

Total net assets	1044,34M€	Inception date (unit)	24 juil. 2003	MORNINGSTAR OVERALL ★ ★ ★ ★
NAV	906,36 €	ISIN Code	FR0000174310	
		Bloomberg Code	LAZOSCE	

Country of registration

MANAGER(S)



Jean-François Cardinet



James Ogilvy



Annabelle Vinatier

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

Equity markets regained momentum in September. The Eurostoxx rose 4,5% while both the Euromoney Smaller Euroland index and the SICAV ended the month 4,4% higher. Most stocks traded up with Altri (+22%), Manitou (+15%), Ipsos (+12%) and Nexity (+11%) providing the principal positive contributions with no particular stock specific newsflow. KSB (-10%) and Takkt (-3%) contributed negativeley as did Zumtobel (-3% despite publishing results in line with expectations) and Groupe Crit (-4% despite an impressive organic top line performance of 10% in H1). We initiated a new position in Mayr Melnhof, an Austrian manufacturer of packaging materials, and increased the weightings in Takkt, KSB and Nexity. We also sold the remaining position in Havas in advance of the offer period and reduced the weighting in Bénéteau.

RISK SCALE*

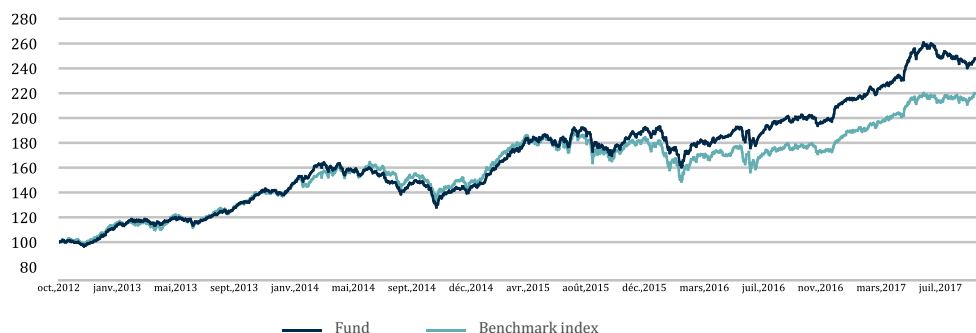


Recommended investment period of 5 years

BENCHMARK INDEX

EUROMONEY SMALLER EUROLAND Net Return EUR

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.

FEATURES

Legal Form	SICAV
Legal Domicile	France
UCITS	Yes
AMF Classification	Eurozone equities
Eligibility to PEA (personal equity savings plan)	Yes
Currency	EURO
Subscribers concerned	No restriction
Inception date	24/07/03
Date of share's first NAV calculation	24/07/03
Management company	Lazard Frères Gestion SAS
Custodian	Lazard Frères Banque
Valuation agent	Lazard Frères Gestion SAS
Frequency of NAV calculation	Daily
Order execution	On next NAV for orders placed before 11:30 a.m
Subscription terms	Subscription D (NAV date) + 1 business day
Settlement of redemptions	D (NAV date) + 3 business day
Share decimalisation	Yes
Minimum investment	1 share
Subscription fees	4% max
Redemption fees	1% max
Management fees	1,85%
Outperformance fees	Nil
Current expenses	1,91%

HISTORICAL PERFORMANCES

	Cumulative					Annualized	
	1 Month	2017	1 Year	3 Years	5 Years	3 Years	5 Years
Fund	4,36%	18,55%	26,48%	73,94%	153,47%	20,26%	20,44%
Benchmark index	4,43%	20,04%	26,38%	49,66%	126,33%	14,38%	17,75%
Difference	-0,08%	-1,49%	0,10%	24,28%	27,15%	5,88%	2,70%

ANNUAL PERFORMANCE

	Fund	Benchmark index
2016	10,91%	2,87%
2015	32,39%	21,86%
2014	1,51%	3,93%
2013	35,49%	33,94%
2012	17,10%	20,22%

RISK RATIOS*

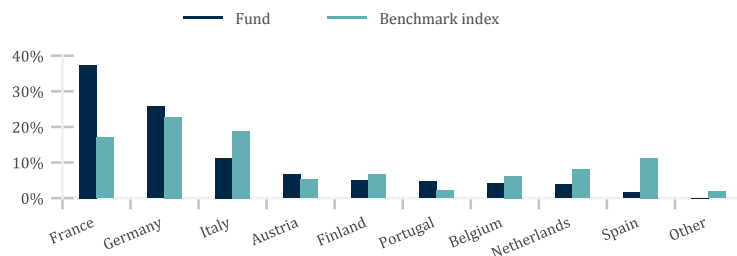
	1 Year	3 Years
Volatility		
Fund	11,87%	13,79%
Benchmark index	9,71%	14,16%
Tracking Error	4,26%	5,18%
Information ratio	0,02	1,18
Sharpe ratio	2,27	1,50
Alpha	-3,28	6,73
Beta	1,15	0,91

* Ratios calculated on a weekly basis

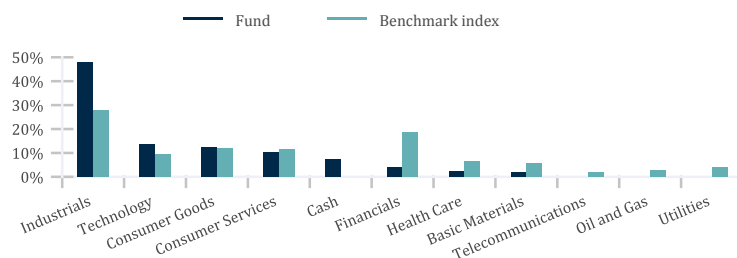
MAIN HOLDINGS

Holdings	Country	Sector	Weight	
			Fund	Index
SOPRA STERIA GROUP	France	Technology	4,8%	0,4%
MANITOU	France	Industrial Goods & Services	4,5%	0,1%
CARGOTEC OYJ -B-	Finland	Industrial Goods & Services	4,2%	0,3%
NEXITY	France	Real Estate	4,0%	0,3%
IPSOS SA	France	Media	3,8%	0,1%
ALTRAN TECHNOLOGIES SA	France	Technology	3,8%	0,3%
TAKKT AG	Germany	Retail	3,3%	0,1%
VOSSLOH AG.	Germany	Industrial Goods & Services	3,2%	0,1%
ZUMTOBEL GROUP AG.	Austria	Construction & Materials	3,2%	0,1%
INTERPUMP GROUP SPA	Italy	Industrial Goods & Services	3,2%	0,3%
Total			37,9%	2,2%

GEOGRAPHICAL DISTRIBUTION



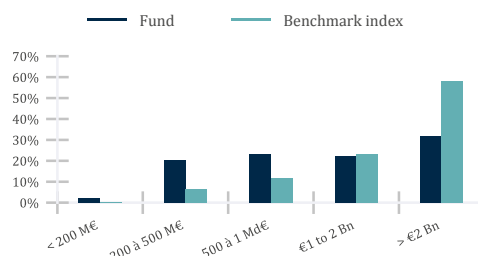
SECTOR ALLOCATION



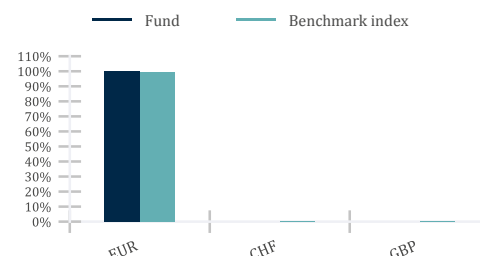
MAIN TRANSACTIONS

New positions	Positions sold
MAYR-MELNHOF KARTON AG	HAVAS
Positions increased	Positions reduced
TAKKT AG	BENETEAU
KSB AG (PFD.)	
NEXITY	

BREAKDOWN BY CAPITALISATION



BREAKDOWN BY CURRENCY



OVER- AND UNDEREXPOSURE TO THE BENCHMARK INDEX

Overexposures	Underexposures
SOPRA STERIA GROUP 4,4%	PUMA AG RUDOLF DASSLER SPORT -0,6%
MANITOU 4,3%	STADA ARZNEIMITTEL AG. -0,6%
CARGOTEC OYJ -B- 3,7%	ASR NEDERLAND -0,6%
IPSOS SA 3,5%	BANCO BPM SPA (ECH.) -0,6%

RELATIVE CONTRIBUTORS TO PERFORMANCE

First positive contributors			First negative contributors		
	Absolute perf.	Relative contribution (bp)		Absolute perf.	Relative contribution (bp)
MANITOU	15,0%	42	KSB AG (PFD.)	-9,5%	-43
ALTRI SGPS SA	21,7%	28	TAKKT AG	-3,5%	-25
IPSOS SA	11,6%	25	ZUMTOBEL GROUP AG.	-3,1%	-25
Total		95	Total		-94

CONTACTS AND ADDITIONAL INFORMATION

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