

May 2017

Objectif Convertible Europe - I unit

European convertible bonds	ISIN Code	NAV €	Net Assets - unit I (Millions €)	Total Net Asset (Millions €)
Not hedged against currency risk	FR0010642603	19 232.02	30.61	72.57

MANAGEMENT



Overall ★★★★★

INVESTMENT POLICY

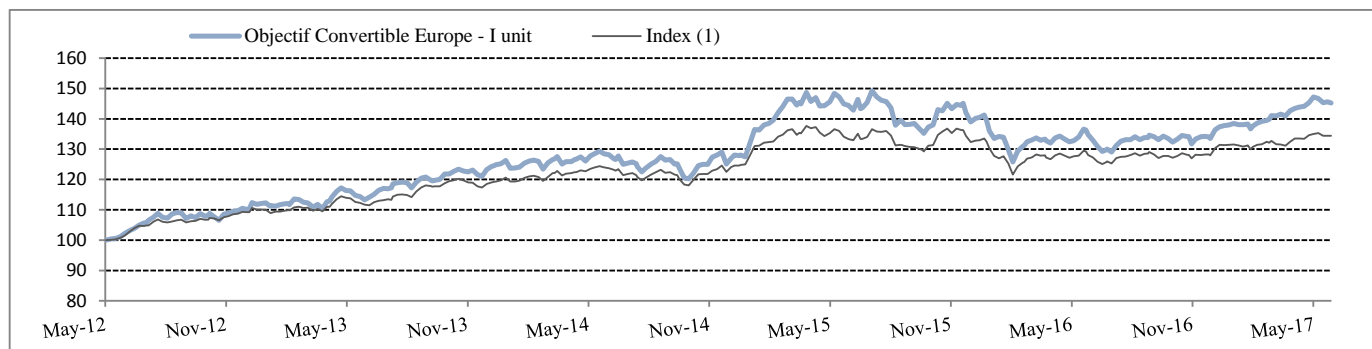
The fund seeks to outperform the Thomson Reuters Convertible Europe index. To attain this objective, the strategy will rely on an active management of interest rate risk (active management of sensitivity), currency and credit risks (based on the securities rating) and on our stock-picking approach. Sensitivity will be managed on a scale of 0 to 7. Portfolio will be composed as follows: 1/ up to 110% maximum of fungible convertible bonds, exchangeable bonds, bonds with equity warrants, corporate and financials traded debt and sovereign debt. The fund will be able to invest in both investment grade and high yield convertible bonds; 2/ up to 10% maximum in French law money-market and bond funds (whether or not UCITS-compliant); 3/ up to 10% maximum in equities resulting from a conversion.

FUND MANAGER'S COMMENT - Arnaud BRILLOIS

During the month of May 2017, Objectif Convertible Europe Fund returned -0.08% versus -0.16% for its benchmark (Thomson Reuters Convertible Europe Focus). Equity sensitivity is higher on the month, standing now at 55.0%, while the index's equity sensitivity rises to 44.1%. Modified duration stands at 0.71 versus 2.33 for the benchmark. Our equity overweight has been a positive contributor to the performance (on the month, Stoxx600 in Euros rises 1.45%). Our shorter duration compared to the index is a negative contributor. Bond selection contribution was neutral on the month. The fund is slightly overweighted on the Swiss Franc and underweighted on the British Pound.

PERFORMANCE - I 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	ITD **
Objectif Convertible Europe - I unit	-0.1%	5.2%	6.5%	12.9%	45.2%	92.3%
Index ⁽¹⁾	-0.2%	2.3%	4.0%	8.4%	34.4%	55.1%

RISK SCALE***



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

RISK RATIOS

Annualized performance*	1 year	3 years	5 years	ITD
Objectif Convertible Europe - I unit	6.5%	4.1%	7.7%	7.8%
Index ⁽¹⁾	4.0%	2.7%	6.1%	5.2%

** Inception date: 09/10/2008

Annual performance*	2016	2015	2014	2013	2012
Objectif Convertible Europe - I unit	-2.3%	10.5%	2.6%	13.0%	15.4%
Index ⁽¹⁾	-1.5%	7.1%	4.4%	9.2%	15.7%

Characteristics	FUND	INDEX
Modified duration	0.7	2.3
Delta - Equity exposure	55.0%	44.1%

	1 year	3 years
Volatility		
Objectif Convertible Europe - I unit	6.0%	15.9%
Index (1)	4.5%	8.7%
Tracking error	2.9%	8.0%
Information ratio	0.8	-0.2
Beta	1.2	1.7

Ratios calculated on a weekly basis

* The performance quoted represents past performance. Past performance does not guarantee future results. The performance are net of fees and total return.

⁽¹⁾ Since 31/12/2014: Thomson Reuters Convertible Europe Focus EUR (formerly ECI Europe Index)

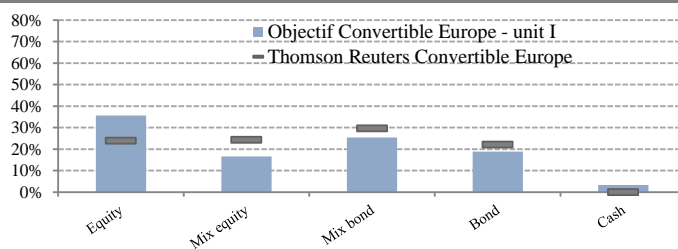
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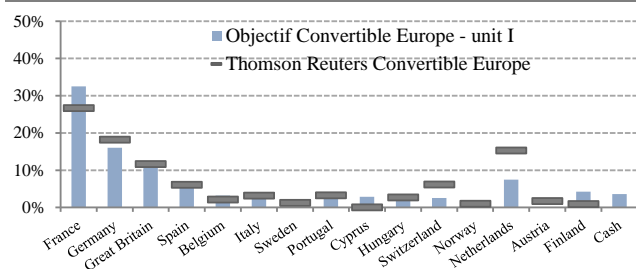
MAIN HOLDINGS

Main holdings	Weight
KONI BAM 3.5 06-21	4.9%
SOLIDIDIUM 0% 040918	4.4%
FRESEN 0 240919	4.3%
BIM 2.5% 13-11-20 CV	4.2%
TELE ITA 1.13 03-22	3.9%

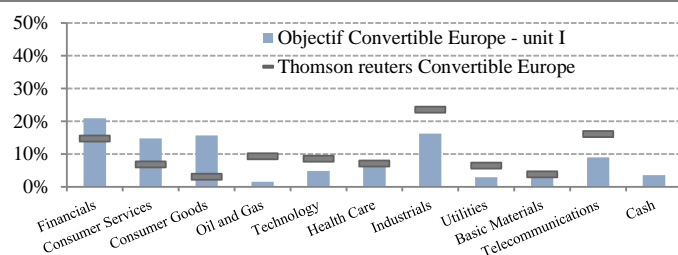
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



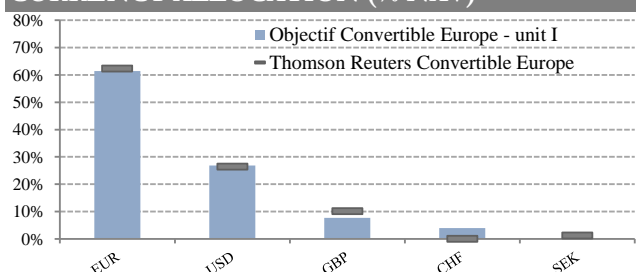
GEOGRAPHICAL ALLOCATION (% NAV)



SECTOR ALLOCATION (% NAV)



CURRENCY ALLOCATION (% NAV)



CARACTERISTICS

■ ISIN Code	FR0010642603	■ Valuation	Daily	■ Management fees	0,85% of net assets excluding UCITS managed by Lazard Frères Gestion
■ Bloomberg Code	OBJCONI	■ Modified Duration	0 - 7	■ Subscription fee	4% max
■ Legal Form	FCP	■ Custodian	Société Générale	■ Redemption fee	1% max
■ Coordinated UCITS	Yes	■ Management company	Lazard Frères Gestion	■ Total expense ratio and transaction fees	For more information, please check our prospectus
■ AMF classification	Diversified UCITS	■ Taxation	Capitalization	■ Subscription terms	On next NAV for orders placed before 12 a.m.
■ Currency	Euro	■ Inception date	09/10/2008		Settlement and value date
■ Investment horizon	> to 5 years				Subscription D (NAV date) + 1 business day
					Redemption D (NAV date) + 3 business days

*** 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.*

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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 prospectus for Switzerland, the DICI for Switzerland, the articles of incorporation, the annual and semi-annual reports, as well as the list of the buying and selling transactions can be obtained free of charge from the representative of the Fund in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, Fax: +41 22 705 11 79, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.