

June 2016

Objectif Small Caps Euro

Euro Equities	ISIN code	NAV €	Net Assets (M €)	Total Net Assets (M €)
A units	FR0000174310	650,47	518,19	630,53
R units	FR0010689141	1249,77	112,35	

MANAGEMENT



Overall ★★★★★

INVESTMENT POLICY

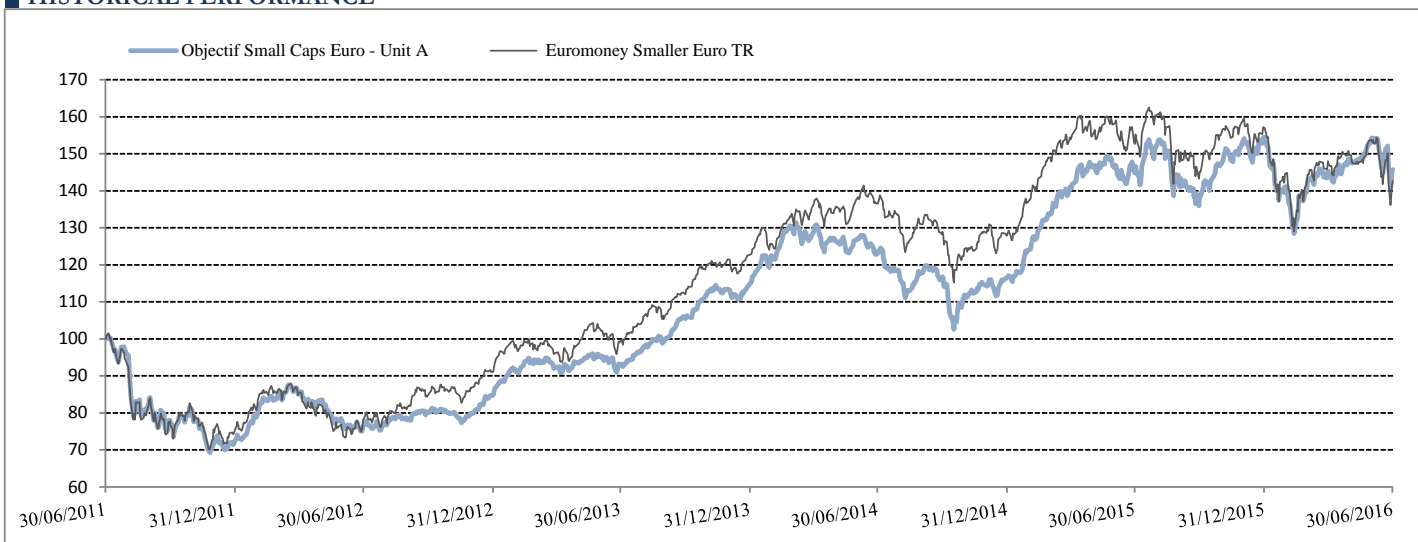
The objective of the fund is to achieve capital appreciation over the long term by investing in small cap companies in the Eurozone. The fund has no benchmark but over the recommended investment period the portfolio's returns can be compared with the Euromoney Smaller Euro index.

FUND MANAGERS' COMMENT - Annabelle VINATIER, Jean-François CARDINET, James OGILVY

European equity markets suffered a correction in June, following the outcome of the Brexit referendum, with the Eurostoxx falling by as much as 6,1%. The Euromoney Smaller Euro index retreated by 7,1% over the month and the SICAV by 5,5%. In this unfavourable equity market, some companies, like LPKF (+14%), Groupe Crit (+9%), Manutan (+6%), Technotrans (+6%) and Cargotec (+5%), managed to post gains in absolute terms. Conversely, Sopra Steria (-21%) and Zumtobel (-16%), two companies with direct exposures to the UK (30% and 20% of their respective revenues), as well as Atresmedia (-25%), Altri (-15%) and Bénéteau (-14%), weighed on absolute and relative performance. During the month we sold the remainder of our positions in Darty (ahead of the Brexit referendum) and Bolzoni, as these are the targets of recently launched takeover offers. We also reduced the weighting in Cargotec. Finally, we participated in Vossloh's capital increase (at a price of €48) and added to our positions in Zumtobel, Manutan, Surteco, Sto and Rosenbauer.

PERFORMANCE - A units

HISTORICAL PERFORMANCE



Cumulative performance*	Month	YTD	1 year	3 years	5 years	Creation
Objectif Small Caps Euro	-5,5%	-5,6%	0,7%	56,6%	45,7%	226,3%
<i>Euromoney Smaller Euro TR</i>	<i>-7,1%</i>	<i>-9,1%</i>	<i>-6,5%</i>	<i>44,2%</i>	<i>42,7%</i>	<i>212,9%</i>

Creation: 08/05/2003

Annualized performance	1 year	3 years	5 years	Creation
Objectif Small Caps Euro	0,7%	16,1%	7,8%	9,6%
<i>Euromoney Smaller Euro TR</i>	<i>-6,6%</i>	<i>12,9%</i>	<i>7,4%</i>	<i>9,2%</i>

Annual performance	2015	2014	2013	2012	2011
Objectif Small Caps Euro	32,4%	1,5%	35,5%	17,1%	-24,0%
<i>Euromoney Smaller Euro TR</i>	<i>22,5%</i>	<i>4,4%</i>	<i>34,7%</i>	<i>21,2%</i>	<i>-23,3%</i>

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

1	2	3	4	5	6	7
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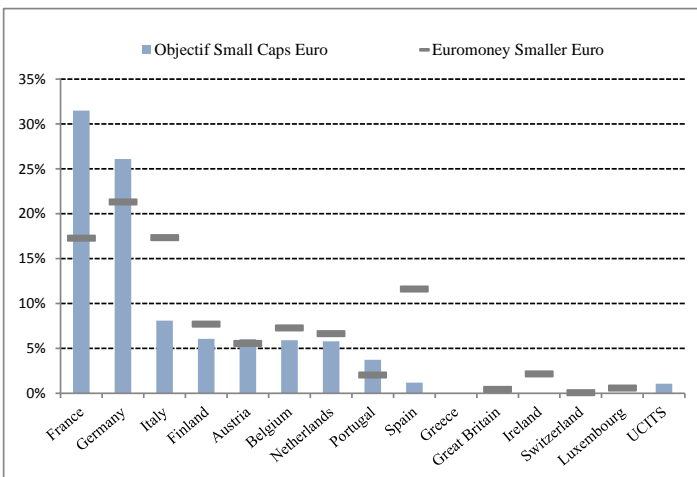
**Risk scale derived from the volatility of the UCITS over a period of 5 years (see detail on the back)

RISK RATIOS

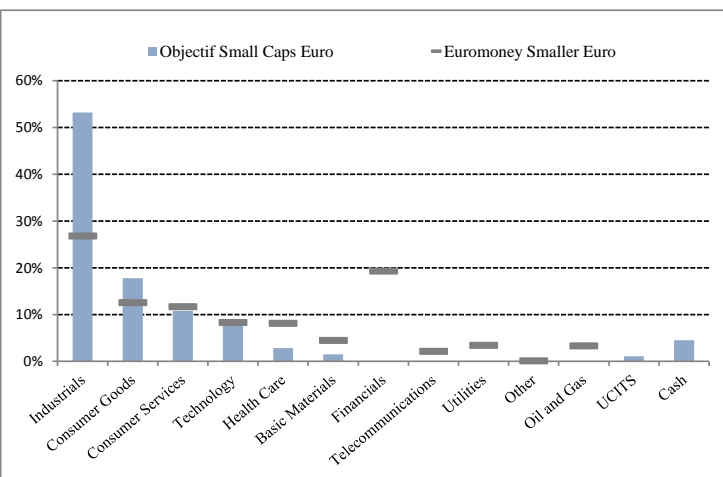
	1 year	3 years
Volatility		
Objectif Small Caps Euro	15,3%	14,2%
<i>Euromoney Smaller Euro TR</i>	<i>17,2%</i>	<i>15,3%</i>
Tracking error	5,6%	6,1%
Information ratio	1,3	0,5
Beta	0,8	0,9

Ratios calculated on a weekly basis

GEOGRAPHICAL ALLOCATION



SECTOR ALLOCATION



MAIN HOLDINGS

Main holdings	Position	Country	Sector
Cargotec	5,3%	Finland	Industrials
Vossloh	5,2%	Germany	Industrials
Ipsos	4,4%	France	Consumer Services
Sopra Group	3,7%	France	Technology
Van de Velde	3,6%	Belgium	Consumer Goods
De Longhi	3,6%	Italy	Consumer Goods
GfK	3,5%	Germany	Industrials
Interpump Group	3,4%	Italy	Industrials
Faiveley Transport	3,4%	France	Industrials
Alten	3,3%	France	Technology
TOTAL	39,4%		

New positions	Positions sold
	Darty
	Bolzoni
Positions increased	Positions reduced
Vossloh	Cargotec
Zumtobel	
Manutan	
Surteco	
Sto	

FUND DETAILS

ISIN Code	A units : FR0000174310 R units : FR0010689141	Valuation	Daily	Management fees	A units : 1,85% inclusive of all taxes of net assets R units : 2,20% inclusive of all taxes of net assets
Bloomberg Code	A units : LAZOSCE FP R units : LAZOSCR FP	Custodian	Lazard Frères Banque	Subscription fee	4% max
Legal form	SICAV	Management company	Lazard Frères Gestion	Redemption fee	1% max
UCITS-compliant	Yes	Taxation	Accumulation and/or distribution	Subscription terms	On next NAV for orders placed before 11 a.m. Settlement and value date Subscription D (NAV date) + 1 business day Redemption D (NAV date) + 3 business days
AMF classification	Equities of euro zone countries	Inception date	A units : 05/08/2003 R units : 30/06/2009		
Currency	Euro				
Investment horizon	> 5 years				

** 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 and DICI 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 KIID, 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 Sicav 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.