

October 2014

Objectif Recovery Eurozone

| Euro Equities                       | ISIN code                  | NAV €  | Net Assets (M €) | Total Net Assets (M €) |
|-------------------------------------|----------------------------|--------|------------------|------------------------|
| Eligible for an equity savings plan | <b>A unit</b> FR0011537646 | 118,21 | 93,25            | 171,31                 |
|                                     | <b>C unit</b> FR0011744689 | 91,25  | 0,93             |                        |
|                                     | <b>R unit</b> FR0011537653 | 117,10 | 77,14            |                        |

## MANAGEMENT

### INVESTMENT POLICY

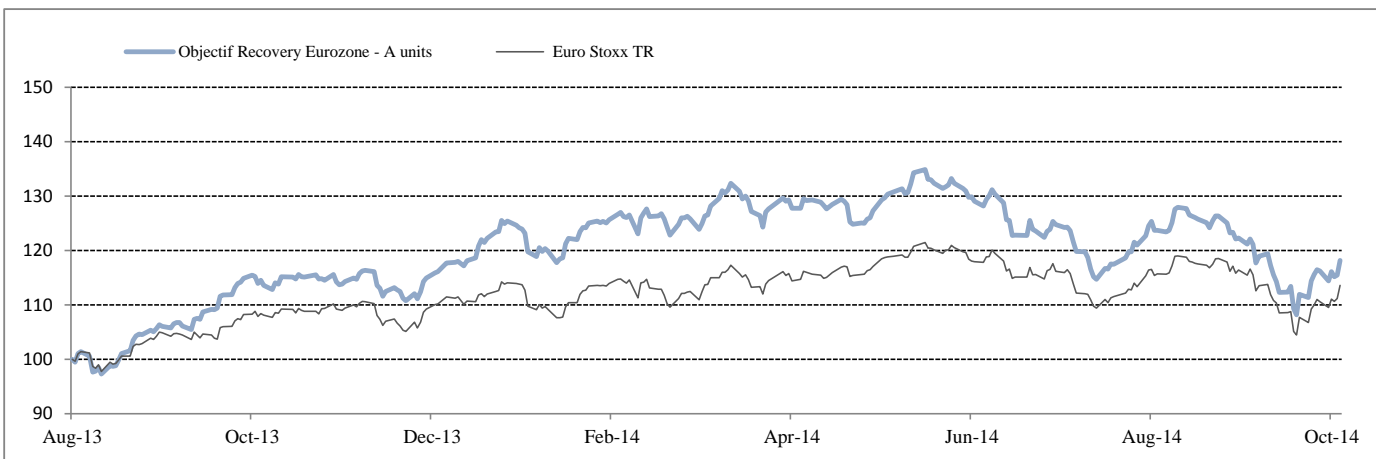
Management objective is, over a recommended investment horizon of 5 years minimum, to outperform the Euro Stoxx index, net dividends reinvested.

### FUND MANAGERS' COMMENT - Stanislas COQUEBERT DE NEUVILLE & Scander BENTCHIKOU

Was the market decline in October triggered by fears about the Ebola outbreak turning into a pandemic that could slow world trade, or the continued plummeting of commodities that could signal an economic slowdown, or concerns about the sustainability of the recovery in the Eurozone, or the liquidation of a number of funds? There is a number of possible explanations, but none of them suffice to justify the market decline in October (particularly in the first fortnight when the markets panicked), all the more so in that the earnings release season is fairly positive on both sides of the Atlantic and the drop in oil prices combined with the fall of the euro is a huge breath of fresh air for the European economies. In this phase of increased volatility, the market ended October with a fall of 2,62% while the fund underperformed its benchmark by 0,61%. It was hurt by the bad performances of the construction sector (Salini, Mota Engil, Italcementi), which was affected by concerns public spending will be reduced, as well as cyclical industry (Solvay, Salzgitter). The fund benefited, however, from strong performances by Sanitec, which was the target of a bid by Geberit, and by Electrolux, as well as from the absence of Total and Sanofi.

## PERFORMANCE - A unit

### HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

### PERFORMANCE

| Cumulative performance*           | Month        | YTD         | 1 year      | 3 years | 5 years | Inception (1) |
|-----------------------------------|--------------|-------------|-------------|---------|---------|---------------|
| <b>Objectif Recovery Eurozone</b> | <b>-3,2%</b> | <b>0,2%</b> | <b>2,6%</b> | -       | -       | <b>18,2%</b>  |
| <i>Eurostoxx Total Return</i>     | <i>-2,6%</i> | <i>1,9%</i> | <i>4,0%</i> | -       | -       | <i>13,6%</i>  |

(1) 08/20/2013

### RISK SCALE\*\*

1 2 3 4 5 6 7

\*\*Risk scale calculated 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 | Inception    |
|-----------------------------------|-------------|---------|---------|--------------|
| <b>Objectif Recovery Eurozone</b> | <b>2,6%</b> | -       | -       | <b>15,0%</b> |
| <i>Eurostoxx Total Return</i>     | <i>4,0%</i> | -       | -       | <i>11,2%</i> |

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

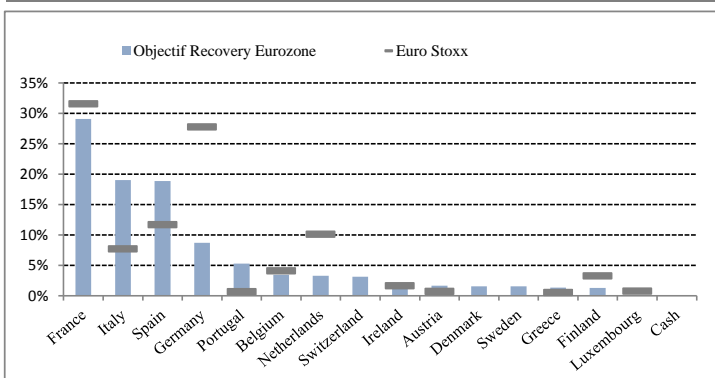
|                               | 1 year       | 3 years |
|-------------------------------|--------------|---------|
| <b>Volatility</b>             |              |         |
| Objectif Recovery Eurozone    | 18,7%        | -       |
| <i>Eurostoxx Total Return</i> | <i>14,9%</i> | -       |
| <b>Tracking error</b>         | 6,6%         | -       |
| <b>Information ratio</b>      | -0,2         | -       |
| <b>Beta</b>                   | 1,2          | -       |

Ratios calculated on a weekly basis

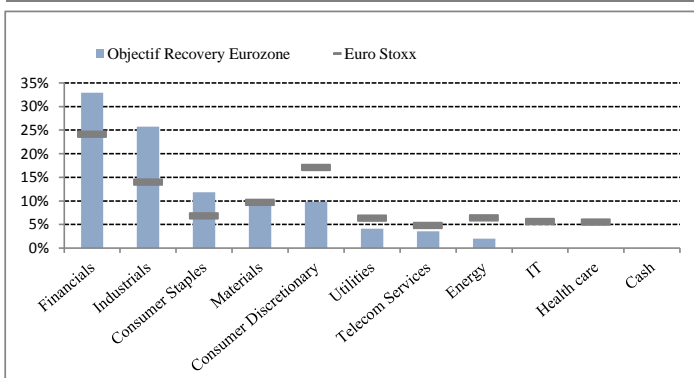
October 2014

## Objectif Recovery Eurozone

### GEOGRAPHICAL ALLOCATION



### SECTOR ALLOCATION



### MAIN HOLDINGS

| Main holdings              | %            | Country | Sector                 |
|----------------------------|--------------|---------|------------------------|
| Allianz                    | 3,3%         | Germany | Financials             |
| BNP Paribas                | 3,2%         | France  | Financials             |
| Telefonica                 | 3,0%         | Spain   | Telecom Services       |
| Société Générale           | 2,5%         | France  | Financials             |
| Intesa Sanpaolo            | 2,5%         | Italy   | Financials             |
| Unicredit Spa (regroupees) | 2,4%         | Italy   | Financials             |
| E.On                       | 2,4%         | Germany | Utilities              |
| Saint-Gobain               | 2,0%         | France  | Industrials            |
| Repsol S.a.                | 2,0%         | Spain   | Energy                 |
| Renault                    | 2,0%         | France  | Consumer Discretionary |
| <b>TOTAL</b>               | <b>25,3%</b> |         |                        |

### MOVEMENTS

| New positions                  | Positions sold                |
|--------------------------------|-------------------------------|
| Mapfre Sa                      | Heineken                      |
| Hispania Activos Inmobiliarios | Obrascon Huarte Lain S.a.     |
| Grupo Catalana Occidente Sa    | Corio                         |
| Increased positions            | Reduced positions             |
| Banque Nationale de Grece      | Sanitec Corporation           |
| E.On                           | Electrolux                    |
| Banco Popolare (regroupees)    | DSV                           |
| Mota Engil Sgps                | M6 - Metropole Television     |
| Air France - KLM               | Abertis Infraestructuras S.a. |

### FUND DETAILS

|                           |   |  |                                    |                           |  |
|---------------------------|---|--|------------------------------------|---------------------------|--|
| <b>ISIN Code</b>          | A unit : FR0011537646<br>R unit : FR0011537653<br>C unit : FR0011744689 | <b>Valuation</b>                           | Daily                              | <b>Management fees</b>    | A unit : 1,4% inclusive of all taxes of net assets<br>R unit : 2,2% inclusive of all taxes of net assets<br>C unit : 1,4% inclusive of all taxes of net assets |
| <b>Bloomberg Code</b>     | A unit : OBJREUA FP<br>R unit : OBJREUR FP                              | <b>Eligible for an equity savings plan</b> | Yes                                | <b>Subscription fees</b>  | 4% max   |
| <b>Legal form</b>         | FCP   | <b>Custodian</b>                           | Lazard Frères Banque               | <b>Redemption fee</b>     | 1% max   |
| <b>UCITS-Compliant</b>    | yes   | <b>Management company</b>                  | Lazard Frères Gestion              | <b>Subscription terms</b> | On next NAV for orders placed before 11 a.m.   |
| <b>AMF classification</b> | Equities Euro zone  | <b>Taxation</b>                            | Capitalisation and/or distribution |                           | Settlement and value date  |
| <b>Currency</b>           | Euro  | <b>Inception date</b>                      | 08/20/2013                         |                           | Subscription D (NAV date) + 1 business day   |
| <b>Investment horizon</b> | > 5 years   |  |                                    |                           | 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.



**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](http://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.