

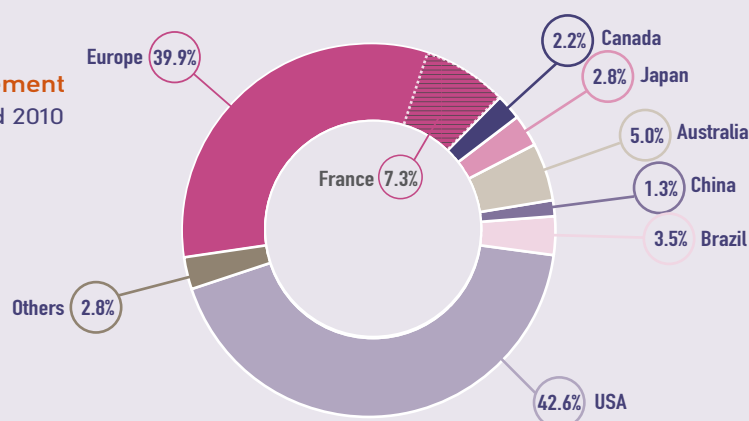
The French Asset Management Industry



The Asset Management Industry plays a crucial role in the financing of the economy

The total size of the worldwide asset management industry (investment funds and discretionary mandates) reaches approximately €35 trillion, including approximately €14 trillion in Europe. Its European fund component reaches €7 trillion, ranking n°2 after the USA.

Worldwide investment funds management
Net assets: 19,390 billion euros at end 2010



Source: EFAMA / ICI

The French Asset Management Industry: The right balance between financial innovation and investor protection

The French Asset Management Industry is one of the largest in the world, with assets under management exceeding €2,600 billion at end of December 2010.

France ranks:

- 1st in Europe and 2nd in the world, after the USA, as a fund management center (€1,590 bn)
- 2nd in Europe (18%), after Luxembourg, in terms of fund domiciliation (€1,340 bn)

Despite the financial market turmoil, the French Asset Management Industry bounced back to its 2007 record level in 2010. Over the past 10 years, the number of French asset management companies has almost doubled - from nearly 350 in 1999 up to nearly 600 today.

The French Industry has gradually built an efficient and competitive model based on:

- A long tradition in the field of *asset management*
- A remarkable *development of innovation* for several decades
- A *regularly adapted regulation* balancing investor protection and financial innovation
- A *strong level of savings and diversified and efficient distribution channels*

Resilience of the French model to the financial and economic crisis

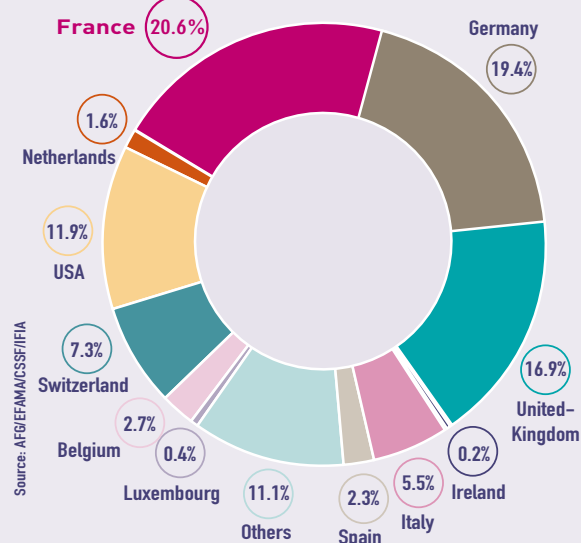
The French Asset Management Industry's model offers an appropriate set of tools in the "post-crisis" era:

- ➔ An appropriate risk management within management companies
- ➔ Avoidance of conflicts of interest, to the benefit of investor protection
- ➔ Specific approvals by the French regulator (AMF) regarding managers' skills and organization of management companies, in particular for the use of complex products

Fund financial management industry in Europe*

*Assets domiciled in Luxembourg and Ireland reallocated to the promoter's country of origin – AFG estimates

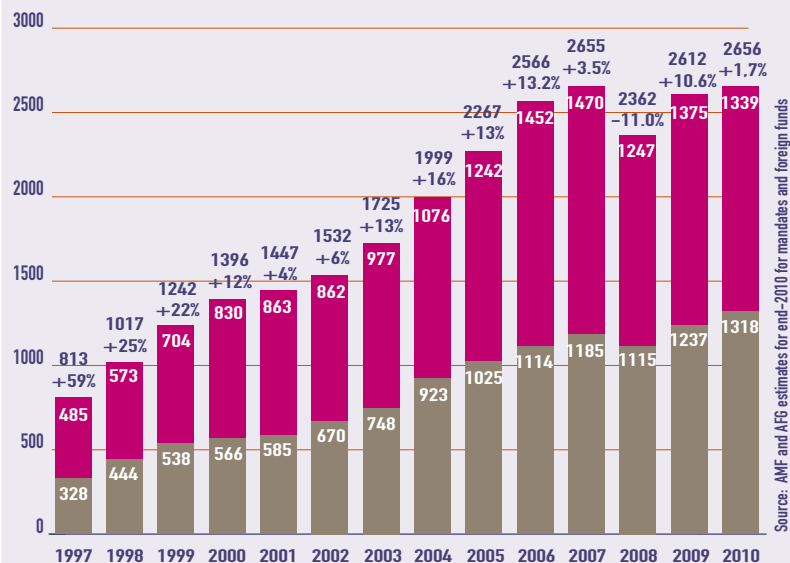
€7,728 billion at end of 2010



Assets under management in the French market (in bn euros)

French funds

Mandates (including foreign funds)



AFG: The trade association of a leading Asset Management Industry

The Association Française de la Gestion Financière (the French Asset Management Association – AFG) represents and promotes the interests of the French Asset Management Industry, both for collective and discretionary portfolio managements. Our members are management companies, either boutiques or subsidiaries of French or foreign banking, insurance or asset management groups.

The French Asset Management Industry: Key figures

- **600** asset management companies
- **4** French asset management groups in the top **20** at worldwide level
- A teeming ecosystem of skills and functions (e.g. 3 French depositaries in the global top ten)
- An increasing number of successful **specialized boutiques** (quantitative, absolute return, structured, hedge, indexed, credit, private equity, real estate, wealth management...).

Approximately **150** new management companies created over the last 5 years in France

- **11,000** investment funds (including **8,000** UCITS funds)
- Over **€2,650** billion under management, including:
 - **€1,340** billion for investment funds
 - Over **€1,310** billion in discretionary mandates and funds domiciled abroad

*The French Asset Management Industry:
The right balance between financial innovation
and investor protection*