LAZARD FRÈRES GESTION

July 2017			Objectif	Small Caps Euro
Euro Equities	ISIN code	NAV €	Net Assets (M €)	Total Net Assets (M €)
	A units FR0000174310	885.84	824.66	1042.46
	R units FR0010689141	1695.76	217.80	1042.40
MANAGEMENT			M RNING	STAR [®] Overall ★★★★

■ INVESTMENT POLICY

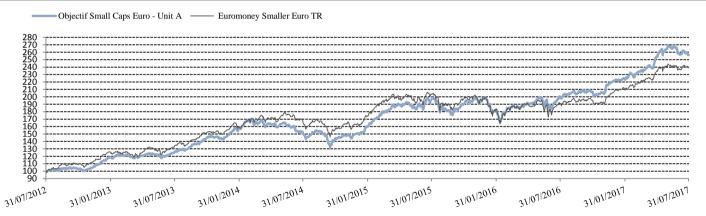
The objective of the fund is to outperform, net of fees and over the minimum recommended investment period of five years, the Eurozone small and mid cap universe as represented by the Euromoney Smaller Euro index calculated on a total return basis.

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

Equity markets rebounded slightly in July. The Eurostoxx gained 0,4% over the month while the Euromoney Smaller Euro index added 1,2%. The SICAV fell 0,7%, however, bringing year to date performance to 15,9% compared to 15,5% for the index. Performance over the month was marred by several results publications deemed disappointing by the market. Axway (-20% in July) announced a decline in licence sales linked to the transition to new billing methods (migration to cloud). Somfy (-13%) announced that it expects stable results for the year while Rosenbauer (-11%) sees results below last year's level. Nexity (-11%) published strong first half results but the stock suffered from speculation regarding modifications to the Pinel law (fiscal incentive supporting housebuilding). Ipsos (-9%) was impacted by renewed weakness among consumer goods clients. Conversely, a number of stocks performed strongly in July including Technotrans (+10%), KSB (+10%), Manitou (+9%), Interpump (+7%) and Prima Industrie (+7%). During the month we increased the weightings in Altran, Ipsos, Takkt, Nexity and KSB while reducing our positions in Washtee and, more marginally, in Interpump, Technotrans, Cargotee and Bénéteau.

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	-0.7%	15.9%	27.9%	69.4%	156.2%	344.3%
Euromoney Smaller Euro TR	1.2%	15.5%	24.1%	41.9%	132.9%	274.9%
Creation: 08/05/2003						
Annualized performance			1 year	3 years	5 years	Creation
Objectif Small Caps Euro			27.9%	19.2%	20.7%	11.2%
Euromoney Smaller Euro TR			24.1%	12.4%	18.4%	9.9%
Annual performance		2016	2015	2014	2013	2012
Objectif Small Caps Euro		10.9%	32.4%	1.5%	35.5%	17.1%
Euromoney Smaller Euro TR		2.9%	21.9%	3.9%	33.9%	20.2%

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

Performance is net of fees and total return.

LAZARD FRERES GESTION – S.A.S au capital de 14.487.500€ - 352 213 599 RCS Paris 25, rue de Courcelles -75008 PARIS

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RISK SCALE**

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

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RISK RATIOS

	1 year	3 years
Volatility		
Objectif Small Caps Euro	9.7%	15.5%
Euromoney Smaller Euro TR	8.5%	17.0%
Tracking error	4.0%	6.0%
Information ratio	1.1	1.2
Beta	1.0	0.9

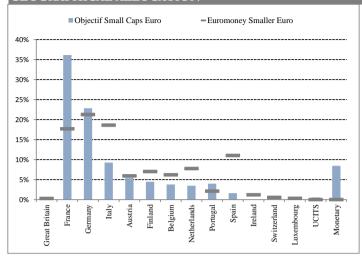
Ratios calculated on a weekly basis

LAZARD FRÈRES GESTION

July 2017

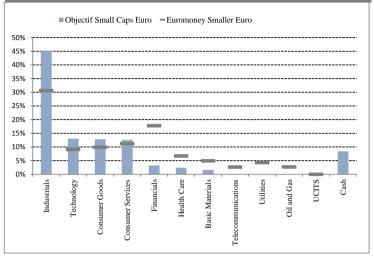
Objectif Small Caps Euro

GEOGRAPHICAL ALLOCATION



SECTOR ALLOCATION

MOVEMENTS



MAIN HOLDINGS

Main holdings	Position	Country	Sector
Sopra Group	4.4%	France	Technology
Manitou	4.2%	France	Industrials
Cargotec	4.0%	Finland	Industrials
Ipsos	3.7%	France	Consumer Services
Zumtobel	3.6%	Austria	Industrials
Altran	3.5%	France	Technology
Nexity	3.2%	France	Construction
Vossloh	3.2%	Germany	Industrials
Takkt	3.1%	Germany	Consumer Services
Interpump Group	3.1%	Italy	Industrials
TOTAL	36.1%		

New positions	Positions sold		
Positions increased	Positions reduced		
Altran	Wash Tec		
Ipsos	Interpump Group		
Takkt	Cargotec		
Nexity	Technotrans		
KSB	Beneteau		

FUND DETAILS

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

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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 Ille, 1204 Geneva, Switzerland.

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