

European convertible bonds	ISIN Code	NAV €	Net Assets - unit J (Millions €)	Total Net Asset (Millions €)
Currency hedged	FR0010642611	17 627.66	26.29	69.28

MANAGEMENT

INVESTMENT POLICY

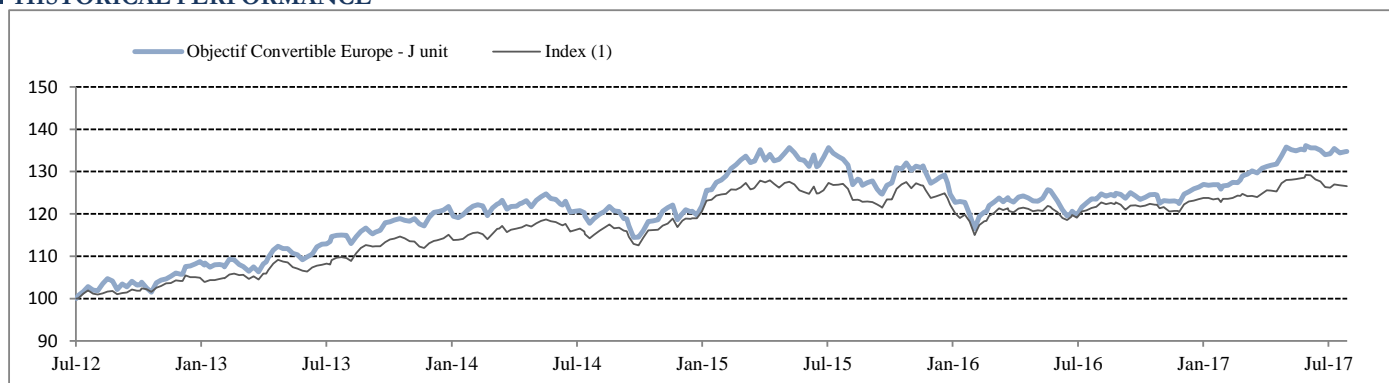
The fund seeks to outperform Thomson Reuters Convertible Europe index. To attain this objective, the strategy will rely on an active management of interest rate risk (active management of sensitivity), currency and credit risks (based on the securities rating) and on our stock-picking approach. Sensitivity 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 July 2017, Objectif Convertible Europe Fund returned 0.56% versus 0.17% for its benchmark (Thomson Reuters Convertible Europe Focus Hedged EUR). Equity sensitivity is unchanged on the month, slightly low at 51.1%, while the index's equity sensitivity decreased to 36.4%. Modified duration is higher and stands at 0.80 versus 2.83 for the benchmark. Our equity overweight has been a negative contributor to the performance (on the month, Stoxx600 in Euros fell -0.35%). Our shorter duration compared to the index is a neutral contributor. Bond selection contribution was a positive contributor on the month. We bought Orpar/Remy Cointreau 2024.

PERFORMANCE - J 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 - J unit	0.6%	6.6%	9.0%	12.0%	34.7%	76.3%
<i>Index ⁽¹⁾</i>	<i>0.2%</i>	<i>2.5%</i>	<i>4.2%</i>	<i>9.3%</i>	<i>26.6%</i>	<i>53.1%</i>

** Inception date: 09/10/2008

Annualized performance*	1 year	3 years	5 years	ITD**
Objectif Convertible Europe - J unit	9.0%	3.9%	6.1%	6.6%
<i>Index ⁽¹⁾</i>	<i>4.2%</i>	<i>3.0%</i>	<i>4.8%</i>	<i>4.9%</i>

Annual performance*	2016	2015	2014	2013	2012
Objectif Convertible Europe - J unit	-2.2%	7.2%	0.0%	14.0%	14.9%
<i>Index ⁽¹⁾</i>	<i>-1.1%</i>	<i>5.1%</i>	<i>4.4%</i>	<i>9.2%</i>	<i>15.7%</i>

Characteristics	FUND	INDEX
Modified duration	0.80	2.83
Delta - Equity exposure	51.1%	36.4%

* 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 Hedged EUR (formerly ECI Hedged Europe)

RISK SCALE***



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

RISK RATIOS

	1 year	3 years
Volatility		
Objectif Convertible Europe - J unit	4.6%	8.2%
<i>Index ⁽¹⁾</i>	<i>3.6%</i>	<i>5.9%</i>
Tracking error	2.7%	3.7%
Information ratio	1.6	0.2
Beta	1.0	1.3

Ratios calculated on a weekly basis

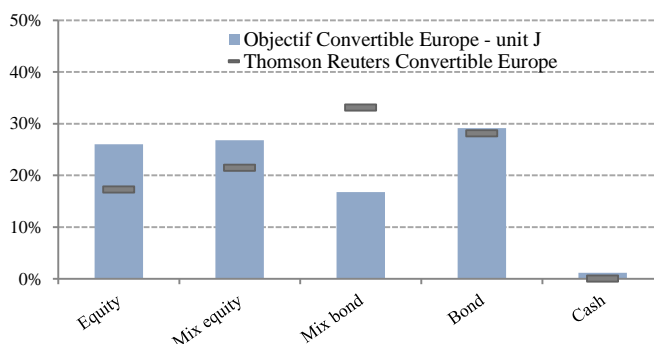
July 2017

Objectif Convertible Europe - J unit

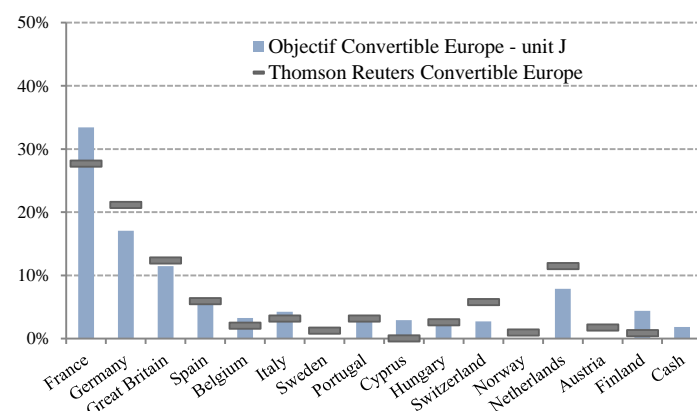
MAIN HOLDINGS

Main holdings	Weight
KONI BAM 3.5 06-21	5.2%
SOLIDIUM 0% 040918	4.6%
FRESEN 0 240919	4.2%
BIM 2.5% 13-11-20 CV	4.2%
ADIDAS 0.25 06/19 CV	4.1%

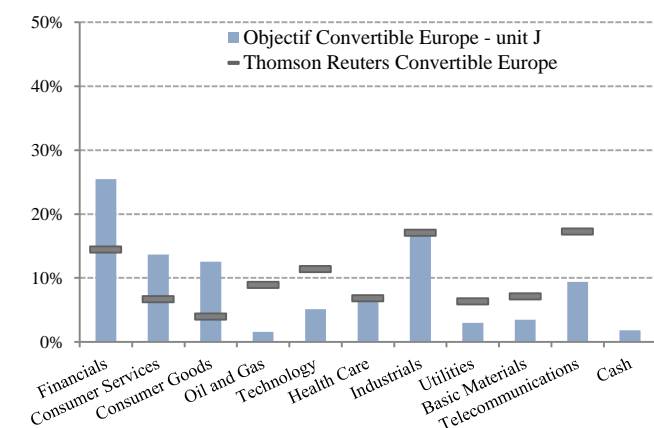
EXPOSITION BY CONVERTIBLE BONDS (Equity exposure)



GEOGRAPHICAL ALLOCATION (% NAV)



SECTOR ALLOCATION (% NAV)



CHARACTERISTICS

■ ISIN Code	FR0010642611	■ Valuation	Daily	■ Management fees	0,9% of net assets excluding UCITS managed by Lazard Frères Gestion
■ Bloomberg Code	OBJCONJ	■ 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	Capitalisation	■ 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
■ Currency hedge					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 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.