

International bonds and debt securities	ISIN code	NAV €	Net assets (€ million) :	Total net assets (€ million) :
C unit	FR0010590950	14 205,36	323,35	
R unit created on July 3 rd 2009	FR0010752543	318,99	99,04	550,96
I unit created on April 14 th 2014	FR0011844034	1 147,29	65,95	
G unit created on August 8 th 2014	FR0012074151	106,32	62,62	
	ISIN code	NAV \$	Net assets (\$ million) :	
DH unit created on January 7 th 2016	FR0013076932	1 125,35	3,92	
	ISIN code	NAV CHF	Net assets (\$ million) :	
H-CHF unit created on March 20 th 2017	FR0013076932	1 015,55	0,11	

MANAGEMENT

INVESTMENT POLICY

The management objective aims to achieve, on a minimum investment horizon of 3 years, a performance net of fees of Eonia + 2,70% for the C and G shares, Eonia + 2,30% for the I shares, Eonia + 2% for the R shares, ICE Libor USD Overnight denominated in USD for the DH share and Libor CHF denominated in CHF for the H-CHF share. To attain this objective, the strategy will rely on an active management of the portfolio mainly invested in subordinated securities (this type of debt is more risky than Senior Unsecured or Securitized debts), or any securities, not considered as common stocks, issued by European financial institutions. The investment process combine both a Top-down approach (strategic and geographical allocation approach which takes into consideration the macro and sectorial environments) and a Bottom-up approach (stock-picking based on fundamental analysis of the issuer and its securities) and then integrating the regulatory environment in which this asset class evolves. The modified duration will be managed in a 0 to 8 range. The UCIT will only invest into debts or securities issued by companies incorporated in an OECD country and/or in issues or securities listed on a stock exchange of those countries. The UCIT only invests in securities negotiated in Euro, dollar and sterling.

FUND MANAGER'S COMMENT - François Lavier

The net asset value of Objectif Crédit Fi rose by +1,03% over the month (C share).

Spreads on financial debt tightened across the board. Tier 1 bonds tightened by 30bp to 291bp against government bonds, Lower Tier 2 bonds by 24bp to 210bp and Senior debts by 3bp to end the month at 93bp according to JP Morgan's SUSI indices. CoCos tightened by 29bp in OAS to end the month at 411bp according to Barclays' Global index.

The German government bond yield curve remained virtually flat during the month, with the 10-year yield down 1bp to 0,32% and the 5-year yield down 1bp to -0,39%, while the 2-year yield was up 1bp to -0,73%.

Objectif Crédit Fi posted a net performance of +3,17% year-to-date compared with +2,87% for the JP Morgan SUSI Lower Tier 2 and +3,36% for the SUSI Tier 1.

The fund has a 260-day volatility of 2,8% compared with 2,8% for the SUSI Lower Tier 2 and 2,3% for the SUSI Tier 1.

April was marked by a highly wait-and-see environment and extreme caution in the run-up to the French presidential elections. Up until Sunday, April 23rd, the markets hardly rallied in the credit segment, while bonds reached a low point around April 18th. **On Monday, April 24th, the markets rallied strongly** against a backdrop of "short covering" and re-weighting of France by investors who had underweighted the country in all segments: Government, Corporate and Financial bonds.

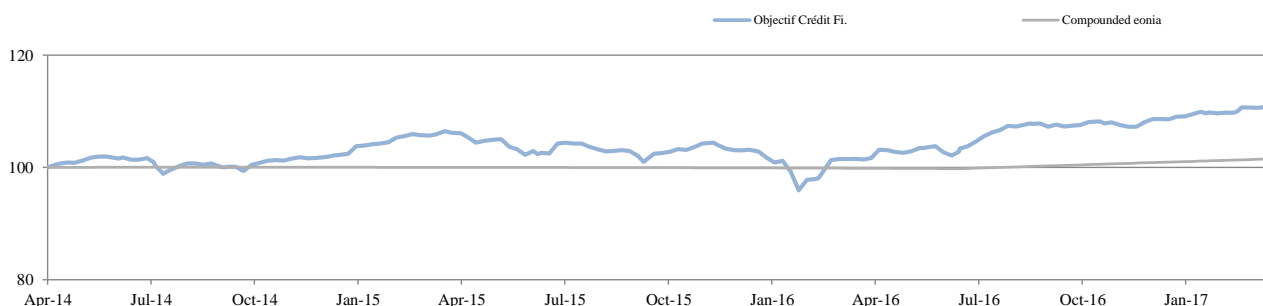
There were few major events during the month apart from highly encouraging quarterly earnings releases by banks so far for the first quarter of 2017.

The primary market, excluding covered bonds, totalled €16bn in gross issuance of Senior Unsecured debt according to Barclays, **with net bank issuance totalling -€5bn over the month.** Since the beginning of the year, gross issuance has totalled €96bn and net issuance is negative to the tune of €35bn.

Objectif Crédit Fi has a yield to maturity of 4,1% and a yield to call of 3,6% with a modified duration of 1,3 and a credit duration of 5,7.

PERFORMANCE

HISTORICAL PERFORMANCE



Past performance indications is not a guarantee of current or future performance

PERFORMANCE

Annualized performance	2017	2016	2015	2014	2013
Objectif Crédit Fi.	3,17%	5,27%	1,14%	6,53%	8,18%
Compounded eonia	0,77%	1,03%	-0,11%	0,10%	0,09%

Cumulative performance*	Month	YTD	1 year	3 years	5 ans
Objectif Crédit Fi.	1,03%	3,17%	8,66%	12,01%	46,16%
Compounded eonia	0,18%	0,77%	1,89%	1,72%	2,00%

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

Modified duration	1,3	Spread duration	5,7
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Yield to call	3,6%
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Yield to maturity	4,1%
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SCALE RISK**



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

RISK RATIOS

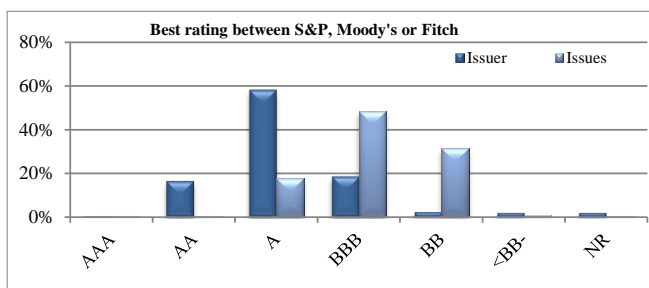
	1 year	3 years
Volatility		
Objectif Crédit Fi.	3,05%	4,61%
Compounded eonia	0,14%	0,15%
Tracking error	3,03%	4,59%
Information ratio	2,13	0,70

Ratios calculated on a weekly basis over 1 year and monthly over three years

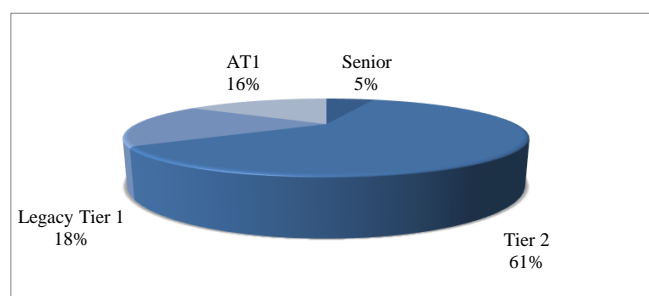
MAIN HOLDINGS

Main holdings		%
Commerzbank 8,151% 06/2029	Legacy Tier 1	3,0%
HSBC 10,176% 06/2030	Legacy Tier 1	2,5%
Achmea 4,25% 02/2025	UT2	2,0%
Lloyds 7,881% 12/2031	Legacy Tier 1	1,9%
Crédit Agricole 4,75% 09/2028	LT2	1,8%

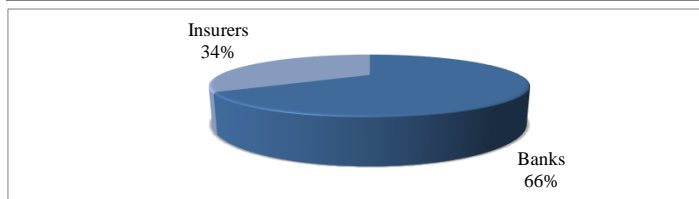
RATING ALLOCATION



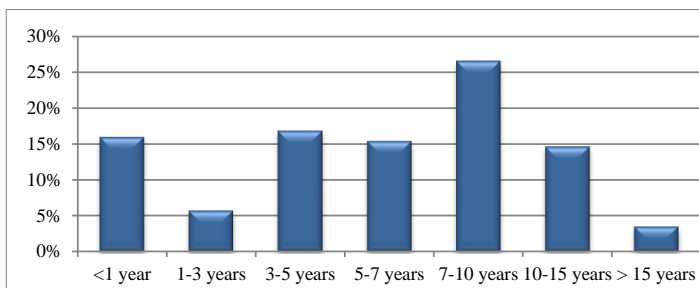
BREAKDOWN BY LEVEL OF SUBORDINATION



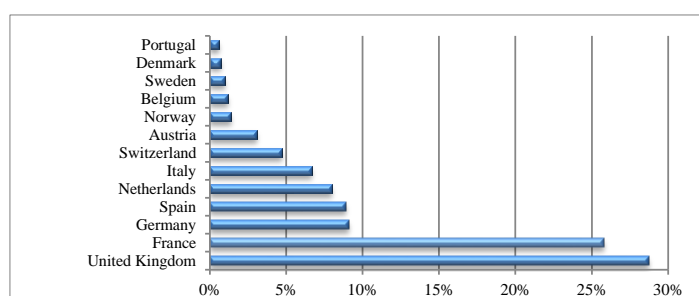
SECTOR ALLOCATION



BREAKDOWN BY MATURITY (AT CALL)



GEOGRAPHICAL DISTRIBUTION



FUND DETAILS

ISIN Code C unit: FR0010590950 R unit: FR0010752543 I unit: FR0011844034 G unit: FR0012074151 DH unit: FR0013076932 H-CHF Unit: FR0013236791	Custodian CACEIS	Management fees C unit: maximum of 0,26% inclusive of taxes R unit: maximum of 0,96% inclusive of taxes I unit: maximum of 0,66% inclusive of taxes G unit: maximum of 0,26% inclusive of taxes DH unit: maximum of 0,71% inclusive of taxes H-CHF unit: maximum of 0,71% inclusive of taxes
Bloomberg Code LFOBJFI/LFOBJFR/ LAZOCFI/LAZOCFG	Management company Lazard Frères Gestion SAS	Subscription fees C, R and G units: 30% of the outperformance in excess of Eonia + 3% These fees will be limited to 2% I, DH et H-CHF unit: none
Taxation FCP Yes International bonds Euro > 3 years Daily 0 to 8	Capitalization G Unit : Distribution 03/07/2008	Redemption fees H-CHF unit: maximum of 4% inclusive of taxes R unit: maximum of 2% inclusive of taxes C, I, G, DH and H-CHF units: none
Legal form UCITS-Compliant AMF classification Currency Investment horizon Valuation Modified duration	Subscription terms Each business day by 12 am Settlement and value date: Subscription: J (date of the NAV) + 2 Redemption: J + 2 business days	Outperformance fees: C, R and G units: 30% of the outperformance in excess of Eonia + 3% These fees will be limited to 2% I, DH et H-CHF unit: none

** Risk scale : calculated from the historic volatility of the UCITS over a period of 5 years. If the fund is not 5 years old of history, the level of risk is calculated from the target volatility of the strategy. The management company saves itself the possibility of adjusting the level of risk calculated according to the specific risk of the fund. This risk scale supplied as a rough guide and may be modified without advance notice.

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Publication of NAVs :
www.lazardfreresgestion.fr

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