from Asset Management & other*

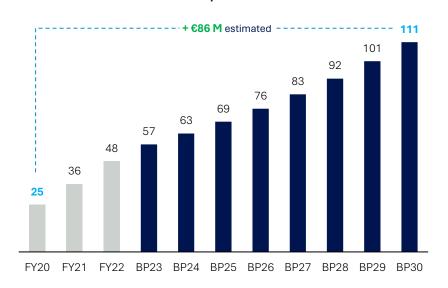


.... including the robust growth of Amundi Technology...





Revenues of Amundi Technology since its launch





Amundi develop a strong diversification strategy (2/2)

... a M&A strategic drive aligned with strategic expansion blueprint...

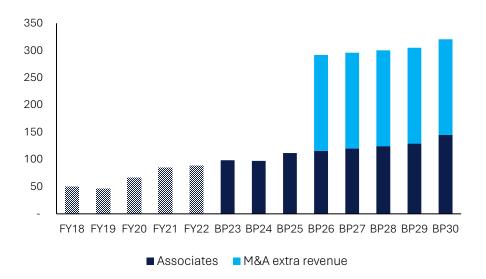


Deployment of \in 2Bn of excess capital with > 10% of ROI aimed for M&A, with a key attention pointed towards alternative investment space



Amundi's recent acquisitions in the Alternative Investment space (Alpha Associates, Lyxor, Airfunds, ...)

Associates and M&A future revenues of Amundi (in € M)



.... and the strong development of partnership and JV's

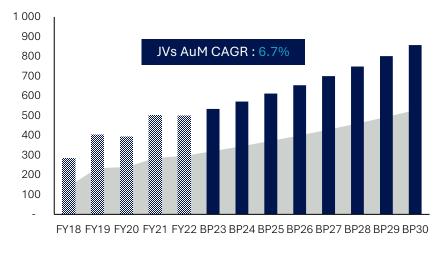


Strong performance of JVs, especially with SBI in India, heralds a promising future for Amundi's expansion and market dominance



The CAGR for Amundi's JVs highlights the outperformance of AuM growth rate, underscoring the success of its strategic partnerships

Joint-Ventures AuM growth of Amundi (in € Bn)



■ JVs ■ Asia & Rest of the world





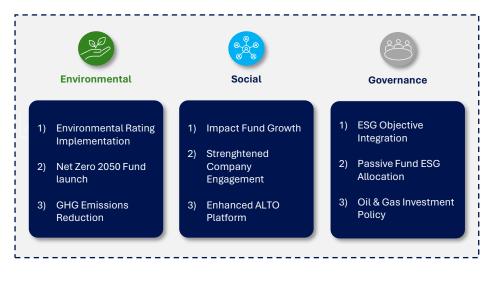
Environmental, Social & Governance

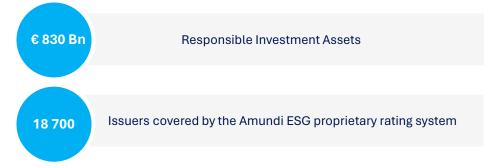
Exploring Sustainable Investment Strategies



Amundi leading strategic ESG initiatives for the Net Zero Transition

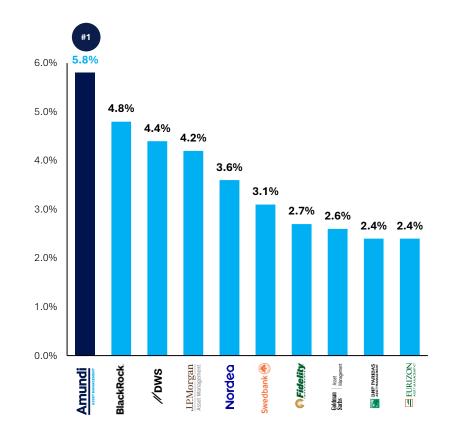
Amundi's ESG Ambition 2025 plan to contribute to the global net zero objective...





...as a pioneer in responsible investing







Strategic achievements and industry recognition: ESG awards and assets growth

Amundi emerges as a trailblazer in European ESG Asset Management...



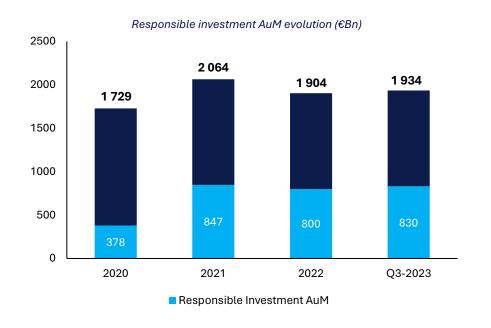
...witnessing a steadfast surge in Assets under Management



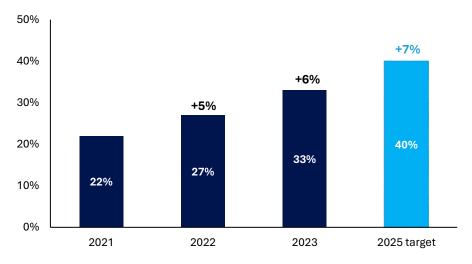
ALTO Sustainability: Enhancing Amundi ESG's investment process with robust sustainability analytics



Involvement in unconventional hydrocarbons leads to company exclusion by Amundi starting in 2022











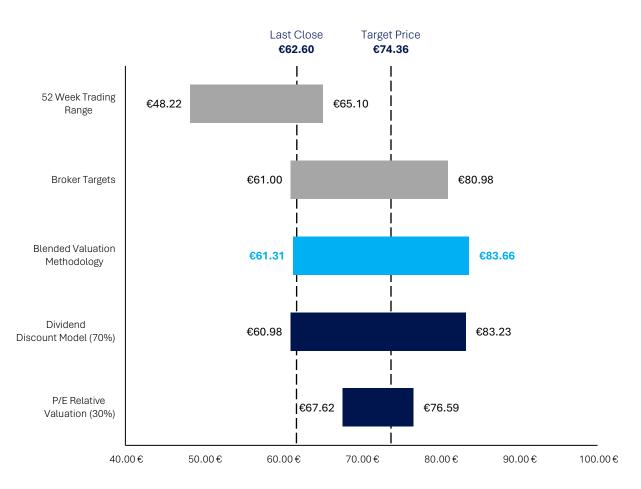
Valuation & main risks identified

Unveiling stock price calculations and key risk factors for Amundi's stock



We calculated a share price of €74.36, a 18.8% premium to last close

Our valuation is the culmination of a carefully weighted average approach, applying 70% with DDM and 30% with P/E relative valuation



Dividend Discount Model Drivers Cost of Equity: 11.86% Terminal Growth Rate of dividends: 2.00% Pay-out ratio: 65% P/E Multiple: 12x Relative Valuation Drivers Peers: Leading European Asset Management firms Multiple: P/E ratio of 12x Approach: Applied the median P/E ratio from the set to Amundi

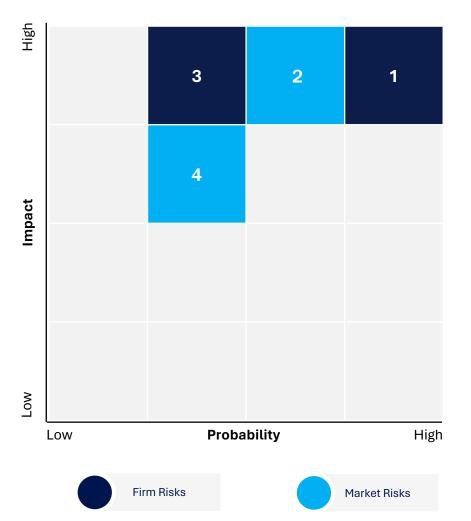


^{*}In a bear case scenario, discounting the potential upside from joint ventures, M&A activities might yield diminished synergies and deliver value below initial forecasts



Overall Risk landscape

Risk Matrix



Firm & market Risks Outlined

- Regulatory and Strategic Management: Compliance with Basel reforms; capital requirement adjustments; ESG-focused advisory updates
- Market Stability and Financial Health: Market volatility response; revenue and interest rate hedging; cost control
- Operational Agility and Tech Innovation: Embracing tech for efficiency; aligning operations with client needs
- Geopolitical Vigilance and Investment Strategy: Navigating global tensions; adapting to trade policy changes; impacting equity volatility and cross-border investments

Identified Concerns





Amundi capitalizes on strengths, eyes robust expansion



Amundi asserts its supremacy in European market leadership with a robust stock performance



Amundi sets sights on strategic M&A alongside the cultivation of dynamic JVs to deepen market penetration



A pioneering force advancing sustainability and spearheading the ESG evolution



Target Price: €74.36 18% Upside Last close (9 Jan) €62.60

*€62.60: closing price at 9 Jan 2024 (EUR)

