

Amundi Funds

Euro Bond

EURO BOND

Minimum recommended investment period

1 year 2 years 3 years **4 years** 5 years

Risk indicator

► Indicative modified duration scale

0 3 8 10

Region

► Euro zone

Currency

► EUR

Reference indicator

► Barclays Euro Aggregate (E)

Investment grade

a range of ratings assigned by independent rating agencies to securities in view of their low risk of default. To qualify as investment grade, securities must be rated at least BBB- for Standard & Poor's, and Baa3 for Moody's.

Spread

Yield differential between government debt securities and corporate debt securities. The level of spread reflects the credit quality of the corporate issuer.

Benefit from two sources of performance (yield and credit) in the Euro Aggregate investment-grade bond universe.

1 The "Euro Aggregate" investment universe

Amundi Funds Euro Bond is made up of a selection of investment grade Euro-denominated government and corporate bonds.

Amundi Funds Euro Bond gives investors access to the world's second-largest bond market after the US. The market currently amounts to almost EUR 6,000 billion and is composed of medium and long-term bonds, 90% of which are Investment Grade.

Combining government and corporate bonds within a single portfolio optimises returns while diversifying risk.

Also, no more than 30% of the fund's assets can be invested in corporate bonds rated BBB-/Baa3 to AA-/Aa3 (Standard & Poor's/Moody's).

2 A balanced combination of the two main sources of performance

The investment team uses an active management approach to maximise risk-adjusted performance, and this through the systematic use of all the sources of value available in the Euro Aggregate universe.

Sources of fixed income performance

- Determination of the portfolio's overall duration.
- Allocation of duration on the euro yield curve
- Allocation between the government curve and the swap curve.
- Selection of issuers and securities in the government and quasi-government universe.
- Allocation to inflation-indexed bonds.

Sources of credit performance

- Overall credit allocation. Determination of the global *Duration-Weighted Spread**.
- Sector allocation. Determination of *Duration-Weighted Spread** by sector.
- Selection of issuers and credit bonds.

* Duration-weighted spread = Measure providing a good estimation of a portfolio's global credit risk. The Duration-Weighted Spread indicates the maximum possible gain if credit spreads return to 0, or conversely the maximum loss should spreads double.

The individual contribution of a security to a portfolio's spread weighted for duration is calculated as follows:
Duration-Weighted Spread = Weight in amount x Duration x Spread against government bond (in which Weight in amount x Duration = Contribution in duration).

The Spread weighted by the overall portfolio duration corresponds to the sum total of individual contributions.

Amundi Funds

Euro Bond

Amundi Funds is a comprehensive range of sub-funds giving investors access to the best and most innovative investment expertise.

This large and varied range allows investors to choose the sub-fund best adapted to their individual requirements and expectations.

Switching between sub-funds within the umbrella may be done in a simple way.

This Luxembourg-domiciled umbrella fund (SICAV) is UCITS III compliant.

Daily prices are available on the following websites:

amundi-funds.com
amundi.com

This document contains information about Amundi Funds Euro Bond (the "Sub-Fund"), a sub-fund of Amundi Funds (the "SICAV"), an undertaking for collective investment in transferable securities existing under Part I of the Luxembourg law of 20 December 2002, organised as a société d'investissement à capital variable and registered with the Luxembourg Trade and Companies Register under number B68.806. The SICAV has its registered office at 5, allée Scheffer, L-2520 Luxembourg.

Amundi Funds has been authorised for public sale by the Commission de Surveillance du Secteur Financier in Luxembourg.

Not all sub-funds of the SICAV (the "Sub-Funds") will necessarily be registered or authorized for sale in all jurisdictions or be available to all investors.

Subscriptions in the Sub-Funds will only be accepted on the basis of the SICAV's latest complete and simplified prospectuses, its latest annual and semi-annual reports and its articles of incorporation that may be obtained, free of charge, at the registered office of the SICAV or respectively at that of the representative agent duly authorized and agreed by the relevant authority of each relevant concerned jurisdiction. Consideration should be given to whether the risks attached to an investment in the Sub-Funds are suitable for prospective investors who should ensure that they fully understand the contents of this document. A professional advisor should be consulted to determine whether an investment in the Sub-Funds is suitable.

The value of, and any income from, an investment in the Sub-Funds can decrease as well as increase. The Sub-Funds have no guaranteed performance. Further, past performance is not a guarantee or a reliable indicator for current or future performance and returns. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

This document does not constitute an offer to buy nor a solicitation to sell in any country where it might be considered as unlawful, nor does it constitute public advertising or investment advice.

The information contained in this document is deemed accurate as at March 2010.

3 | An analysis firmly focused on fundamentals

- The investment team uses a fundamental approach to analyse market valuations and issuers' credit quality.

It analyses the macro-economic variables so as to anticipate the behaviour of the fixed-income markets. Thus, projections of key economic indicators in the main economic zones (growth, inflation, monetary policy, budget deficits, etc) are drawn up each quarter in collaboration with Crédit Agricole S.A.'s economic analysts. Also, the macro-economic scenario, drawn up for a period of 24 months, is reviewed monthly.

The investment team also uses research provided by Amundi's credit analysts to analyse credit market fundamentals and assess trends in the credit spreads of the various sectors and securities.

- This fundamental approach is backed up with decision-making and portfolio-building tools developed in-house by the investment team and Amundi's research staff. These give Amundi a better view of the fixed-income and credit markets, and help optimise portfolio risk management.

4 | A wide palette of complementary skills

The investment team comprises some 30 fund managers with an average experience of more than 10 years. It is organised by area of expertise based on the various source of performance (interest rates and yield curve, inflation-indexed bonds, credit, etc.) so as to optimise the identification and exploitation of market opportunities. The team can call on the support of more than a dozen credit analysts specialised by business sector and on Crédit Agricole S.A.'s economic analysts for preparing the macro-economic scenario. A dedicated trading desk supplies valuable information on flows.

Key information

	Classic (C)	Institutionnel (I)	Classic (S)*
Management company	Amundi Luxembourg S.A.		
Investment manager	Amundi		
Custodian	CACEIS Bank Luxembourg		
Reference currency	EUR		
ISIN Code	Accumulation: LU0119099066 Distribution: LU0119099140	Accumulation: LU0119098506 Distribution: LU0194908587	Accumulation: LU0119099223
Minimum initial subscription	None	USD 500 000**	None
Share Categories	Accumulation / Distribution		Accumulation
Frequency of NAV calculation	Daily		
Cut off for dealing times	Luxembourg business days between 9 a.m. and 6 p.m. (CET)***		
Maximum subscription fee	4.50%	2.50%	3.00%
Maximum annual management fee	0.80%	0.45%	1.00%
Maximum administration fee	0.30%	0.10%	0.30%
Performance fee	None	20% of the cumulative performance above that of the reference indicator****	None
Maximum conversion fee	1.00%		
Maximum redemption fee	None		

Not all share classes and, as the case may be, share categories are registered for sale in all countries. Investors may contact Amundi Luxembourg for further information.

* Only for distributors authorised by Board of Directors.

** Or equivalent in another currency.

*** Or, as the case may be, an earlier cut off time applicable by the relevant distributor.

**** A detailed explanation of the performance fees is provided in the Prospectus.

Amundi, French joint stock company ("Société Anonyme") with a registered capital of €578 002 350 and approved by the French Securities Regulator (Autorité des Marchés Financiers-AMF) under number GP 04000036 as a portfolio management company, 90 boulevard Pasteur - 75015 Paris-France - 437 574 452 RCS Paris. March 2010 - co

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ASSET MANAGEMENT

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