

| Euro Equities                       | ISIN code                   | NAV (€) | Net Assets (M €) | Total Net Assets (M €) |
|-------------------------------------|-----------------------------|---------|------------------|------------------------|
| Eligible for an equity savings plan | <b>C unit</b> FR0010586024  | 261,79  | 136,77           |                        |
|                                     | <b>D unit</b> FR0010588327  | 183,97  | 10,70            | 165,13                 |
|                                     | <b>RC unit</b> FR0013135555 | 195,06  | 0,06             |                        |
|                                     | <b>RD unit</b> FR0012413219 | 191,78  | 17,60            |                        |

**MANAGEMENT**



Overall ★★★★★

**INVESTMENT POLICY**

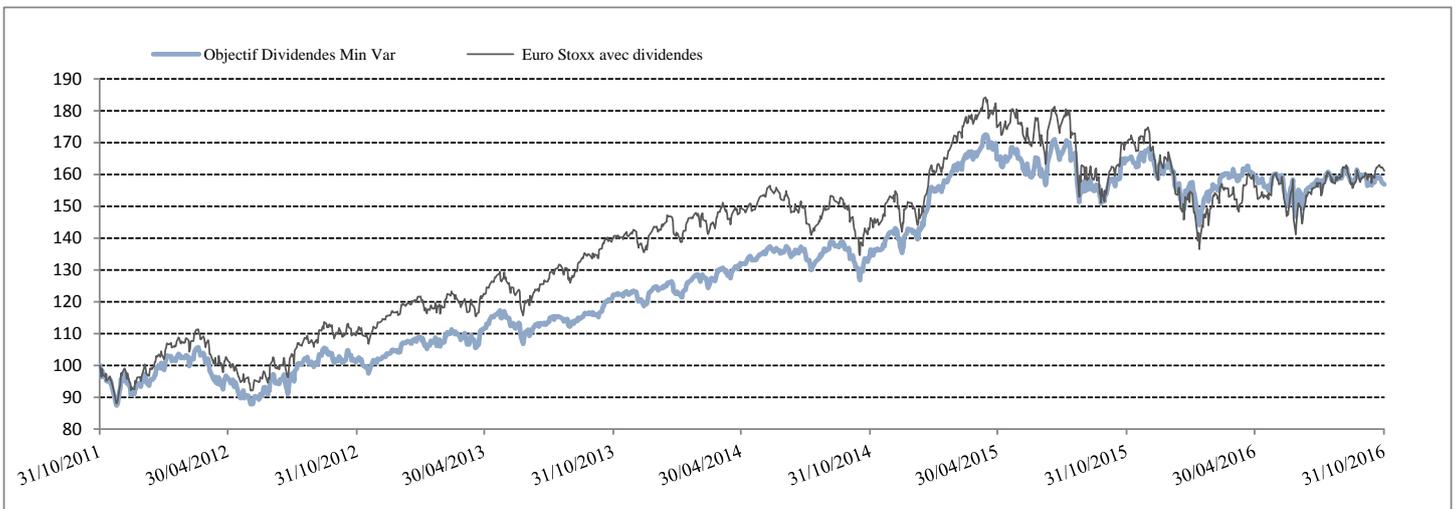
The management objective aims to achieve, based on a minimum investment term of five years, a performance greater than the Euro Stoxx index, net dividends reinvested, with a lower volatility and a controlled compared risk.

**FUND MANAGERS' COMMENT - Scander BENTCHIKOU**

The prospect of a rate hike by the Fed before the end of the year, combined with the possibility of a tapering of quantitative easing in Europe in March 2017, caused some tension in the bond markets in October, with the Bund 10-year yield rising from -0,12% to +0,16%. This resulted in significant sector rotation, with high-yield and growth stocks being left aside in favour of more cyclical securities, banks in particular. The market nevertheless remained hampered by the binary risk posed by the US presidential election and the referendum in Italy. The rise in the index was therefore limited to 1,20% over the month. The fund lost 1,87%, a significant underperformance of 307 basis points. As luck would have it, it was negatively affected by four simultaneous profit-warnings in the same month, completely independent from each other and on very different themes. Beter Bed, a bed retailer, fell 17% after announcing a drop in sales in the German market. In the food industry, GEA lost 28,7% after announcing difficulties related to the reorganization of its sales force and cost overruns for some projects. In certification, Bureau Veritas (-9,87%) posted a disappointing third quarter with a decline in sales in the Marine division. In real estate, Wereldhave (-8,47%) reported sluggish growth and stated it did not intend to sell its Finnish shopping centre, Itis.

**PERFORMANCE - C unit**

**HISTORICAL PERFORMANCE**



Past performance is not a guarantee of current or future performance

**PERFORMANCES**

| Cumulative performance*            | Month | YTD   | 1 year | 3 years | 5 years | Inception** |
|------------------------------------|-------|-------|--------|---------|---------|-------------|
| <b>Objectif Dividendes Min Var</b> | -1,9% | -4,1% | -4,6%  | 28,3%   | 56,8%   | 30,9%       |
| <b>Eurostoxx Total Return</b>      | 1,2%  | -2,4% | -5,1%  | 14,5%   | 61,2%   | 17,9%       |

Change in management\* : 31/07/2013

| Annualized performance*            | 1 year | 3 years | 5 years | Inception** |
|------------------------------------|--------|---------|---------|-------------|
| <b>Objectif Dividendes Min Var</b> | -4,6%  | 8,7%    | 9,4%    | 3,2%        |
| <b>Eurostoxx Total Return</b>      | -5,1%  | 4,6%    | 10,0%   | 1,9%        |

| Annual performance*                | 2015  | 2014  | 2013  | 2012  | 2011   |
|------------------------------------|-------|-------|-------|-------|--------|
| <b>Objectif Dividendes Min Var</b> | 15,0% | 13,8% | 19,9% | 9,5%  | -17,6% |
| <b>Eurostoxx Total Return</b>      | 10,3% | 4,1%  | 23,7% | 19,3% | -15,2% |

\* The performance quoted represents past performance. Past performance does not guarantee future results.

The performance are net of fees and total return.

\*\*Inception: 01/04/2008

**RISK SCALE**



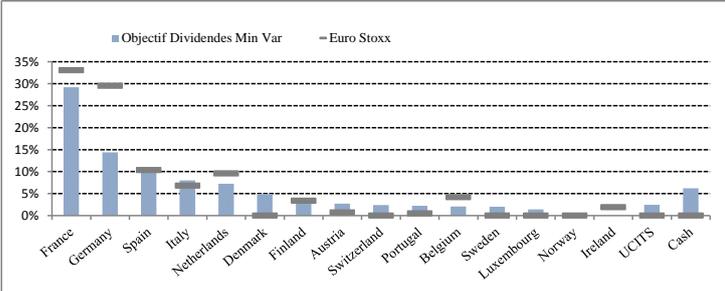
Risk scale calculated from the volatility of the UCITS over a period of 5 years (see detail on the back)

**RISK RATIOS**

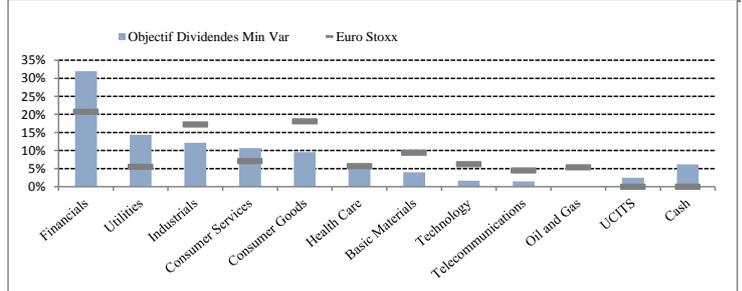
|                             | 1 year | 3 years |
|-----------------------------|--------|---------|
| <b>Volatility</b>           |        |         |
| Objectif Dividendes Min Var | 13,2%  | 13,1%   |
| Eurostoxx Total Return      | 18,3%  | 17,6%   |
| <b>Tracking error</b>       | 7,9%   | 6,6%    |
| <b>Information ratio</b>    | 0,1    | 0,6     |
| <b>Beta</b>                 | 0,7    | 0,7     |

Ratios calculated on a weekly basis

**GEOGRAPHICAL BREAKDOWN**



**SECTOR BREAKDOWN**



**MAIN HOLDINGS**

| Main holdings        | %            | Country     | Sector          |
|----------------------|--------------|-------------|-----------------|
| Ferrovial            | 2,7%         | Spain       | Industrials     |
| Enagas               | 2,6%         | Spain       | Utilities       |
| Münchener Rück.      | 2,6%         | Germany     | Financials      |
| Scor                 | 2,5%         | France      | Financials      |
| Axiare Patrimonio Sa | 2,4%         | Spain       | Financials      |
| Bic                  | 2,4%         | France      | Consumer Goods  |
| Luxottica            | 2,4%         | Italy       | Consumer Goods  |
| Air Liquide          | 2,4%         | France      | Basic Materials |
| Wereldhave           | 2,3%         | Netherlands | Financials      |
| Bureau Veritas       | 2,3%         | France      | Industrials     |
| <b>TOTAL</b>         | <b>24,7%</b> |             |                 |

**CARACTERISTIQUES FINANCIERES**

|                     | Fund        | Index       |
|---------------------|-------------|-------------|
| <b>PER</b>          | <b>16,0</b> | <b>15,2</b> |
| <b>P/CF</b>         | <b>11,7</b> | <b>8,8</b>  |
| <b>P/BV</b>         | <b>1,8</b>  | <b>1,4</b>  |
| <b>ROE</b>          | <b>11%</b>  | <b>9%</b>   |
| <b>ROCE</b>         | <b>13%</b>  | <b>14%</b>  |
| <b>Gross Return</b> | <b>3,8%</b> | <b>4,2%</b> |
| <b>Net Return</b>   | <b>3,2%</b> | <b>3,5%</b> |

(2) Price in 10/31/2016, Factset

**MOVEMENTS**

| New positions | Positions sold  |
|---------------|-----------------|
| Nnit A/s      | Telisonera      |
| Innogy Se     | Deutsche Wohnen |
| Elisa         | BNP Paribas     |

**FUND DETAILS**

|                           |  |   |   |  |
|---------------------------|--|---|---|--|
| <b>ISIN Code</b>          | C unit : FR0010586024<br>D unit : FR0010588327<br>RC unit : FR0013135555<br>RD unit : FR0012413219 | <b>Valuation</b><br>Daily   | <b>Management fees</b><br>yes                   | C and D units : 1,10% inclusive of the net assets<br>RC and RD units : 2,20% inclusive of the net assets |
| <b>Bloomberg Code</b>     | C unit : LFOBDVC FP<br>D unit : LFOBDVD FP   | <b>Eligible for an equity savings plan</b>  | <b>Custodian</b><br>Lazard Frères Banque        |  |
| <b>Legal form</b>         | FCP  | <b>Management company</b><br>Lazard Frères Gestion                                  | <b>Subscription fees</b><br>4% max              |  |
| <b>UCITS-compliant</b>    | Yes  | <b>Taxation</b><br>C and RC units : Capitalization<br>D and RD units : Distribution | <b>Redemption fees</b><br>none                  |  |
| <b>AMF classification</b> | Equities euro zone   | <b>Inception date</b><br>01 April 2008  | <b>Subscription terms</b>                       | On next NAV for orders placed before 11 a.m.<br>Settlement and value date                                |
| <b>Currency</b>           | Euro   |   |   | Subscription D (NAV date) + 2 business days<br>Redemption D (NAV date) + 2 business days                 |
| <b>Investment horizon</b> | > 5 years  |   | <b>Total expense ratio and transaction fees</b> | For more information, please check our prospectus  |

Risk scale : Derived from the historic volatility of the UCITS over a period of 5 years. The management company reserves the right to adjust the level of risk calculated according to the specific risk of the fund. This risk scale is supplied as a rough guide and may be modified without advance notice.



**Contacts :**  
Subscription/Redemption  
Laurence Quint +33 1.44.13.02.88  
(fax +33 1.44.13.08.30)

**Additional information:**  
Laura Montesano  
+33 1.44.13.01.79

**Publication of NAVs :**  
www.lazardfreresgestion.fr



Please consider a fund's investment objectives, risks, charges, and expenses carefully before investing. Read the prospectus or summary prospectus carefully before you invest. The prospectus and summary prospectus contain investment objectives, risks, charges, expenses, and other information about the Portfolio(s) and The Lazard Frères Gestion Funds that may not be detailed in this document. Distributed by Lazard Frères Gestion.