

Euro Equities	ISIN code	NAV €	Net Assets (M €)	Total Net Assets (M €)
A units	FR0000174310	873.63	774.32	921.84
R units	FR0010689141	1673.85	147.52	

MANAGEMENT



Overall ★★★★★

INVESTMENT POLICY

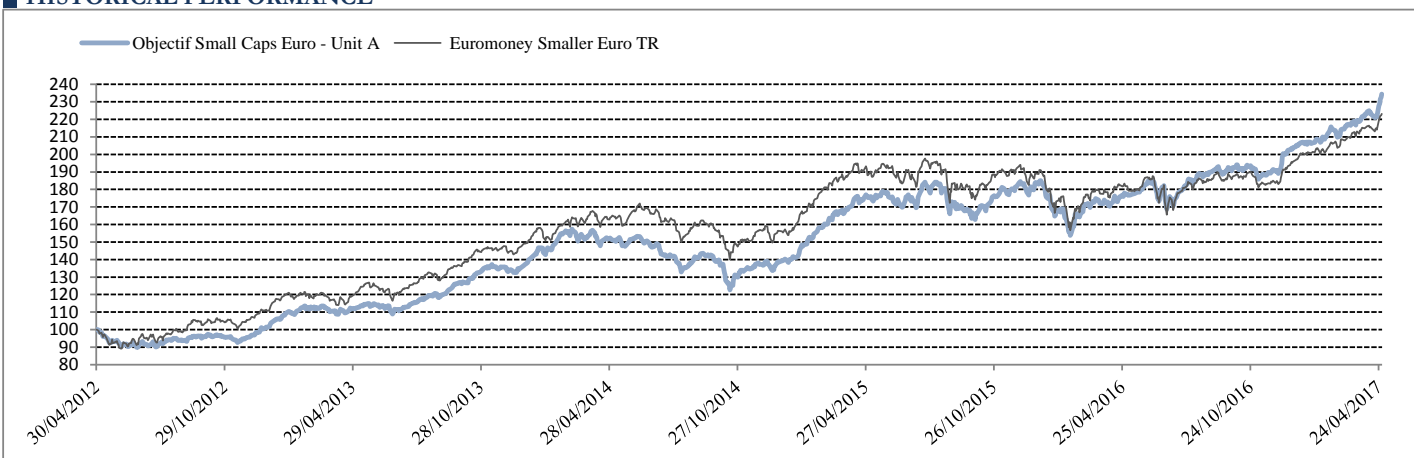
The objective of the fund is to outperform, net of fees and over the minimum recommended investment period of five years, the Eurozone small and mid cap universe as represented by the Euromoney Smaller Euro index calculated on a total return basis.

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

Equities finished the month strongly as the perceived political risk in France subsided following the first round of the presidential election. The Eurostoxx gained 2,3% while the Euromoney Smaller Euro index added 3,6%. The SICAV rose 5,7% in April. While French stocks overall contributed positively, the main contributions were once again driven by strong results announcements: Washtec (+20%), Technotrans (+18%), Manitou (+18%) and Cargotec (+18%). Negative contributions were fairly limited and included Beter Bed (-3%), Auresmedia (-3%) and Rosenbauer (-3%). Van de Velde's announcement of a need for further investment to turn around its US subsidiary weighed on the share price (-6%). Over the month we continued to add to our holdings in Nexity, Takkt and KSB while taking profits in particular on DeLonghi and Interpump.

PERFORMANCE - A units

HISTORICAL PERFORMANCE



Past performance is not a guarantee of current or future performance

PERFORMANCE

Cumulative performance*	Month	YTD	1 year	3 years	5 years	Creation
Objectif Small Caps Euro	5.7%	14.3%	32.1%	54.5%	134.4%	338.0%
<i>Euromoney Smaller Euro TR</i>	<i>3.6%</i>	<i>12.8%</i>	<i>22.0%</i>	<i>33.9%</i>	<i>116.9%</i>	<i>266.2%</i>

Creation: 08/05/2003

Annualized performance	1 year	3 years	5 years	Creation
Objectif Small Caps Euro	32.1%	15.6%	18.6%	11.3%
<i>Euromoney Smaller Euro TR</i>	<i>22.0%</i>	<i>10.2%</i>	<i>16.7%</i>	<i>9.9%</i>

Annual performance	2016	2015	2014	2013	2012
Objectif Small Caps Euro	10.9%	32.4%	1.5%	35.5%	17.1%
<i>Euromoney Smaller Euro TR</i>	<i>2.9%</i>	<i>21.9%</i>	<i>3.9%</i>	<i>33.9%</i>	<i>20.2%</i>

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

Performance is net of fees and total return.

RISK SCALE**



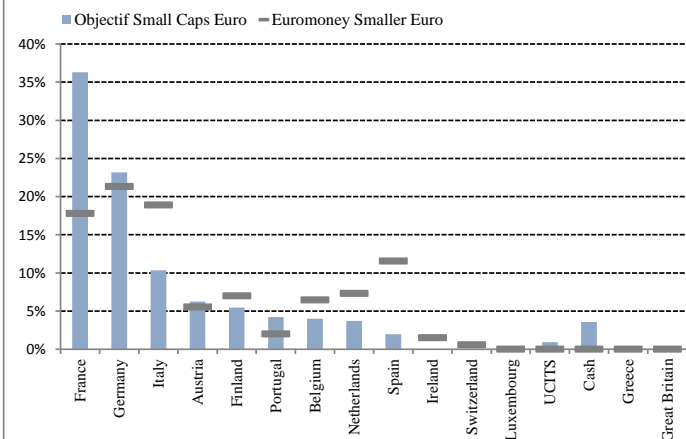
**Risk scale derived from the volatility of the UCITS over a period of 5 years (see detail on the back)

RISK RATIOS

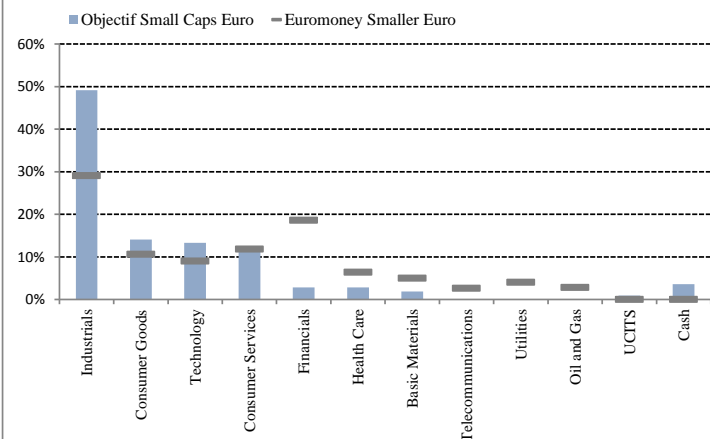
	1 year	3 years
Volatility		
Objectif Small Caps Euro	11.6%	14.4%
<i>Euromoney Smaller Euro TR</i>	<i>11.4%</i>	<i>15.1%</i>
Tracking error	4.4%	5.4%
Information ratio	2.6	1.0
Beta	1.0	0.9

Ratios calculated on a weekly basis

GEOGRAPHICAL ALLOCATION



SECTOR ALLOCATION



MAIN HOLDINGS

Main holdings	Position	Country	Sector
Cargotec	4.9%	Finland	Industrials
Manitou	4.7%	France	Industrials
Sopra Group	4.4%	France	Technology
Zumtobel	4.2%	Austria	Industrials
Vossloh	3.9%	Germany	Industrials
Interpump Group	3.5%	Italy	Industrials
Ipsos	3.5%	France	Consumer Services
Wash Tec	3.3%	Germany	Industrials
Alten	3.3%	France	Technology
De Longhi	3.1%	Italy	Consumer Goods
TOTAL	38.7%		

MOVEMENTS

New positions	Positions sold
Positions increased	Positions reduced
Nexity	De Longhi
Takkt	Sopra Group
KSB	Interpump Group
	Cargotec
	Wash Tec

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				

Total expense ratio and transaction fees

For more information, please check our prospectus

** 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.