

| | |
|------------------|----------|
| Total net assets | 147,98M€ |
| NAV | 109,16 € |

| | |
|-----------------------|--------------|
| Inception date (unit) | 20 août 2013 |
| ISIN Code | FR0011537653 |
| Bloomberg Code | OBJREUR |

Country of registration



MANAGER(S)



Stanislas
Coquebert de
Neuville



Scander
Bentschikou

INVESTMENT POLICY

Over a recommended investment horizon of 5 years minimum, the management aim is to outperform the Euro Stoxx index, net reinvested dividends.

FUND MANAGERS COMMENT

What with the trade war that seemed to be intensifying, the mixed macroeconomic figures out of China, the Brexit prevarications and the social unrest in France, the market plummeted in December and ended the year at almost its lowest level. Negatively affected by its overexposure to commodities and industrial goods and by the absence of utilities, the fund underperformed its benchmark index by 300 basis points and fell by 8,76% over the month. It was especially penalised by the performance of H&M, which was hurt by Next's profit warning, as well as those of Eiffage, Société Générale, Palfinger and Saint-Gobain, which suffered in a market that was not very favourable to the most cyclical stocks. On the other hand, it benefited in relative terms from the fall of certain stocks not held in the portfolio, such as ABInBev, Inditex and Airbus.

RISK SCALE*



Recommended investment period of 5 years

BENCHMARK INDEX

Eurostoxx Net Return EUR

FEATURES

| | |
|---|--|
| Legal Form | FCP |
| Legal Domicile | France |
| UCITS | Yes |
| AMF Classification | Eurozone equities |
| Eligibility to PEA (personal equity savings plan) | Yes |
| Currency | EURO |
| Subscribers concerned | Retail |
| Inception date | 20/08/13 |
| Date of share's first NAV calculation | 20/08/13 |
| Management company | Lazard Frères Gestion SAS |
| Custodian | Lazard Frères Banque |
| Valuation agent | CACEIS Fund Admin |
| Frequency of NAV calculation | Daily |
| Order execution | On next NAV for orders placed before 11:00 a.m |
| Subscription terms | D (NAV date) + 2 business day |
| Settlement of redemptions | D (NAV date) + 2 business day |
| Share decimalisation | Yes |
| Minimum investment | 1 share |
| Subscription fees | 4% max |
| Redemption fees | 1% max |
| Management fees | 2,18% |
| Outperformance fees | Nil |
| Current expenses | 2,39% |

*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. Risk 1 does not mean a risk-free investment. This indicator may change over time.

CHANGE IN NET ASSET VALUE (NAV)



Past performance is not a guarantee of current or future performance and increases at the end of the recommended investment period.

HISTORICAL PERFORMANCES

| Cumulative | | | | | | Annualized | |
|-----------------|---------|---------|---------|---------|---------|------------|---------|
| | 1 Month | 2018 | 1 Year | 3 Years | 5 Years | 3 Years | 5 Years |
| Fund | -8,82% | -28,50% | -28,50% | -17,25% | -7,27% | -6,12% | -1,50% |
| Benchmark index | -5,76% | -12,72% | -12,72% | 2,31% | 17,55% | 0,76% | 3,29% |
| Difference | -3,06% | -15,77% | -15,77% | -19,56% | -24,82% | -6,88% | -4,79% |

ANNUAL PERFORMANCE

| | Fund | Benchmark index |
|------|---------|-----------------|
| 2018 | -28,50% | -12,72% |
| 2017 | 15,08% | 12,55% |
| 2016 | 0,56% | 4,15% |
| 2015 | 11,73% | 10,33% |
| 2014 | 0,30% | 4,14% |

RISK RATIOS*

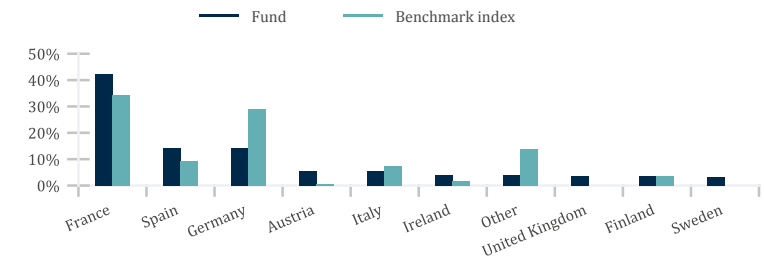
| | 1 Year | 3 Years |
|--------------------------|--------|---------|
| Volatility | | |
| Fund | 15,52% | 17,53% |
| Benchmark index | 14,19% | 14,95% |
| Tracking Error | 4,68% | 5,51% |
| Information ratio | -3,38 | -1,24 |
| Sharpe ratio | -1,82 | -0,32 |
| Alpha | -17,46 | -6,59 |
| Beta | 1,04 | 1,12 |

* Ratios calculated on a weekly basis

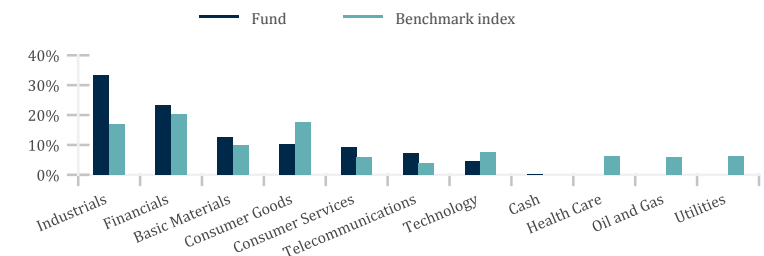
MAIN HOLDINGS

| Holdings | Country | Sector | Weight | |
|-----------------------------|---------|-----------------------------|--------|-------|
| | | | Fund | Index |
| SIEMENS AG.(N) | Germany | Industrial Goods & Services | 4,2% | 2,2% |
| BANCO SANTANDER S.A. | Spain | Banks | 3,7% | 1,7% |
| BNP PARIBAS | France | Banks | 3,2% | 1,2% |
| VINCI | France | Construction & Materials | 3,0% | 1,1% |
| TELEFONICA SA | Spain | Telecommunications | 2,8% | 0,9% |
| ORANGE | France | Telecommunications | 2,7% | 0,8% |
| SOCIETE GENERALE -A- | France | Banks | 2,5% | 0,6% |
| SAINT-GOBAIN (CIE DE) | France | Construction & Materials | 2,4% | 0,4% |
| HENKEL AG AND CO KGAA (PFD) | Germany | Personal & Household Goods | 2,4% | 0,5% |
| CAPGEMINI SE | France | Technology | 2,3% | 0,4% |
| Total | | | 29,3% | 9,9% |

GEOGRAPHICAL DISTRIBUTION



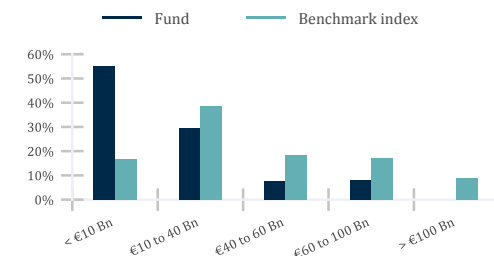
SECTOR ALLOCATION



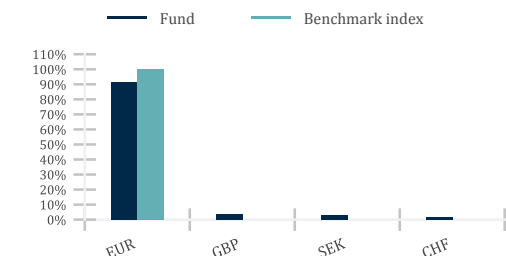
MAIN TRANSACTIONS

| New positions | Positions sold |
|-------------------------------|------------------------------|
| | ASSOCIATED BRITISH FOODS PLC |
| Positions increased | Positions reduced |
| RYANAIR HOLDINGS P.L.C. | SIEMENS AG.(N) |
| HENNES & MAURITZ AB (H&M) -B- | TELEFONICA SA |
| | BANCO SANTANDER S.A. |

BREAKDOWN BY CAPITALISATION



BREAKDOWN BY CURRENCY



OVER- AND UNDEREXPOSURE TO THE BENCHMARK INDEX

| Overexposures | | Underexposures | |
|-------------------------|------|----------------|-------|
| SPIE SA | 2,0% | TOTAL | -3,3% |
| RYANAIR HOLDINGS P.L.C. | 2,0% | SAP SE | -2,5% |
| SAINT-GOBAIN (CIE DE) | 2,0% | SANOFI | -2,3% |
| DE LONGHI SPA | 2,0% | LINDE PLC | -2,1% |

RELATIVE CONTRIBUTORS TO PERFORMANCE

| First positive contributors | | | First negative contributors | | |
|-----------------------------|----------------|----------------------------|-------------------------------|----------------|----------------------------|
| | Absolute perf. | Relative contribution (bp) | | Absolute perf. | Relative contribution (bp) |
| METROVACESA SA | -1,0% | 8 | HENNES & MAURITZ AB (H&M) -B- | -23,6% | -31 |
| GEBERIT AG.(NOMI) | -1,4% | 7 | PALFINGER AG | -21,0% | -30 |
| EASYJET PLC | -1,8% | 7 | CAPGEMINI SE | -15,8% | -20 |
| Total | | 23 | Total | | -81 |

CONTACTS AND ADDITIONAL INFORMATION

Subscription/redemption
CACEIS Bank / LFB
01.57.78.14.14

Additional Information:
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Publications of NAVs:
www.lazardfreresgestion.fr

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