

International convertible bonds	ISIN Code	NAV €	Net Assets (M €)	Total Net Asset (M €)
IC EUR share	FR0000098683	1 426,53	639,94	2196,55

MANAGEMENT



INVESTMENT POLICY

The fund seeks to outperform the Thomson Reuters Convertible Global Focus Index in euro in the mid-term. To attain this objective, the strategy will rely on an active management of interest, currency and credit risks and on our stock-picking approach.

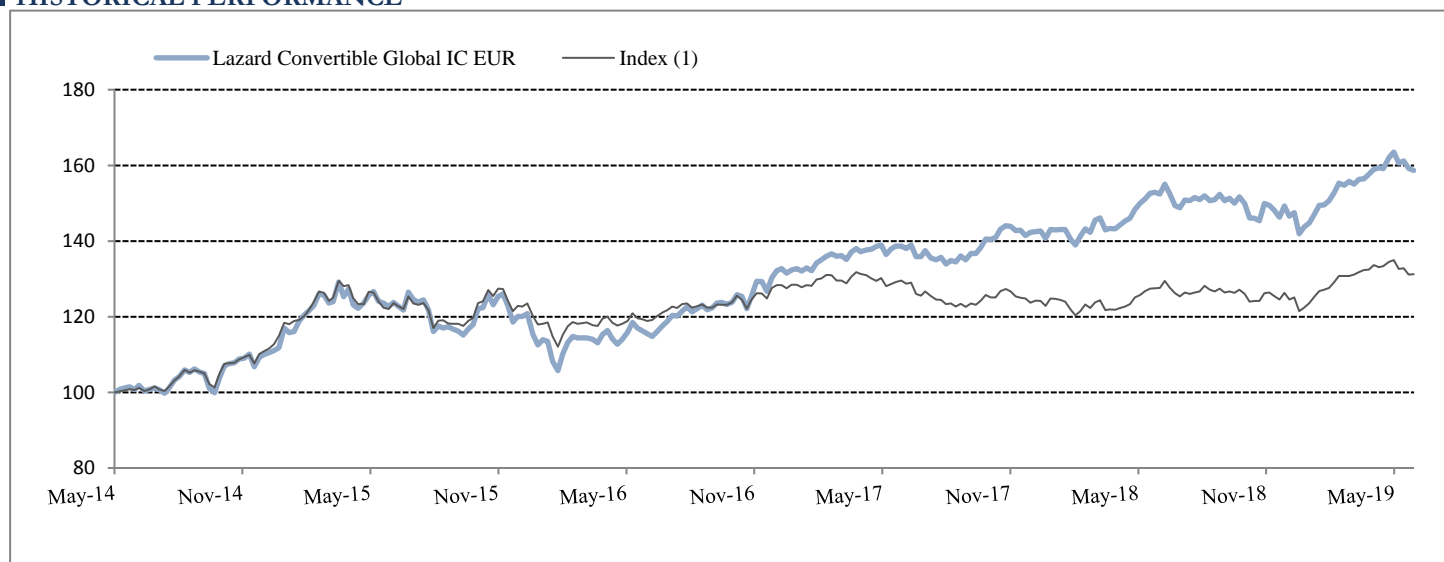
The portfolio is mainly invested in convertible bonds, exchangeable bonds, bonds with equity warrants, perpetual preferred shares, corporate and financials traded debt, sovereign debt, French law money-market and bond funds (whether or not UCITS-compliant) invested in bonds and other types of Euro-denominated debt (10% maximum), and shares resulting from a conversion of the above-defined instrument types (10% maximum). All returns are net of fees and total return.

FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of May 2019, Lazard Convertible Global IC EUR share class returned -2.14% versus -2.36% for its benchmark (Thomson Reuters Global Focus Convertible in Euros). The fund's equity sensitivity decreased during the period, currently standing at 49.1%, the benchmark's equity sensitivity also decreased, now standing at 38.8%. Sensitivity to interest rates slightly increased over the month and remains below the benchmark, standing at 1.24 versus 2.22. Overall, the stock selection had a strong positive impact over the month, with seven of our top ten performing holdings not found in the index. The additive stock selection was most pronounced in the US. Specifically, despite an overweight in technology, strong picks in software services and less exposure in semiconductors led to this sector being the best relative performer for the month. Picks in the US consumer, non-cyclical sector also helped on a relative basis. Our underweights to Asia also added to relative performance while our European holdings detracted, hurt by security selection in consumer, cyclicals. Our shorter duration compared to the benchmark detracted to relative performance, as 5-year EUR and USD swap rates decreased during the period. We sold Unicharm 2020, Salzitter 2022 and switched IAC 2022 for IAC 2026. We increased our position in Ctrip 2022, ServiceNow 2022 and ETSY 2023. During the period, the fund remained overweight USD and EUR against all other currencies.

PERFORMANCE

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance. The return may increase or decrease as a result of currency fluctuations

PERFORMANCE

Cumulative performance *	Month	YTD	1 year	3 years	5 years
Lazard Convertible Global	-2,1%	10,1%	4,4%	33,9%	58,7%
<i>Index ⁽¹⁾</i>	-2,4%	6,9%	3,2%	8,6%	31,2%

RISK SCALE**



**Risk scale derived from the volatility of the fund over a period of 5 years (see detail on the back). Risk 1 does not mean a risk-free investment. This indicator may change over time.

RISK RATIOS

Annualized performance *	1 year	3 years	5 years
Lazard Convertible Global	4,4%	10,2%	9,7%
<i>Index ⁽¹⁾</i>	3,2%	2,8%	5,6%

	1 year	3 years
Volatility		
Lazard Convertible Global	9,2%	8,3%
<i>Index ⁽¹⁾</i>	6,7%	6,4%
Tracking error	3,6%	3,4%
Information ratio	0,3	2,2
Beta	1,3	1,2
Alpha	0,3	6,8
Correlation coefficient	0,9	0,9

Ratios calculated on a weekly basis

Annual performance *	2018	2017	2016	2015	2014
Lazard Convertible Global	2,4%	7,0%	8,8%	9,7%	16,0%
<i>Index ⁽¹⁾</i>	0,0%	-3,7%	3,2%	11,2%	17,8%

Characteristics	Sicav	Index
Modified duration	1,24	2,22
Delta - Equity exposure	49,1%	38,8%

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

(1) Since 31/12/2014: Thomson Reuters Convertible Global Focus EUR (formerly Merrill Lynch G300)

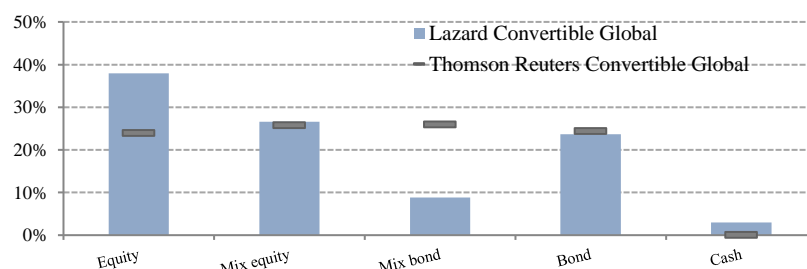
Lazard Frères Gestion SAS, 25 rue de courcelles - 75008 Paris with a capital of € 14,487,500, registered at the Paris RCS under the number SIRET 352 213 599. Portfolio Management Company approved by "the Autorité des Marchés Financiers" under number GP 04 000068."

www.lazardfreresgestion.fr

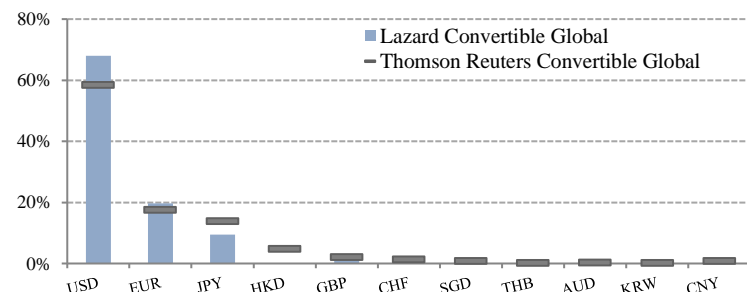
MAIN HOLDINGS

Main Holdings	Maturity	Coupon %	Weight %
ZENDESK INC	03/15/23	0,25	2,8
SERVICENOW INC	06/01/22	0	2,8
ILLUMINA INC	08/15/23	0	2,5
WORKDAY INC.	10/01/22	0,25	2,4
EXACT SCIENCES CORP	01/15/25	1	2,4

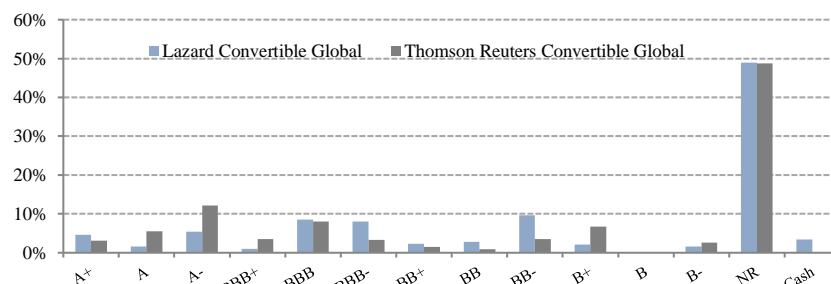
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



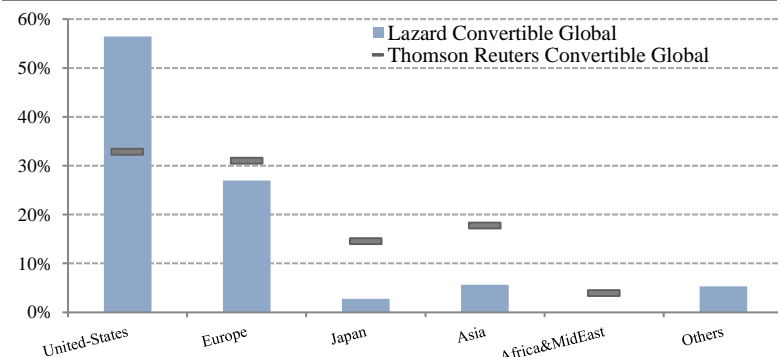
CURRENCY ALLOCATION (% NAV)



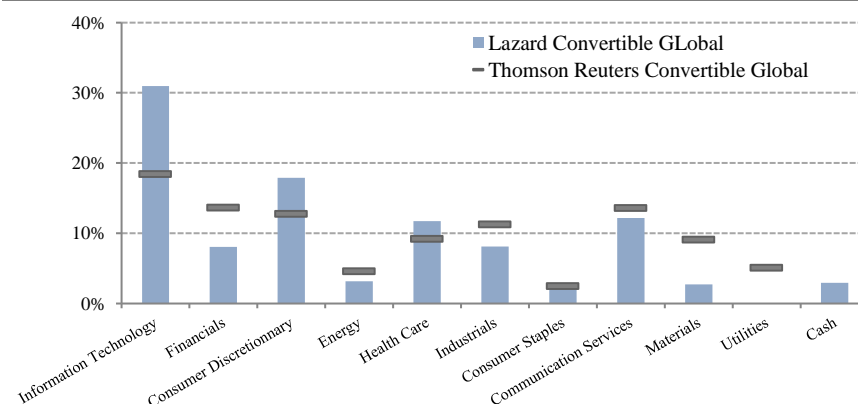
RATING ALLOCATION (% NAV)*



GEOGRAPHICAL ALLOCATION (% NAV)**



SECTOR ALLOCATION (% NAV)



* Issue rating 2^{na} best or Issuer rating 2nd best

** Nationality of underlying

CHARACTERISTICS

ISIN Code IC share : FR0000098683 RC share : FR0010858498 K share : FR0011575240 TC share : FR0013305950	Valuation Daily	Management fees IC share : 0,815% inclusive of all taxes of net assets RC share : 1,465% inclusive of all taxes of net assets K & TC shares : 0,815% inclusive of all taxes of net assets
Bloomberg Code IC share : OBJCONV RC share : OBJCONR K share : OBJCONK	Custodian Caceis Bank France	Subscription fee 4% max Redemption fee 1% max Total expense ratio and transaction fees For more information, please check our prospectus
Legal Form SICAV Coordinated UCITS Yes AMF classification Diversified UCITS Currency Euro Investment horizon >5 years	Management company Lazard Frères Gestion Financial Manager Lazard A.M Taxation Capitalization and or distribution	Subscription terms On next NAV for orders placed before 11 a.m. Settlement and value date Subscription D (NAV date) + 2 business days Redemption D (NAV date) + 2 business days

** Risk scale : Derived from the historic volatility of the fund 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
Caceis Bank / LFB 01.57.78.14.14

Additional information & data :

Commercial service
01.44.13.01.79

Publication of NAVs :

www.lazardfreresgestion.fr

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