

OBJECTIF SMALL CAPS EURO

SICAV (open-ended investment company)

**ANNUAL REPORT
for the year ended 30 September 2015**

**Shareholders' Meeting
at 15 January 2016**

Lazard Group UCITS

Registered office: 121, Boulevard Haussmann, 75008 Paris
Registered under No. 449 972 835 on Paris Trade and Companies Register

Board of Directors and statutory auditor

at 30 September 2015

CHAIRMAN

François Werner

CHIEF EXECUTIVE OFFICER

NON-BOARD MEMBER

Jean-François Cardinet

Vice President of Lazard Frères Gestion SAS

DEPUTY CHIEF EXECUTIVE OFFICERS

James Ogilvy

Vice President of Lazard Frères Gestion SAS

Annabelle Vinatier

Vice President of Lazard Frères Gestion SAS

MEMBERS OF THE BOARD OF DIRECTORS

François-Marc Durand

Chairman of Lazard Frères Gestion SAS

François de Saint-Pierre

Managing Director of Lazard Frères Gestion SAS

AREAS VIE

Represented by Sylvain Mortera

Lazard Frères Gestion SAS

Represented by François Voss

Fonds de Garantie

Represented by Christian Schor

Jean-Jacques de Gournay

Managing Director of Lazard Frères Gestion SAS

Groupama Rhône-Alpes Auvergne

Represented by Pierre-Olivier Schwenninger

SMAVIE BTP

represented by Philippe Desurmont

Réuni Retraites Salariés

represented by Francis Weber

Monica Nescaut

Manager at Lazard Frères Gestion SAS

NON-VOTING BOARD MEMBERS

Acte Iard S.A.

Represented by Marc Wendling

B2V Gestion

Represented by Caroline Fleury-Verny

STATUTORY AUDITOR

Principal: MAZARS

At the close of the Combined Shareholders' Meeting

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STATUTORY AUDITOR

Principal: DELOITTE&ASSOCIES

EUROZONE COUNTRY EQUITIES

A shares and R shares :
Accumulation and/or distribution and/or retention of distributable income
Tax rules applicable to French equity savings plans (*Plans d'Epargne en Actions* – PEA)

Investment objective

The SICAV seeks to achieve capital growth at the end of the recommended investment period through exposure to small- and mid-cap markets.

Benchmark index

The SICAV does not have a benchmark index. Performance may be compared against that of the Euromoney Smaller Euro Index (net dividends reinvested) over the recommended investment horizon.

The Euromoney Smaller Euro is a capitalisation-weighted free-float adjusted index comprising several hundred Eurozone companies.

Risk profile



▪ **Equity market risk:**

Fluctuations in equity markets may result in significant changes in net asset value, which may have a significant negative impact on performance. Accordingly, if the equity markets fall, the Fund's net asset value is likely to decrease.

Investors are reminded that small-cap markets comprise equities of companies that, because of their specific characteristics, may pose risks for investors.

▪ **Market liquidity risk:**

Small- and mid-cap investments tend to be less liquid than other investments, which means that they may take longer to buy or sell.

▪ **Risk of capital loss:**

More generally, it is possible that the Fund may not achieve its objectives and that investors will not recover their initial investment.

▪ **Derivatives risk:**

The SICAV may be synthetically exposed up to 100% of its net assets to equity markets.

The use of derivatives on organised and OTC markets may expose the net asset value to variations due to fluctuations in the underlying markets.

▪ **Subscription/redemption risk:**

This is the risk associated with major flows of client funds into or out of the SICAV. This may lead the manager to make quick changes to the portfolio's structure, which could result in the portfolio's temporary distortion.

▪ **Counterparty risk:**

This is the risk associated with the SICAV's use of financial futures and OTC instruments, and/or temporary purchases and sales of securities.

These transactions, entered into with one or more eligible counterparties, potentially expose the SICAV to a risk of insolvency of any such counterparty, which may lead to default on payment.

▪ **Interest rate risk:**

Interest rate risk is the risk of a change in interest rates, which has an impact on the bond markets, such as the tendency for bond prices to move in the opposite direction to interest rates.

The SICAV is mainly invested in equities; interest rate risk is therefore insignificant. However, investors should note that share prices may be indirectly impacted by interest rate movements.

Eligible subscribers and typical investor profile

All subscribers.

The instruments used and the strategies applied equate to an aggressive investment profile. The SICAV is intended for investors seeking exposure to the small- and mid-cap market. Subscribers are strongly advised to diversify their investments sufficiently to avoid exposure solely to the risks of this SICAV.

Information on US investors:

The SICAV is not registered as an investment vehicle in the United States and its shares are not and will not be registered under the Securities Act of 1933 and, therefore, they may not be offered or sold in the United States to Restricted Persons, as defined hereafter.

A Restricted Person is (i) any person or entity located in the United States (including US residents), (ii) any corporation or any other entity subject to the laws of the United States or any state thereof, (iii) all US military personnel or any employee of a US government department or agency located outside the United States, or (iv) any other person that would be considered a US Person under Regulation S of the Securities Act of 1933, as amended.

FATCA:

Pursuant to the provisions of the Foreign Account Tax Compliance Act (“FATCA”) applicable as of July 1st, 2014, if the SICAV invests directly or indirectly in US assets, the income arising from such investments may be subject to withholding tax of 30%.

To avoid paying the 30% withholding tax, France and the United States have entered into an intergovernmental -agreement under which non-US financial institutions (“foreign financial institutions”) agree to institute procedures for identifying direct or indirect investors who qualify as US taxpayers and to provide certain information about these investors to the French tax authorities, which will disclose said information to the US tax authority, the Internal Revenue Service.

As a foreign financial institution, the SICAV undertakes to comply with the FATCA and to take all appropriate measures pursuant to the aforementioned intergovernmental agreement.

The amount that it is reasonable to invest in this Fund depends on each investor's personal circumstances. To determine this, investors should take account of their personal financial situation, current needs and the recommended investment period, and should also consider their ability to assume risk or whether they prefer instead to opt for a more cautious investment.

ALLOCATION OF DISTRIBUTABLE INCOME

Distributable income consists of:

1) net income plus retained earnings, plus or minus the balance of the revenue adjustment account.

Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and prizes, directors' fees and all income generated by the securities that make up the SICAV's portfolio, plus income generated by temporary cash holdings and minus management fees and borrowing costs.

2) realised capital gains, net of expenses, minus realised capital losses, net of expenses, recognised for the financial year, plus any net capital gains of the same kind recognised over previous years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

The amounts referred to in 1) and 2) may be accumulated and/or distributed and/or retained independently of each other, in whole or in part.

For A and R shares, the shareholders' meeting decides each year on the allocation of distributable income. It may pay interim dividends.

ESTABLISHMENT RESPONSIBLE for RECEIVING SUBSCRIPTION and REDEMPTION ORDERS

Subscription and redemption orders are executed at Lazard Frères Gestion SAS on the basis of

- the next net asset value for subscriptions (NAV settlement date + 1 business day)
 - the next net asset value for redemptions (NAV settlement date + 3 business days)
- for orders placed before 11 a.m.

CUSTODIAN

Lazard Frères Banque, 121, Boulevard Haussmann, 75008 – Paris, France

**DIRECTORS' REPORT
TO THE ASSEMBLÉE GÉNÉRALE MIXTE
OF 15 January 2016**

Dear shareholders,

We have called this Combined Shareholders' Meeting in order to present the balance sheet and accounts for your company for the financial year from 30 September 2014 to 30 September 2015.

During this period, net assets rose from €581 879 268,69 on September 30th, 2014 to €643 051 561,11 on September 30th, 2015, and the number of shares outstanding was 867 652,545 "A" shares and 88 169,898 "R" shares.

"A" shares

The number of shares subscribed for over the financial year was 191 280,479, representing a total of €109 177 431,01.

At the same time, the number of shares submitted for redemption was 223 798,238, for a total of €130 274 405,21.

The net asset value rose from €521,07 on September 30th, 2014 to €619,81 on September 30th, 2015, which equates to an increase of 18,95%.

Past performance is no guarantee of the UCI's future results.

"R" shares

The number of shares subscribed for over the financial year was 32 276,207, representing a total of €37 166 310,10.

At the same time, the number of shares submitted for redemption was 56 117,648, for a total of €60 255 879,89.

The net asset value rose from €1 007,21 on September 30th, 2014 to €1 193,94 on September 30th, 2015, which equates to an increase of 18,54%.

Past performance is no guarantee of the UCI's future results. The benchmark rose 12,64% over the period.

Distributable net income available at the end of the financial year was €4 137 314,86, compared with a loss of €901 106,33 the previous financial year.

Information on movements in the portfolio over the period:

The main securities:

Purchased:

ISIN	Description	Net amount (€)
FR0011291657	FCP Obj.court Terme Euro C-3d	99209467,88
FR0000053142	Faiveley Transport	15016120,41
DE0006450000	LPKF Laser & Electronics	11071740,55
NL0010998878	Lucas Bols Nv	9108951,63
PTCOR0AE0006	Corticeira Amorim Sgps Sa	8715371,7

Sold:

ISIN	Description	Net amount (€)
FR0011291657	FCP Obj.court Terme Euro C-3d	99210850,19
FR0000052870	Norbert Dentressangle	42491800,85
FR0000053266	Sartorius Stedim Biotech	19860835,09
DE0005865901	Grenkeleasing	16058637,14
IT0001078911	Interpump Group	10405038,43

Temporary purchases and sales of securities:

As part of daily cash management, the manager may undertake repurchase agreements. These repurchase agreements are undertaken solely with Lazard Frères Banque for a term of one day, with a possibility of renewal.

Securities received by the UCI as collateral for the purpose of reducing counterparty risk will be shown, where applicable, in section "3.9 Other transactions" under additional information.

Income from these transactions is shown in the income statement, under "Income from temporary purchases and sales of securities".

ECONOMIC ENVIRONMENT

Introduction

The past year was marked by continued growth rotation towards developed economies, a resurgence of political risk and two far-reaching changes in the markets: the plummeting oil price, which is part of a larger movement of falling commodity prices, and the appreciation of the dollar, resulting from diverging monetary policies. Although global growth is expected to slow this year, according to IMF forecasts, the recovery continued in the developed economies, which are likely to see their strongest growth this year since 2010. By contrast, economic activity slackened in emerging countries, which will probably slow for the fifth year running. In the United States, strong growth and progress made in employment provided the conditions for the Federal Reserve (Fed) to end its asset purchase programme at the end of October 2014. In the Eurozone, the recovery gained momentum despite developments related to Greece, which finally reached an agreement with its creditors for a new bailout plan. The European Central Bank (ECB) adopted a series of measures to boost inflation, including a massive asset purchase programme that allows it to purchase government bonds. In Japan, the exit from recession in the first quarter was followed by a decline in economic activity. The Japanese central bank (BoJ) raised the amount of its bond purchases and the government announced a new fiscal stimulus package. In China, the central bank lowered its key rate five times against a backdrop of continuing economic slowdown. The authorities also changed the yuan fixing mechanism, which triggered sharp falls on the global stock markets in summer. In the other emerging countries, growth was relatively resilient in emerging Asia, led by India, but slowed sharply in emerging Europe and Latin America, penalised by Russia and Brazil, which both tipped into recession.

GDP volume growth (%)	2014	2015 (e)	2016 (e)
World	3,4	3,1	3,6
Developed countries	1,8	2,0	2,2
Emerging countries	4,6	4,0	4,5
Eurozone	0,9	1,5	1,6
United States	2,4	2,6	2,8
Japan	-0,1	0,6	1,0
Germany	1,6	1,5	1,6
France	0,2	1,2	1,5
Italy	-0,4	0,8	1,3
Spain	1,4	3,1	2,5
United Kingdom	3,0	2,5	2,2
China	7,3	6,8	6,3
India	7,3	7,3	7,5
Brazil	0,1	-3,0	-1,0
Russia	0,6	-3,8	-0,6

Source: IMF Economic Outlook, October 2015 update

The equity markets performed poorly over the past year: +0,9% on the Euro Stoxx in euros, -2,6% for the S&P 500 in dollars, +6,4% on the Topix in yen and -21,2% on the MSCI Emerging Markets Index denominated in dollars, which slipped 9,3% in local currency.

The Euro Stoxx experienced significant volatility over the past year, including periods of sharp decline. The first episode was in mid-October 2014, when disappointing data in Germany led to renewed concerns about global growth. The second downturn occurred between end-November and mid-December following the accelerated fall in the oil price, which precipitated the collapse of the rouble and the dissolution of the Greek parliament. In the first quarter, the surprise announcement of a programme of government bond purchases by the ECB in January, combined with an improvement in the region's economic outlook and the euro's depreciation, led to a sharp rebound in the equity markets. They then fell sharply in the second quarter, in line with developments in Greece following the election of the radical leftwing party Syriza. In the third quarter, following an initial boost from the resolution of the Greek crisis in July, the global equity

markets reversed sharply following China's modification of its currency regime on August 11th. Some investors saw the ensuing depreciation of the yen as a further support measure, fuelling concerns about Chinese growth. After a brief respite, the equity markets resumed a downward course in mid-September following the Fed's cautious statement on the global economic situation and the Volkswagen scandal.

Yields on the government bonds of non-risky countries declined sharply over the year after a sharp increase from mid-April 2015. Ten-year yields on German government debt fell by 36 basis points to 0,59% at end-September. Ten-year yields on US government debt fell by 45 basis points over 12 months, reaching 2,04% at end-September.

The credit spreads of peripheral countries in relation to Germany tightened in the case of Italy (-25 bp) and Portugal (-41 bp), but widened in Spain (+11 bp). In a complicated political environment, 10-year yields on Greek sovereign bonds increased from 8,3% to 19,2% between September 2014 and early July 2015 before reverting to 8,3% at end-September 2015 following the resolution of the crisis.

Credit spreads on good quality corporate bonds versus government bonds widened by 53 basis points to 145 bp, while spreads on high yield bonds widened by 159 bp to 555 bp according to Merrill Lynch indices.

Divergences in monetary policy between the Fed, which is preparing to tighten its monetary policy, and the ECB and BoJ, which stepped up their stimulus measures, were reflected in the dollar's 13,0% rise against the euro and 9,3% rise against the yen. Downward pressures on the euro led to a wave of monetary easing in Nordic countries such as Denmark. The Swiss National Bank abandoned its currency floor of 1,20 Swiss francs to the euro on January 15th.

The Brent oil price fell from \$93 dollars at end-September 2014 to \$47 at end-September 2015, a decline of almost 50%. Oil prices recovered in spring from their January lows and then fell sharply as a result of robust supply in the United States and the OPEC countries, the prospect of increased production in Iran in the wake of the nuclear deal and the weakening of global supply.

Eurozone

Growth gradually accelerated until the first quarter and then slowed to +1,6% in the second quarter (+1,5% year on year). PMI surveys improved rapidly until the end of the first quarter before settling at levels consistent with year-on-year growth of close to 2,0%. The composite index stood at 53,6 in September (+1,6% year on year).

In Germany, strong growth in the fourth quarter was followed by a slowdown at the start of 2015. Growth subsequently rebounded to an annualised +1,6% in the second quarter (+1,6% year on year). The PMI composite index was more or less stable in 2015 year and reached 54,3 in September (+0,2 of a percentage point year on year).

In France, growth gained momentum at the end of 2014 before levelling off in the second quarter (+1,1% year on year). The PMI composite index made good progress from the lows of late 2014, reaching 51,9 in September (+3,5 percentage points year on year). However, the unemployment rate remained at the high level of 10,3% in Q2 2015 (down 0,1 of a percentage point compared to Q3 2014).

Italy returned to growth in the fourth quarter and GDP increased by an annualised 1,3% in the second quarter (+0,7% year on year). The PMI composite index rallied to 53,4 in September (+4,0% year on year).

In Spain, growth gradually accelerated to an annualised 4,1% in the second quarter (+3,1% year on year). The PMI composite index remained high over the past year and stood at 54,6 in September (down 0,6 of a percentage point year on year). Regional elections in Catalonia resulted in victory for the separatist parties, which won an absolute majority in parliament.

In Greece, political risk increased substantially in late December after the Greek parliament failed to elect a new President of the Republic, leading to the dissolution of parliament and the announcement of early parliamentary elections which brought the radical leftwing party Syriza to power. After several weeks of negotiations, the closing of Greek banks for three weeks and the introduction of capital controls, Greece

and its creditors finally reached an agreement on a third bailout programme. Against this backdrop, growth slowed from the fourth quarter before rebounding to an annualised +3,7% in the second quarter.

The ECB announced a series of measures to boost inflation: policy interest rates were cut in September, targeted long-term refinancing transactions were planned and a large-scale bond purchase programme was established to achieve the goal of a €1 trillion increase in the bank's balance sheet.

The programme provides for monthly asset purchases of at least €60 billion between March 2015 and September 2016. The ECB is purchasing bonds issued by European institutions and Member States in the secondary market in addition to its covered bond and ABS purchases. Greece, whose sovereign bonds are no longer eligible as collateral for conventional refinancing transactions with the ECB, is excluded from the programme, as are any bonds that offer a yield below the deposit rate (-0,20%) or that do not have a residual term of between 2 and 30 years.

The fall in energy prices weighed on the consumer price index, which fell by 0,1% year on year in September. Core inflation was 0,9%.

INVESTMENT POLICY

Objectif Small Caps Euro's A share gained 18,95% over the past financial year and the R share 18,54%. For information, this compares with gains of 12,64% for the Euromoney Smaller Euroland index and 3,15% for the DJ Euro Stoxx. The average proportion of investment in securities over the period was 98,19%.

Over the course of the year, the market environment was characterised by a continued sharp rise, which was cut short during the summer, and by a clear outperformance by small caps, which we think is related to their faster earnings growth. In this market context of greater volatility, we made several changes in the portfolio's assets during the course of the year. We sold our positions in Norbert Dentressangle, which was the subject of a takeover bid by its US competitor XPO Logistics, and Grenkeleasing, based on their valuations. We also initiated four new positions: Faiveley Transport (railway equipment manufacturer and supplier, France), LPKF (laser engraving equipment, Germany), Lucas Bols (producer of liqueurs, the Netherlands) and Corticeira Amorim (producer of cork stoppers, Portugal).

A large number of stocks in the portfolio recorded significant gains over the year, such as Sartorius Stedim (+102%), Technotrans (+95%), Norbert Dentressangle (+92% up to the sale of the shares in July), Washtec (+88%) and Grenkeleasing (+70% up to the sale of the shares in July). Only a few shares in the portfolio posted significant declines over the year; Ordina (-48%), Surteco (-30%), LPKF (-17% since the initial purchase in October 2014), KSB (-17%) and Ipsos (-10%) showed the sharpest falls, but they did not warrant a review of our investment policy, as most were linked to one-off factors or temporary weaknesses on end-markets.

All of the companies we select have very specific models, with their own growth dynamics, which make them less sensitive to economic conditions and cycles. While this growth is obviously not completely disconnected from GDP, in many cases it results from drivers that are not directly linked to it. Thus, the companies included in Objectif Small Caps Euro's investments have on the whole recorded good results over the period, demonstrating their capacity to maintain high growth and returns in an economic environment that seems to be only just starting to underpin corporate earnings growth.

For the future, we will continue to apply the same methodology to managing the portfolio: Objective Small Caps Euro will continue to consist of stocks selected for the quality of their business models, their high recurring returns and their attractive valuations. This means that the SICAV is made up of companies with low gearing, high earnings visibility and a moderate beta. The companies held in the portfolio show high and sustainable levels of return, healthy balance sheets and solid growth prospects. They appear to have very significant upside potential based on their solid earnings growth and valuation levels.

TRADING FEES

Trading fees are levied by Lazard Frères Banque. They are not broken down into different services according to a specific formula.

These charges are levied within the context of the joint venture arrangement between Lazard Frères Banque and Lazard Frères Gestion SAS whereby they have pooled their resources for financial, administrative and accounting management, custody of securities and trade execution.

EXERCISE OF VOTING RIGHTS

The scope and procedures for Lazard Frères Gestion SAS's exercise of the voting rights attached to the securities held in the UCIs managed by it are set out in the guidelines it has drawn up on its voting policy. This document is available to shareholders upon written request to the management company.

BROKER AND COUNTERPARTY SELECTION AND EVALUATION PROCEDURE

The brokers used by the management company are selected on the basis of various evaluation criteria, covering research, quality of order execution and processing and the range of services offered. The management company's "Broker Committee" validates any updates to the list of authorised brokers. Each investment division (fixed income and equities) reports to the Broker Committee at least twice a year on the evaluation of the services provided by the various brokers and the breakdown of the volume of transactions handled.

BROKERAGE FEES

Information about brokerage fees is available on the website www.lazardfreresgestion.fr.

EFFECTIVE PORTFOLIO MANAGEMENT TECHNIQUES

There were no repurchase operations recorded in the portfolio over the financial year.

FINANCIAL INSTRUMENTS ISSUED OR MANAGED BY A LAZARD GROUP ENTITY

Information on these instruments is provided in the SICAV's annual financial statements.

ESG CRITERIA

The incorporation of extra-financial considerations in investment decisions is central to our socially responsible investment (SRI) equity investment philosophy. Our SRI management philosophy is based on the firm belief that a company's economic performance is sustainable only if certain extra-financial factors are taken into account. The development of "human capital" and the prevention of all types of environmental risks are factors that guarantee this sustainability.

The quality of corporate governance is assessed for all companies whose shares are held by UCIs managed by Lazard Frères Gestion, even when the portfolios in question are not specifically pursuing SRI strategies. As such, the Objectif Small Caps Euro SICAV managed by Lazard Frères Gestion takes corporate governance factors into account, without necessarily considering them alongside social or environmental criteria.

Information about ESG criteria is available on the website www.lazardfreresgestion.fr.

CHANGES DURING THE PERIOD AND FORTHCOMING CHANGES

Withholding tax on dividends

European Union countries may apply different taxation methods for dividends paid to domestic entities and foreign entities. Foreign entities that receive dividends are frequently subject to withholding tax, causing a difference in tax treatment that is in breach of the free circulation of capital, and therefore contrary to European Union law.

Since there are several decisions by the European Union Court of Justice and the Council of State in favour of foreign residents, the management company shall request reimbursement of withholding tax paid on dividends received by foreign companies for funds domiciled in France, when the prospects for repayment of the withholding tax is deemed favourable to the funds concerned. The time involved and results of claims of this nature to the tax authorities concerned are uncertain.

The SICAV has assumed exceptional expenses for the recovery of amounts related to withholding tax on dividends received by foreign companies.

Terms of office of individual members of Objectif Small Caps Euro's Board of Directors at 30 September 2015

Names of Board members	Number of offices held	List of offices and functions
François Werner	1	Chairman of the SICAV's Board of Directors . Objectif Small Caps Euro
François de Saint-Pierre Managing Director of Lazard Frères Gestion SAS	4	Chairman of the SICAV Objectif Monde's Board of Directors Board member and Chief Executive Officer of the SICAV: - Objectif Gestion Mondiale Member of the Boards of Directors of the SICAVs: - Objectif Small Caps Euro - Objectif Investissement Responsable
François-Marc Durand Managing Director of Lazard Frères Gestion SAS	4	Member of the Boards of Directors of the SICAVs: . Objectif Small Caps Euro . Objectif Alpha Obligataire . Objectif Alpha Allocation . Chairman and Chief Executive Officer of Norden
Monica Nescaut Manager at Lazard Frères Gestion SAS	5	Member of the Boards of Directors of the SICAVs: . Objectif Small Caps Euro . Objectif Alpha Obligataire . Norden . Objectif Alpha Europe . Objectif Investissement Responsable
Jean-Jacques de Gournay Managing Director of Lazard Frères Gestion SAS	5	Chairman of the SICAV's Board of Directors Objectif Court Terme Dollar Member of the Boards of Directors of the SICAVs: . Objectif Small Caps Euro . Objectif Investissement Responsable . Objectif Alpha Obligataire . Lazard Financials Debt

Directors' fees paid by Objectif Small Caps Euro to members of the Board of Directors for the financial year ended 30 September 2015

Members of the Board of Directors	Directors' fees paid by the SICAV
François Werner	€ 7,623
François de Saint-Pierre Managing Director of Lazard Frères Gestion SAS	0
Jean-François Cardinet Vice President of Lazard Frères Gestion SAS	0
James Ogilvy Vice President of Lazard Frères Gestion SAS	0
Annabelle Vinatier Vice President of Lazard Frères Gestion SAS	0
François-Marc Durand Chairman of Lazard Frères Gestion SAS	0
Monica Nescout Director of Lazard Frères Gestion SAS	0
AREAS Vie Represented by Sylvain Mortera	€ 1,525
Lazard Frères Gestion SAS Represented by François Voss	0
Fond de Garantie Represented by Christian Schor	€ 1,525
Jean-Jacques de Gournay Managing Director of Lazard Frères Gestion SAS	0
Groupama Rhône-Alpes Auvergne Represented by Pierre-Olivier Schwenninger	€ 1,525
SMAVie BTP represented by Philippe Desurmont	€ 1,525
Réuni Retraites Salariés represented by Francis Weber	€ 1,525
Acte Iard S.A.	€ 1,525
B2V	€ 1,525

Statutory Auditor's report on the annual financial statements

In accordance with the terms of our appointment by your Board of Directors, we hereby report to you on the following matters for the financial year ended 30 September 2015 :

- The audit of the accompanying financial statements of the OBJECTIF SMALL CAPS EURO SICAV,
- The basis of our opinions,
- The specific verifications and disclosures required by law.

Your Board of Directors has approved the annual financial statements. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the annual financial statements

We conducted our audit in accordance with the professional standards applicable in France. These standards require that we plan and perform the audit so as to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit consists of examining, by audit sampling and other selective testing procedures, evidence supporting the amounts and disclosures in the annual financial statements. In the case of a UCITS, this does not apply to databases provided by independent third parties for the preparation of off-balance sheet statements included in the annual financial statements. It also involves assessing the accounting principles used, the significant estimates made by the management, and the overall presentation of the financial statements. We believe that the information that we have gathered provides sufficient and appropriate evidence on which to base our opinion.

We certify that the annual financial statements give a true and fair view of the results of the operations for the financial year under review and of the financial position and assets and liabilities of the UCITS at the end of said financial year, in accordance with the accounting rules and principles generally accepted in France.

II - Basis of our opinions

Pursuant to Article L. 823-9 of the French Commercial Code relating to the basis of our opinions, we bring the following matter to your attention:

- our assessments covered, among other things, compliance with the accounting principles and methods applying to UCITS, as determined by French Accounting Regulatory Committee (*Comité de la Réglementation Comptable*) regulation No. 2014-01.

The assessments we have made are part of our audit of the annual financial statements as a whole and have therefore contributed to our opinion expressed in the first part of this report.

III – Specific verifications and disclosures

We have also performed, in accordance with applicable professional standards in France, the specific checks required by law.

We have no matters to report regarding the true and fair presentation of the information provided in the Board of Directors' management report and in the documents sent to shareholders on the company's financial position and annual financial statements, or its consistency with the annual financial statements.

Courbevoie, 4 January 2016

The statutory auditor

Mazars :



Gilles DUNAND-ROUX

**Statutory Auditor's special report
on related party agreements**

In our capacity as statutory auditors of your company, we hereby present to you our report on related party agreements.

We are required to report to you, based on the information we have been provided, on the main characteristics and terms of any agreements disclosed to us or that we may have discovered during our audit, without being required to comment on their relevance or substance, or to identify any other agreements. It is your responsibility, pursuant to the terms of Article R. 225-31 of the French Commercial Code, to assess the benefits of entering into these agreements, prior to approving them.

We are also required, where applicable, to report to you as provided for in Article R. 225-31 of the French Commercial Code on the performance over the past year of any agreements already approved by the shareholders' meeting.

We have performed those checks that we considered necessary in accordance with the professional guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) relating to this operation.

AGREEMENTS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been advised of any agreement authorised during the past financial year to be submitted to the approval of the shareholders' meeting pursuant to Article L. 225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been advised of any agreement already approved by the shareholders' meeting that remained effective during the past financial year.

Courbevoie, 4 January 2016

The statutory auditor

Mazars :



Gilles DUNAND-ROUX

Balance sheet at 30 September 2015 (in euros)

ASSETS	Year ended 30/09/15 (euros)	Year ended 30/09/14 (euros)
NET NON-CURRENT ASSETS	0,00	0,00
DEPOSITS	0,00	0,00
FINANCIAL INSTRUMENTS	642 863 825,93	584 643 772,72
➤ SHARES AND SIMILAR SECURITIES	636 207 272,59	578 662 154,05
Traded on a regulated or equivalent market	636 207 272,59	578 662 154,05
Not traded on a regulated or equivalent market	0,00	0,00
➤ BONDS AND SIMILAR SECURITIES	0,00	0,00
Traded on a regulated or equivalent market	0,00	0,00
Not traded on a regulated or equivalent market	0,00	0,00
➤ DEBT SECURITIES	0,00	0,00
Traded on a regulated or equivalent market	0,00	0,00
▪ Negotiable debt securities	0,00	0,00
▪ Other debt securities	0,00	0,00
Not traded on a regulated or equivalent market	0,00	0,00
➤ UNDERTAKINGS FOR COLLECTIVE INVESTMENT	6 656 553,34	5 981 618,67
UCITS and general alternative investment funds aimed at non-professionals and their equivalent in other countries	6 656 553,34	5 981 618,67
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU	0,00	0,00
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities	0,00	0,00
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities	0,00	0,00
➤ TEMPORARY SECURITIES TRANSACTIONS	0,00	0,00
Receivables on securities purchased under repurchase agreements	0,00	0,00
Receivables on loaned securities	0,00	0,00
Borrowed securities	0,00	0,00
Securities sold under repurchase agreements	0,00	0,00
Other temporary transactions	0,00	0,00
➤ FORWARD FINANCIAL INSTRUMENTS	0,00	0,00
Transactions on a regulated or equivalent market	0,00	0,00
Other transactions	0,00	0,00
➤ OTHER FINANCIAL INSTRUMENTS	0,00	0,00
RECEIVABLES	329 980,93	568 326,54
Forward foreign exchange transactions	0,00	0,00
Other	329 980,93	568 326,54
FINANCIAL ACCOUNTS	0,00	0,00
Cash and cash equivalents	0,00	0,00
TOTAL ASSETS	643 193 806,86	585 212 099,26

LIABILITIES AND SHAREHOLDERS' EQUITY	Year ended 30/09/15	Year ended 30/09/14
	(euros)	(euros)
SHAREHOLDERS' EQUITY		
➤ Capital	567 334 304,27	543 164 840,50
➤ Undistributed net capital gains and losses recognized in previous years (a)	0,00	0,00
➤ Retained earnings (a)	0,00	0,00
➤ Net capital gains and losses for the year (ab)	71 579 941,99	39 615 534,53
➤ Net income for the year (ab)	4 137 314,86	-901 106,33
TOTAL SHAREHOLDERS' EQUITY (= sum representing the net assets)	643 051 561,12	581 879 268,70
FINANCIAL INSTRUMENTS	0,00	0,00
➤ SALES OF FINANCIAL INSTRUMENTS	0,00	0,00
➤ TEMPORARY SECURITIES TRANSACTIONS	0,00	0,00
Liabilities on securities sold under repurchase agreements	0,00	0,00
Liabilities on borrowed securities	0,00	0,00
Other temporary transactions	0,00	0,00
➤ FORWARD FINANCIAL INSTRUMENTS	0,00	0,00
Transactions on a regulated or equivalent market	0,00	0,00
Other transactions	0,00	0,00
LIABILITIES	42 144,44	35 131,06
Forward foreign exchange transactions	0,00	0,00
Other	42 144,44	35 131,06
FINANCIAL ACCOUNTS	100 101,30	3 297 699,50
Bank overdrafts	100 101,30	3 297 699,50
Loans	0,00	0,00
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	643 193 806,86	585 212 099,26

(a) Including accrued income

(b) Less interim dividends paid for the financial year

Off-balance sheet items at 30 September 2015 (in euros)

	Year ended 30/09/2015 (euros)	Year ended 30/09/2014 (euros)
HEDGING TRANSACTIONS		
➤ COMMITMENTS ON REGULATED OR EQUIVALENT MARKETS		
➤ OVER-THE-COUNTER COMMITMENTS		
➤ OTHER COMMITMENTS		
OTHER TRANSACTIONS		
➤ COMMITMENTS ON REGULATED OR EQUIVALENT MARKETS		
➤ OVER-THE-COUNTER COMMITMENTS		
➤ OTHER COMMITMENTS		

Income statement for the financial year ended 30 September 2015 (in euros)

	Year ended 30/09/15 (euros)	Year ended 30/09/14 (euros)
INCOME FROM FINANCIAL TRANSACTIONS	16 140 143,09	12 664 449,50
▪ Income from deposits and financial accounts	0,00	0,00
▪ Income from shares and similar securities	16 140 020,11	12 664 449,50
▪ Income from bonds and similar securities	0,00	0,00
▪ Income from debt securities	0,00	0,00
▪ Income from temporary purchases and sales of securities	0,00	0,00
▪ Income from forward financial instruments	0,00	0,00
▪ Other financial income	122,98	0,00
TOTAL I	16 140 143,09	12 664 449,50
CHARGES ON FINANCIAL TRANSACTIONS	46 595,56	538,14
▪ Charges on temporary purchases and sales of securities	0,00	0,00
▪ Charges on forward financial instruments	0,00	0,00
▪ Charges on borrowings	1 137,16	538,14
▪ Other financial charges	45 458,40	0,00
TOTAL II	46 595,56	538,14
NET INCOME FROM FINANCIAL TRANSACTIONS (I - II)	16 093 547,53	12 663 911,36
▪ Other income (III)	0,00	0,00
▪ Management fees and depreciation and amortisation (IV)	11 863 344,55	12 820 237,55
NET INCOME FOR THE FINANCIAL YEAR (L.214-17-1) (I - II + III - IV)	4 230 202,98	-156 326,19
▪ Income adjustment for the financial year (V)	-92 888,12	-744 780,14
▪ Interim dividends paid for the financial year (VI)	0,00	0,00
NET INCOME (I-II+III-IV+/-V-VI)	4 137 314,86	-901 106,33

¹ Based on the tax allocation of income received from mutual funds

Notes to the financial statements

I. ASSET VALUATION AND ACCOUNTING RULES

The fund complied with regulation 2014-01 of the French national accounting standards body (*Autorité des Normes Comptables* - ANC) dated January 14th, 2014 related to the chart of accounts for open-end collective investment undertakings.

1 – Asset valuation rules

➤ **Financial instruments and securities traded on a regulated market are valued at their market price.**

- **Shares and similar securities** are valued on the basis of the last known price on their main market.

If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation date (as published by the European Central Bank).

- **Fixed-income securities**

Fixed-income securities are for the most part marked to market based on either Bloomberg prices (BGN) derived from averages of contributed prices, or on those of direct contributors.

Given the current situation of the markets, there may be a significant difference between the carrying amounts, valued as indicated above, and the actual disposal prices that would be obtained if a portion of these portfolio assets were to be sold.

- **bonds and similar instruments** are valued on the basis of the average of the closing prices gathered from several contributors.
- Under the valuation rules set out in the prospectus, “*The net asset value is dated the day on which it is valued, except where the valuation date falls on the day before a non-working day in France (weekends or public holidays), in which case, the net asset value is dated the last day of that period (e.g. if the valuation date is a Friday, the net asset value is dated Sunday)*”.

Financial instruments whose prices have not been determined on the valuation date or whose prices have been adjusted are valued at their probable trading price under the responsibility of the SICAV’s board of directors.

These estimates and their supporting documentation will be provided to the statutory auditor during audits.

However, the following instruments are valued using the following specific methods:

- **Negotiable debt securities:**
 - **Negotiable debt securities with a residual maturity of more than three months:**

Negotiable debt securities traded in large volumes are valued at market price. In the absence of significant trading volumes, these securities are valued using an actuarial method, with a benchmark rate plus, where applicable, a margin representative of the issuer’s intrinsic features.

- **Management fees**

- Management fees are calculated at a flat rate on each valuation date.
- The annual management fee rate is applied to gross assets (equal to net assets before deduction of the day's management fees) less UCITS held using the following formula:

$$\begin{array}{r} \text{(Gross assets – UCI of Lazard Frères Gestion SAS)} \\ \times \quad \text{operating and management fees rate:} \\ \times \quad \frac{\text{no. of days until next NAV}}{365} \end{array}$$

- Under the valuation rules set out in the prospectus, *“The net asset value is dated the day on which it is valued, except where the valuation date falls on the day before a non-working day in France (weekends or public holidays), in which case, the net asset value is dated the last day of that period (e.g. if the valuation date is a Friday, the net asset value is dated Sunday)”*.
- This amount is then recorded in the SICAV's income statement.
- The SICAV pays the operating fees including for:
 - . financial management;
 - . administration and accounting;
 - . custody services;
 - . other operating fees:
 - . statutory auditors' fees;
 - . legal notices (Balo, Petites Affiches, etc.) if applicable.

These fees do not include transaction charges.

The maximum rate for management fees for A shares is 1.85%. The basis for calculation is the net assets, as described in the prospectus.

The maximum rate for management fees for R shares is 2.20%. The basis for calculation is the net assets, as described in the prospectus.

Appropriation of income

“A” shares: Accumulation and/or distribution

“R” shares: Accumulation and/or distribution

“A” and “R” shares: accumulation and/or distribution and/or retained from capital gains

- **Transaction charges**

Transactions are recorded excluding charges.

- **Retrocessions received on management fees or entry charges**

The method used to calculate retrocession amounts is set out in the sales and marketing agreements.

- If the amount is significant, a provision is recognised in account 619.
- The final amount is recognised upon settlement of invoices after reversal of any provisions.

Appendices

The annual financial statements are presented in the new format in accordance with the provisions of regulation 2014-01 of the French accounting standards body (*Autorité des Normes Comptables* - ANC) repealing French Accounting Regulatory Committee (*Comité de la Réglementation Comptable* – CRC) regulation 2003-02 and successive amendments:

This regulation incorporates the new AIFM classification of UCIs, but does not alter the accounting principles applicable under previous regulations or the asset and liability valuation methods.

Therefore the changes primarily relate to the presentation of financial statements and the classification of UCIs, while the overall UCI amount remains unchanged.

To ensure the comparability of the current year's financial statements with those of the previous year, the following changes were made in a simplified manner to the presentation of the data for year Y-1, with no significant impact on the comparability of the data:

The sub-heading “General UCITS and investment funds aimed at non-professionals and their equivalent in other countries” corresponds to the former sub-heading “European UCITS-compliant funds and French general-purpose funds”.

The sub-heading “Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU” corresponds to the former sub-heading “Funds reserved for specific investors – FCPR (French venture capital funds) – FCIMT (French futures funds)”.

The sub-heading “General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities” corresponds to the former sub-heading “Listed investment funds and FCCs (French securitisation funds)”.

The sub-heading “Other funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities” corresponds to the former sub-heading “Unlisted investment funds and FCCs (French securitisation funds)”.

The sub-heading "Other non-European entities" was introduced by regulation 2014-01.

II – Changes in net assets

		Year ended 30/09/15 (euros)	Year ended 30/09/14 (euros)
Net assets at the beginning of the financial year		581 879 268,70	506 057 706,15
Subscriptions (including subscription fees retained by the Fund)	+	146 343 741,11	401 637 765,43
Redemptions (net of redemption fees retained by the Fund)	-	-190 530 285,10	-381 148 855,01
Realised capital gains on deposits and financial instruments	+	74 896 703,54	49 705 827,98
Realised capital losses on deposits and financial instruments	-	-184 872,12	-1 277 002,39
Realised capital gains on forward financial instruments	+	0,00	0,00
Realised capital losses on forward financial instruments	-	0,00	0,00
Transaction charges	-	-1 102 713,39	-2 551 926,71
Translation differences	+/-	0,00	0,00
Change in valuation difference of financial instruments	+/-	27 519 515,40	9 612 079,44
▪ Valuation difference for financial year N		90 317 610,06	62 798 094,66
▪ Valuation difference for financial year N-1		62 798 094,66	53 186 015,22
Change in valuation difference of forward financial instruments	+/-	0,00	0,00
▪ Valuation difference for financial year N		0,00	0,00
▪ Valuation difference for financial year N-1		0,00	0,00
Distribution of prior year's net capital gains and losses	-	0,00	0,00
Dividends paid in the previous financial year	-	0,00	0,00
Net profit/loss for the financial year prior to income adjustment	+/-	4 230 202,98	-156 326,19
Interim dividend(s) paid on net capital gains/losses during the financial year			
Interim dividend(s) paid on net income during the financial year	-	0,00	0,00
Other items	+/-	-0,01	0,00
Net assets at the end of financial year		643 051 561,11	581 879 268,70

- decimal rounding

III – Additional information

3.1 Financial instruments: breakdown by legal or economic type of instrument

Bonds and similar securities by instrument type

➤ index-linked bonds	None
➤ convertible or exchangeable bonds	None
➤ participation certificates	None
➤ other	None

Debt securities by instrument type

➤ treasury bills	None
➤ negotiable medium-term notes	None
➤ commercial paper	None
➤ certificates of deposit	None
➤ other	None

Sales of financial instruments by instrument type

➤ negotiable debt securities	None
➤ shares	None
➤ bonds	None

Breakdown of off-balance sheet items by market type

➤ interest rate	None
➤ equity	None
➤ currency	None

3.2. Breakdown of asset, liability and off-balance sheet items by interest rate type

Assets	Fixed rate	Variable rate	Adjustable rate	Other
Deposits				
Bonds and similar securities				
Debt securities				
Temporary securities transactions				
Financial accounts				*
Liabilities				
Temporary securities transactions				
Financial accounts				100 101,30
Off-balance sheet items				
Hedging transactions				
Other transactions				

*Non-interest bearing cash

3.3. Breakdown of asset, liability and off-balance sheet items by residual maturity

Assets	0-3 months	3 months-1 year	1-3 years	1-5 years	>5 years
Deposits					
Bonds and similar securities					
Debt securities					
Temporary securities transactions					
Financial accounts					
Liabilities					
Temporary securities transactions					
Financial accounts	100 101,30				
Off-balance sheet items					
Hedging transactions					
Other transactions					

3.4. Breakdown of asset, liability and off-balance sheet items by listing currency

Assets	GBP
Deposits	
Shares and similar securities	16 993 669,60
Bonds and similar securities	
Debt securities	
UCI	
Temporary securities transactions	
Receivables	
Financial accounts	
Liabilities	
Sales of financial instruments	
Temporary securities transactions	
Liabilities	
Financial accounts	
Off-balance sheet items	
Hedging transactions	
Other transactions	

3.5 Receivables and liabilities: breakdown by type

Other receivables

➤ Breakdown of forward foreign exchange transactions	
▪ Purchase	None
▪ Sale	None
➤ Interest and dividends receivable	€ 320 096,66
➤ Deferred settlement sale	None
➤ Other	€ 9 884,27

Other liabilities

➤ Breakdown of forward foreign exchange transactions	
▪ Purchase	None
▪ Sale	None
➤ Deferred settlement purchase	None
➤ Management fees payable	€ 42 144,44
➤ Other	None

3.6 Shareholders' equity

Number and value of securities:

- issued during the financial year (including subscription fees retained by the Fund)

Quantity:	191 280,479 "A" shares	Value: €	109 177 431,01
Quantity:	32 276,207 "R" shares	Value: €	37 166 310,10

- redeemed during the financial year (net of redemption fees retained by the Fund)

Quantity:	223 798,238 "A" shares	Value: €	130 274 405,21
Quantity:	56 117,648 "R" shares	Value: €	60 255 879,89

Subscription and/or redemption fees:

- Total subscription and/or redemption fees received
 - € 67 083,64 "A" shares
 - € 2 997,43 "R" shares
- Total subscription and/or redemption fees passed on to third parties
 - € 67 083,64 "A" shares
 - € 2 997,43 "R" shares
- Total subscription and/or redemption fees retained by the Fund
 - € 0.00 "A" shares
 - € 0.00 "R" shares

3.7 Management fees

"A" shares

- Fixed management fees: percentage of average assets 1.81

"R" shares

- Fixed management fees: percentage of average assets 2.15
- Performance fee (variable fees): None
- Retrocessions received for UCITS held None

3.8 Commitments received and given

▪ Commitments received	None
▪ Commitments given	None

3.9 Other information

➤ Market value of securities held temporarily	
▪ Securities held under repurchase option contracts	None
▪ Securities held under repurchase agreements:	None
➤ Present value of financial instruments representing security deposits:	None
➤ Financial instruments received as security and not recorded on the balance sheet:	None
➤ Financial instruments given as security and retained under their original classification:	None
➤ Financial instruments held in the portfolio and issued by the service provider or the entities of its group and UCITS managed by the service provider or the entities of the Lazard Group: see schedule of investments.	

3.10 Table of allocation of distributable amounts

Interim dividends paid on net income for the financial year				
Date	Total amount	Amount per share	Total tax credits	Tax credit per share
Total interim dividends				

Interim dividends paid on net capital gains/losses for the financial year				
Date	Total amount	Amount per share	Total tax credits	Tax credit per share
Total interim dividends				

Table of allocation of distributable amounts pertaining to net income	Year ended 30/09/15 (euros)	Year ended 30/09/14 (euros)
---	-----------------------------------	-----------------------------------

SUMS TO BE APPROPRIATED

▪ Retained earnings	0,00	0,00
▪ Net income	4 137 314,86	-901 106,33
TOTAL	4 137 314,86	-901 106,33

“A” SHARES / FR0000174310

APPROPRIATION

▪ Distribution	0,00	0,00
▪ Balance brought forward for the financial year	0,00	0,00
▪ Accumulation	3 752 308,44	-404 767,95
TOTAL	3 752 308,44	-404 767,95

INFORMATION REGARDING SHARES WITH DIVIDEND RIGHTS

Number of shares	0	0
Dividend per share	0.00	0.00

“R” SHARES / FR0010689141

APPROPRIATION

▪ Distribution	0,00	0,00
▪ Balance brought forward for the financial year	0,00	0,00
▪ Accumulation	385 006,42	-496 338,38
TOTAL	385 006,42	-496 338,38

INFORMATION REGARDING SHARES WITH DIVIDEND RIGHTS

Number of shares	0	0
Dividend per share	0.00	0.00

Table of allocation of distributable amounts relating to net capital gains and losses	Year ended 30/09/15 (euros)	Year ended 30/09/14 (euros)
SUMS TO BE APPROPRIATED		
▪ Non-distributed prior net capital gains and losses	0,00	0,00
▪ Net capital gains and losses for the financial year	71 579 941,99	39 615 534,53
▪ Interim dividends paid on net capital gains and losses for the financial year	0,00	0,00
TOTAL	71 579 941,99	39 615 534,53
“A” SHARES / FR0000174310 APPROPRIATION		
▪ Distribution	0,00	0,00
▪ Non-distributed net capital gains and losses	0,00	0,00
▪ Accumulation	59 861 894,91	31 934 486,90
TOTAL	59 861 894,91	31 934 486,90
“R” SHARES / FR0010689141 APPROPRIATION		
▪ Distribution	0,00	0,00
▪ Non-distributed net capital gains and losses	0,00	0,00
▪ Accumulation	11 718 047,08	7 681 047,63
TOTAL	11 718 047,08	7 681 047,63

Table of Fund income and other significant items over the past five financial years

	Year ended 30/09/2011	Year ended 28/09/2012	Year ended 30/09/2013	Year ended 30/09/2014	Year ended 30/09/2015
NUMBER OF SHARES ISSUED OVER THE FINANCIAL YEAR					
“A” shares	374,861	166,357	166,357.294	517,883.948	191 280,479
“R” shares	39,149	19,505	52,742.877	114,674.712	32 276,207
Value in euros					
“A” shares	161,679,270.76	57,061,229.09	170,942,370.47	282,300,845.53	109 177 431,01
“R” shares	32,755,013.27	13,355,314.42	52,378,727.81	119,336,919.90	37 166 310,10
NUMBER OF SHARES REDEEMED OVER THE FINANCIAL YEAR					
“A” shares	278,754	177,990	217,987.346	522,563.170	223 798,238
“R” shares	5,304	8,266	19,819.893	90,798.902	56 117,648
Value in euros					
“A” shares	119,142,560.64	60,953,848.23	86,160,668.58	285,498,812.95	130 274 405,21
“R” shares	4,089,769.15	5,477,849.76	16,541,493.05	95,650,042.06	60 255 879,89
NUMBER OF SHARES OUTSTANDING	757,627	757,233	992,985.055	1,012,181.643	955 822,443
“A” shares	723,653	712,019.978	904,849.526	900,170.304	867 652,545
“R” shares	33,974	45,212.545	88,135.529	112,011.339	88 169,898
NET ASSETS (in €)	272,932,481.49	286,071,194.18	506,057,706.15	581,879,268.69	643 051 561,11
“A” shares	250,001,307.11	254,607,214.08	425,644,922.48	469,059,682.90	537 781 167,02
“R” shares	22,931,174.37	31,463,980.10	80,412,783.67	112,819,585.79	105 270 394,09
NET ASSET VALUE (in €)					
“A” shares	345.47	357.58	470.40	521.07	619,81
“R” shares	674.96	695.91	912.37	1,007.21	1 193,94
NET INCOME EXCLUDING INCOME ADJUSTMENT (in €)	1 143 179,42	1 721 527,99	2,801,176.16	-156,326.19	4 230 202,98
DISTRIBUTABLE NET INCOME (in €)	845 916,74	1,831,948.43	2,781,716.61	-901,106.33	4 137 314,86
Distribution per share of distributable net capital gains/losses (including interim dividends)	0,00	0,00		Accumulation	Accumulation
Distribution per share of distributable net income (including interim dividends)	Accumulation	Accumulation	Accumulation	Accumulation	Accumulation
Tax credit per share transferred to shareholders (individual shareholders)*					
Accumulation per share in € “A” shares	1,07	2,28	2,58	-0,44	4,32
Accumulation per share in € “R” shares	2,09	4,45	5,01	-4,43	4,36
Accumulation per share pertaining to net capital gains/losses in euros	0,00	0,00	0,00	35,47	68,99
“A” shares					
Accumulation per share pertaining to net capital gains/losses in euros	0,00	0,00	0,00	68,57	132,90
“R” shares					

* Pursuant to the Tax Instruction dated March 4th 1993 issued by the Directorate-General for Taxation, unit tax credit is calculated on the date the dividend is paid by dividing the total tax credit amount between the shares or units in circulation on that date.

COMPOSITION OF OBJECTIF SMALL CAPS EURO'S ASSETS

DESCRIPTION	ISIN	Price	COUPON	CURR.	Exchange rate	QTY	Value (€)	%
TOTAL							642 863 825,93	99,97
ACTIONS							636 207 272,59	98,94
EUROPE							388 381 472,85	66,75
ALTRI SGPS SA	PTALT0AE0002	3,6030		EUR		4 892 000,00	17 625 876,00	2,74
AMADEUS FIRE AG.	DE0005093108	79,4300		EUR		180 000,00	14 297 400,00	2,22
ATRESMEDIA CORP. DE MEDIOS SA	ES0109427734	11,3700		EUR		898 800,00	10 219 356,00	1,59
BETER BED HOLDING NV	NL0000339703	19,9000		EUR		965 000,00	19 203 500,00	2,99
BIJOU BRIGITTE MODISCHE ACC.AG	DE0005229504	48,8630		EUR		188 220,00	9 196 993,86	1,43
BOLZONI SPA	IT0004027279	3,4700		EUR		1 130 000,00	3 921 100,00	0,61
CARGOTEC OYJ -B-	FI0009013429	24,4400		EUR		953 000,00	23 291 320,00	3,62
CORTICEIRA AMORIM SGPS SA	PTCOR0AE0006	4,6010		EUR		1 950 000,00	8 971 950,00	1,40
DARTY PLC	GB0033040113	0,9650		GBP	0,74	13 005 000,00	16 993 669,60	2,64
DE LONGHI SPA	IT0003115950	21,9500		EUR		1 144 000,00	25 110 800,00	3,90
DECEUNINCK NV	BE0003789063	2,4100		EUR		6 420 000,00	15 472 200,00	2,41
DECEUNINCK NV (STRIP VVPR)	BE0005632063	0,0000		EUR		938 708,00	0,00	0,00
DRAEGERWERK AG & CO KGAA (N)	DE0005550602	63,3100		EUR		342 900,00	21 708 999,00	3,38
ELECTRONIKI ATHINON SA (REGR.)	GRS352003008	0,4800		EUR		261 666,00	125 599,68	0,02
GFK SE	DE0005875306	31,3000		EUR		609 200,00	19 067 960,00	2,97
INTERPUMP GROUP SPA	IT0001078911	11,9100		EUR		1 665 000,00	19 830 150,00	3,08
KSB AG (PFD.)	DE0006292030	375,0000		EUR		28 600,00	10 725 000,00	1,67
LPKF LASER & ELECTRONICS AG	DE0006450000	8,3360		EUR		1 169 700,00	9 750 619,20	1,52
LUCAS BOLLS NV	NL0010998878	17,9900		EUR		576 430,00	10 369 975,70	1,61
ORDINA N.V.	NL0000440584	0,9980		EUR		5 033 800,00	5 023 732,40	0,78
PRIMA INDUSTRIE S.P.A.	IT0003124663	13,3700		EUR		540 000,00	7 219 800,00	1,12
RAPALA VMC OYJ	FI0009007355	4,8500		EUR		1 170 000,00	5 674 500,00	0,88
ROSENBAUER INTERNATIONAL AG	AT0000922554	72,3300		EUR		332 205,00	24 028 387,65	3,74
STO SE AND CO.KGAA (PREF.)	DE0007274136	128,5000		EUR		113 420,00	14 574 470,00	2,27
SURTECO SE	DE0005176903	17,4300		EUR		529 500,00	9 229 185,00	1,44
TECHNOTRANS AG (N)	DE000A0XYGA7	15,1000		EUR		434 500,00	6 560 950,00	1,02
USG PEOPLE N.V.	NL0000354488	12,1850		EUR		1 935 000,00	23 577 975,00	3,67
VAN DE VELDE NV	BE0003839561	57,8000		EUR		383 200,00	22 148 960,00	3,44
VOSSLOH AG.	DE0007667107	66,6200		EUR		524 000,00	34 908 880,00	5,43
WASHTEC A.G.	DE0007507501	21,9000		EUR		565 000,00	12 373 500,00	1,92
ZUMTOBEL GROUP AG.	AT0000837307	19,6650		EUR		1 204 000,00	23 676 660,00	3,68
FRANCE							191 327 803,50	29,75
ALTEN	FR0000071946	45,9050		EUR		550 700,00	25 279 883,50	3,93
BENETEAU	FR0000035164	13,2850		EUR		1 552 600,00	20 626 291,00	3,21
EXEL INDUSTRIES -A-	FR0004527638	47,3700		EUR		182 000,00	8 621 340,00	1,34
FAIVELEY TRANSPORT	FR0000053142	92,4000		EUR		243 000,00	22 453 200,00	3,49
GROUPE CRIT	FR0000036675	46,3000		EUR		354 830,00	16 428 629,00	2,55
HAVAS	FR0000121881	7,2900		EUR		1 850 000,00	13 486 500,00	2,10
IPSOS SA	FR0000073298	17,5550		EUR		1 060 000,00	18 608 300,00	2,89
MANITOU	FR0000038606	14,9800		EUR		1 005 000,00	15 054 900,00	2,34
MANUTAN INTERNATIONAL	FR0000032302	43,0000		EUR		282 000,00	12 126 000,00	1,89
SARTORIUS STEDIM BIOTECH	FR0000053266	266,0000		EUR		3 921,00	1 042 986,00	0,16
SOMFY SA	FR0000120495	258,0000		EUR		49 900,00	12 874 200,00	2,00
SOPRA STERIA GROUP	FR0000050809	99,1800		EUR		249 300,00	24 725 574,00	3,85
OPC							6 656 553,34	1,04
UCITS à vocation générale destinés aux non professionnels et équivalents d'autres pays							6 656 553,34	1,04
FCP INVESTISSEMENT PEA-PME-A2D (*)	FR0011637156	106,8300		EUR		15 000,00	1 602 450,00	0,25
FCP INVESTISSEMENT PEA-PME-R2D (*)	FR0011637164	105,9900		EUR		1,00	105,99	0,00
FCP OBJ.INVESTIS.MICROCAPS(2D) (*)	FR0011042811	139,9800		EUR		15 000,00	2 099 700,00	0,33
FCP OBJECTIF MID CAP.EUR-A(2D) (*)	FR0011429521	119,1200		EUR		24 800,00	2 954 176,00	0,46
FCP OBJECTIF MID CAP.EUR-R(2D) (*)	FR0011429539	121,3500		EUR		1,00	121,35	0,00
Securities sold under repurchase agreements							0,00	0,00
Receivables on securities purchased under repurchase agreements							0,00	0,00
Liabilities on securities sold under repurchase agreements							0,00	0,00
Forward financial instruments							0,00	0,00
Swaps							0,00	0,00
Receivables							329 980,93	0,05
Other							329 980,93	0,05
Liabilities							-42 144,44	-0,01
Other							-42 144,44	-0,01
Financial accounts							-100 101,30	-0,02
Cash and cash equivalents							-100 101,30	-0,02
TOTAL NET ASSETS							643 051 561,11	100,00

(*) Financial instruments issued or managed by a Lazard Group entity

Estimate based on stock prices available on 30/09/2015

Number of R shares as at 30/09/2015 88 169,898
 Net asset value as at 30/09/2015 1 193,94
 Net assets as at 30/09/2015 105 270 394,09

Number of A shares as at 30/09/2015 867 652,545
 Net asset value as at 30/09/2015 619,81
 Net assets as at 30/09/2015 537 781 167,02

CERTIFIED BY THE STATUTORY AUDITOR
 MAZARS

CERTIFIED BY THE CUSTODIAN
 LAZARD FRERES BANQUE

OBJECTIF SMALL CAPS EURO

French open-end investment company (*Société d'Investissement à Capital Variable*)

Registered office: 121, Boulevard Haussmann, 75008 Paris, France

Paris Trade and Companies Register 449 972 835

**RESOLUTION ON THE APPROPRIATION OF INCOME
APPROVED AT THE COMBINED SHAREHOLDERS' MEETING OF 15 JANUARY 2016**

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2015

Second resolution

The Shareholders' Meeting approves the net income for the financial year of €:

**€ 4 137 314,86 distributable from net income,
€ 71 579 941,99 distributable from net capital gains/losses**

And resolves to appropriate it as follows:

1. Amount distributable from net income:
€ 4 137 314,86 to share capital
2. Amount distributable from capital gains/losses:
€ 71 579 941,99 accumulation

No dividend will therefore be paid in respect of this financial year.

For information: distributable net income for the past three financial years has been accumulated.