

| International convertible bonds | ISIN Code | NAV € | Net Assets (M €) | Total Net Asset (M €) |
|---------------------------------|--------------|----------|------------------|-----------------------|
| IC H-EUR share | FR0013185535 | 1 629,11 | 671,07 | 2196,55 |

MANAGEMENT



Overall ★★★★★

INVESTMENT POLICY

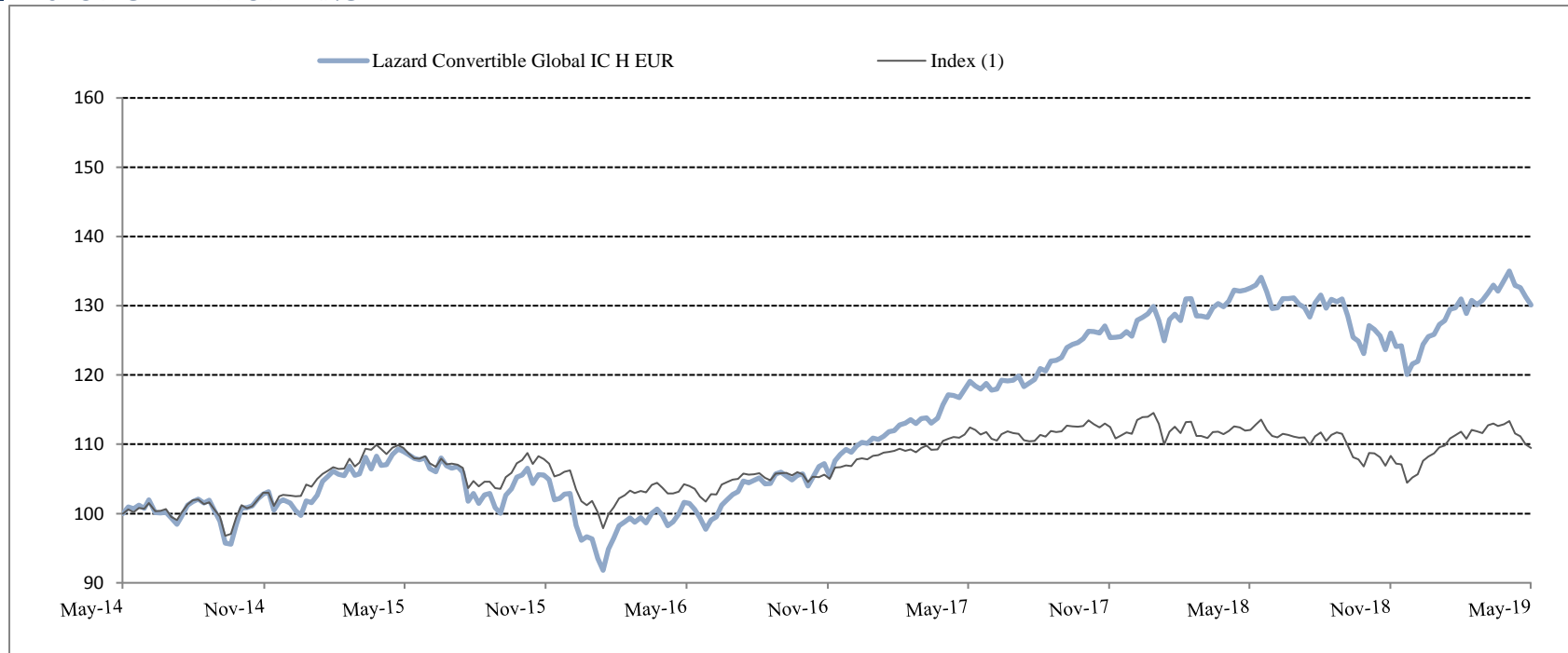
The fund's target is to reach, over a recommended investment 5-year period, a greater return net of fees than the Thomson Reuters Global Focus Hedged (EUR) Convertible Bond Index in euros, hedged against a foreign exchange risk, the euro being the reference currency with reinvested net coupons. The stock returns may be adjusted by possible foreign exchange hedging costs.

FUND MANAGERS' COMMENT - Arnaud BRILLOIS

During the month of May 2019, Lazard Convertible Global Hedged - IC H-EUR share class returned -2.96% versus -3.20% for its benchmark (Thomson Reuters Convertible Global Focus Euro Hedged). 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.

PERFORMANCE

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

PERFORMANCE

| Cumulative performance * | Month | YTD | 1 year | 3 years | 5 years |
|---------------------------------------|-------|------|--------|---------|---------|
| Lazard Convertible Global Euro Hedged | -3,0% | 6,8% | -1,3% | 28,0% | 30,1% |
| Index ⁽¹⁾ | -3,2% | 3,8% | -2,0% | 4,9% | 9,5% |

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.

| Annualized performance * | 1 year | 3 years | 5 years |
|---------------------------------------|--------|---------|---------|
| Lazard Convertible Global Euro Hedged | -1,3% | 8,6% | 5,4% |
| Index ⁽¹⁾ | -2,0% | 1,6% | 1,8% |

RISK RATIOS

| | 1 year | 3 years |
|---------------------------------------|--------|---------|
| Volatility | | |
| Lazard Convertible Global Euro Hedged | 9,1% | 7,5% |
| Index ⁽¹⁾ | 6,5% | 5,5% |
| Tracking error | 3,6% | 3,3% |
| Information ratio | 0,2 | 2,1 |
| Beta | 1,3 | 1,3 |
| Alpha | 1,5 | 6,5 |
| Correlation coefficient | 1,0 | 0,9 |

Ratios calculated on a weekly basis

| Annual performance * | 2018 | 2017 | 2016 | 2015 | 2014 |
|---------------------------------------|-------|-------|------|------|------|
| Lazard Convertible Global Euro Hedged | -3,0% | 15,4% | 5,8% | 1,2% | 5,8% |
| Index ⁽¹⁾ | -5,5% | 4,4% | 0,6% | 3,6% | 7,3% |

| 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 december 31st 2014 : Thomson Reuters Convertible Global Focus Euro Hedged (formerly ML G300 Euro Hedged)

Disclaimer : Merger/absorption into the feeder fund with a new ISIN code (09/30/2016)

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.

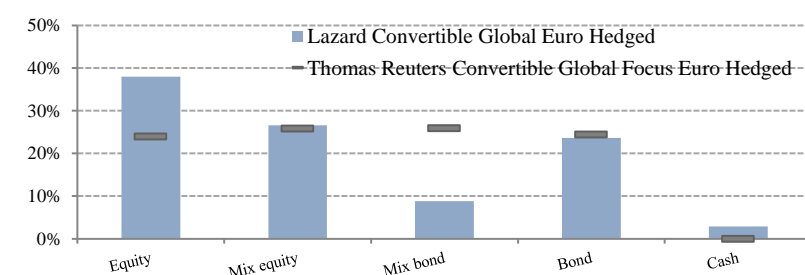
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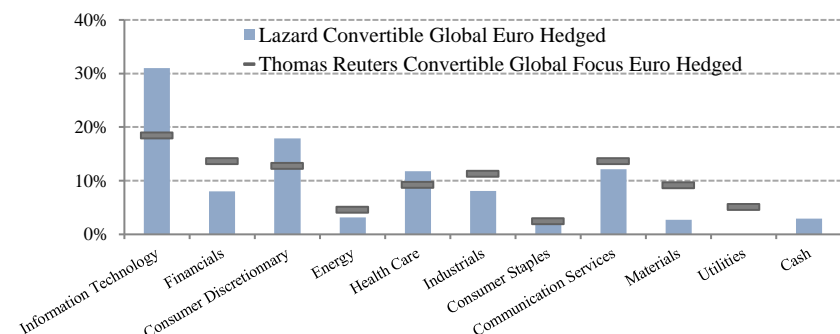
MAIN HOLDINGS

| 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 |

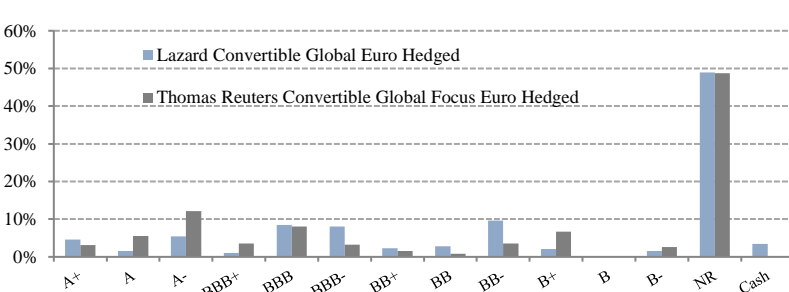
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



SECTOR ALLOCATION (% NAV)

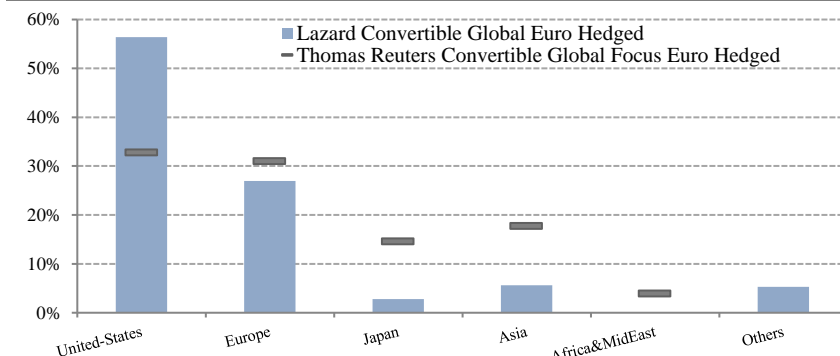


RATING ALLOCATION (% NAV)*



* Issue rating 2nd best or Issuer rating 2nd best

GEOGRAPHICAL ALLOCATION (% NAV)**



** Nationality of underlying

CHARACTERISTICS

| | | | | | |
|-----------------------------|-------------------------------|-----------------------------|--|---|---|
| ■ ISIN Code | IC H-EUR share : FR0013185535 | ■ Valuation | Daily | ■ Management fees | |
| | RC H-EUR share : FR0013268356 | | IC-H EUR share : 0,865% inclusive of all taxes of net assets | | |
| | T H-EUR share : FR0013311438 | | RC-H EUR share : 1,515% inclusive of all taxes of net assets | | |
| | | | T-H EUR share : 0,865% inclusive of all taxes of net assets | | |
| ■ Bloomberg Code | LZCGACE | ■ Custodian | Caceis Bank France | ■ Subscription fee | 4% max |
| ■ Legal Form | SICAV | ■ Management company | Lazard Frères Gestion | ■ Redemption fee | 1% max |
| | | | | ■ Total expense ratio and transaction fees | For more information, please check our prospectus |
| | | | | | |
| ■ AMF classification | Diversified UCITS | ■ Financial Manager | Lazard A.M | | |
| ■ Currency | Euro | ■ Taxation | Capitalization | | |
| ■ Investment horizon | >5 years | ■ Inception Date | | ■ Subscription terms | On next NAV for orders placed before 11 a.m. |
| | | IC H-EUR share | 03/31/2010 | | Settlement and value date |
| | | RC H-EUR share | 25/07/2017 | | Subscription D (NAV date) + 2 business days |
| | | T H-EUR share | 20/02/2018 | | 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

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 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.

The State of the origin of the Fund is France. In Switzerland, the Representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the Paying agent is Banque Cantonale de Genève, 17 quai de l'Île, CH-1204 Geneva. The prospectus, the Key Investor Information Documents, the status as well as the annual and semi-annual reports may be obtained free of charge from the Representative. In respect of the shares distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Representative. The current document is intended for information purposes only and shall not be used as an offer to buy and/or sell shares. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares. For investors in the shareed Kingdom: this document has been issued and approved in the shareed Kingdom by Lazard Asset Management Limited, 50 Stratton Street, London W1J 8LL. Incorporated in England and Wales, registered number 525667. Lazard Asset Management Limited is authorised and regulated by the Financial Conduct Authority.

For Italian investors, fund Paying Agents are Société Générale Securities Services, Via Benigno Crespi, 19, 20159 Milano, and BNP Paribas Securities Services, Piazza Lina Bo Bardi, 3, 20124 Milano.

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