

**French open-end investment  
company  
(Société d'Investissement à  
Capital Variable)**

**LAZARD ALPHA EUROPE**

**Interim report**

at December 31<sup>st</sup>, 2018

**Management company: Lazard Frères Gestion SAS**

**Custodian: Lazard Frères Banque**

**Statutory auditor: Ernst & Young Audit**

- **STATEMENT OF ASSETS IN EUROS**

Items in the statement of assets	Total at period end *
a) Eligible financial securities stipulated in paragraph 1, section I of Article L. 214-20 of the French Monetary and Financial Code	71 678 906,23
b) Bank balances	945 895,47
c) Other assets held by the UCI	2 181 833,60
d) Total assets held by the UCI (lines a+b+c)	74 806 635,30
e) Liabilities	-3 032 543,01
f) Net asset value (lines d+e = net assets of the UCI)	71 774 092,29

\* Amounts signed-off

- **NUMBER OF SHARES IN CIRCULATION AND NET ASSET VALUE PER SHARE**

Equities	Type	Net assets per share	Number of shares outstanding	Net asset value per share
LAZARD ALPHA EUROPE "A"	A-C	63 731 064,58	139 837,509	455,75
LAZARD ALPHA EUROPE "R"	R-C/D	8 043 027,71	31 008,248	259,38

- COMPONENTS OF THE SECURITIES PORTFOLIO**

Components of the securities portfolio	Percentage of net assets *	Percentage of total assets **
<p>A) Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of Article L. 422-1 of the French Monetary and Financial Code.</p> <p>And B) Eligible financial securities and money market instruments admitted for trading on another regulated market that operates regularly, is recognised, open to the public, and whose head office is located in a member state of the European Union or in another state that is party to the European Economic Area.</p>	84,76	81,32
<p>C) Eligible financial securities and money market instruments admitted for trading on an official stock exchange of a third country or traded on another market of a third country, that is regulated, operates regularly, is recognised and open to the public, provided that the said stock exchange or market does not feature on an AMF watchlist and the choice of this stock exchange or market is provided for by law or by the regulations or the articles of association of the UCITS.</p>	15,11	14,50
<p>d) Newly issued financial securities as stipulated in paragraph 4, section I of Article R. 214-11 of the French Monetary and Financial Code.</p>		
<p>e) Other assets: These are assets stipulated in section II of Article R. 214-11 of the French Monetary and Financial Code.</p>		

\* Refer to section f) in the statement of assets

\*\* Refer to section d) in the statement of assets

- **BREAKDOWN BY CURRENCY OF THE A), B), C) AND D) ASSETS OF THE SECURITIES PORTFOLIO**

Securities	Currency	Amount (€)	Percentage of net assets *	Percentage of total assets **
Danish krone	DKK	3 678 014,59	5,12	4,92
Swedish krona	SEK	3 583 561,91	4,99	4,79
Euro	EUR	42 558 151,90	59,29	56,89
Swiss frank	CHF	7 341 824,48	10,23	9,81
Pound sterling	GBP	14 517 353,35	20,23	19,41
TOTAL		71 678 906,23	99,87	95,82

\* Refer to section f) in the statement of assets

\*\* Refer to section d) in the statement of assets

• **BREAKDOWN OF THE A), B), C) AND D) ASSETS OF THE SECURITIES PORTFOLIO BY ISSUER'S COUNTRY OF RESIDENCE**

<b>Country</b>	<b>Percentage of net assets *</b>	<b>Percentage of total assets **</b>
France	33,39	32,04
United Kingdom	17,64	16,92
Switzerland	10,23	9,81
Germany	10,16	9,75
Denmark	5,12	4,92
Luxembourg	5,05	4,85
Netherlands	5,01	4,81
Spain	3,33	3,19
Sweden	2,70	2,59
Jersey	2,59	2,48
Belgium	2,36	2,26
United States	2,29	2,20
<b>TOTAL</b>	<b>99,87</b>	<b>95,82</b>

\* *Refer to section f) in the statement of assets*

\*\* *Refer to section d) in the statement of assets*

- BREAKDOWN BY TYPE OF THE E) ASSETS OF THE SECURITIES PORTFOLIO**

<b>Asset type</b>	<b>Percentage of net assets *</b>	<b>Percentage of total assets **</b>
<b>Undertakings for collective investment</b>		
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries		
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Other		
TOTAL		

\* *Refer to section f) in the statement of assets*

\*\* *Refer to section d) in the statement of assets*

- **CHANGES IN THE SECURITIES PORTFOLIO DURING THE PERIOD IN EUROS**

Components of the securities portfolio	Changes (amount)	
	Purchases	Sales
A) Eligible financial securities and money market instruments admitted for trading on a regulated market within the meaning of Article L. 422-1 of the French Monetary and Financial Code.  And B) Eligible financial securities and money market instruments admitted for trading on another regulated market that operates regularly, is recognised, open to the public, and whose head office is located in a member state of the European Union or in another state that is party to the European Economic Area.	22 058 206,83	57 737 405,62
C) Eligible financial securities and money market instruments admitted for trading on an official stock exchange of a third country or traded on another market of a third country, that is regulated, operates regularly, is recognised and open to the public, provided that the said stock exchange or market does not feature on an AMF watchlist and the choice of this stock exchange or market is provided for by law or by the regulations or the articles of association of the UCITS.	5 471 325,76	5 338 087,58
d) Newly issued eligible financial securities as stipulated in paragraph 4, section I of Article R. 214-11 of the French Monetary and Financial Code.		
e) Other assets: These are assets stipulated in section II of Article R. 214-11 of the French Monetary and Financial Code.	2 599 937,00	2 599 684,00

- **DISTRIBUTION DURING THE PERIOD**

	Equities	Net amount per unit €	Tax credit (1) €	Gross amount per unit (2) €
Dividends paid				
	LAZARD ALPHA EUROPE "R"			
Dividends payable				
	LAZARD ALPHA EUROPE "R"			

(1) The tax credit per unit will only be calculated on the distribution date, in accordance with applicable tax regulations.

(2) The gross amount per unit will only be calculated on the distribution date, in accordance with applicable tax regulations.

- **MISCELLANEOUS INFORMATION**

**Custodian:** *Lazard Frères Banque, 121, Boulevard Haussmann, 75008 Paris, France*

The six-monthly statement of assets is available within eight weeks of the period-end. It will be sent out on request to the management company:

**Lazard Frères Gestion SAS, 25 rue de Courcelles, 75008 Paris, France**

- **TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND THE REUSE OF FINANCIAL INSTRUMENTS – SFTR – in the accounting currency of the UCI (€)**

The UCI carried out no transactions during the year in the context of the SFTR.



• • SECURITIES PORTFOLIO AT 31/12/2018 IN EUR (CONTD.)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
<b>Equities and similar securities</b>				
<b>Equities and similar securities traded on a regulated or similar market</b>				
<b>GERMANY</b>				
ALLIANZ SE	EUR	10 400	1 821 456,00	2,54
DAIMLER AG	EUR	39 300	1 804 263,00	2,51
MERCK KGA	EUR	20 000	1 799 600,00	2,51
MUENCHENER RUECKVERSICHERUNG AG	EUR	9 800	1 867 390,00	2,60
<b>TOTAL GERMANY</b>			<b>7 292 709,00</b>	<b>10,16</b>
<b>BELGIUM</b>				
ANHEUSER BUSCH INBEV SA/NV	EUR	29 300	1 690 610,00	2,36
<b>TOTAL BELGIUM</b>			<b>1 690 610,00</b>	<b>2,36</b>
<b>DENMARK</b>				
DANSKE BANK AS	DKK	102 000	1 761 861,05	2,45
NOVO NORDISK AS	DKK	48 000	1 916 153,54	2,67
<b>TOTAL DENMARK</b>			<b>3 678 014,59</b>	<b>5,12</b>
<b>SPAIN</b>				
BANCO SANTANDER S.A.	EUR	467 000	1 855 391,00	2,59
DIA	EUR	1 153 000	532 109,50	0,74
<b>TOTAL SPAIN</b>			<b>2 387 500,50</b>	<b>3,33</b>
<b>UNITED STATES</b>				
AUTOLIV SWED.DEPOSIT.RECEIPTS	SEK	26 500	1 646 739,02	2,29
<b>TOTAL FINLAND</b>			<b>1 646 739,02</b>	<b>2,29</b>
<b>FRANCE</b>				
AIR FRANCE KLM	EUR	202 000	1 914 960,00	2,66
AIR LIQUIDE	EUR	17 000	1 843 650,00	2,57
ALSTOM	EUR	52 000	1 834 040,00	2,56
AXA	EUR	96 000	1 810 368,00	2,52
CARREFOUR	EUR	123 500	1 841 385,00	2,57
IMERYS EX IMETAL	EUR	44 300	1 859 714,00	2,59
INGENICO	EUR	34 000	1 684 360,00	2,35
PEUGEOT	EUR	99 000	1 845 855,00	2,57
PUBLICIS GROUPE SA	EUR	37 800	1 893 024,00	2,64
RENAULT SA	EUR	33 600	1 832 880,00	2,55
REXEL SA	EUR	200 000	1 860 000,00	2,55
SAINT-GOBAIN	EUR	65 500	1 910 307,50	2,59
SOCIETE GENERALE SA	EUR	66 000	1 836 120,00	2,66
<b>TOTAL FRANCE</b>			<b>23 966 663,50</b>	<b>33,39</b>

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
<b>JERSEY</b>				
WPP PLC	GBP	197 000	1 858 171,69	2,59
<b>TOTAL JERSEY</b>			<b>1 858 171,69</b>	<b>2,59</b>
<b>LUXEMBOURG</b>				
APERAM	EUR	78 618	1 812 144,90	2,52
ARCELORMITTAL	EUR	100 000	1 814 000,00	2,53
<b>TOTAL LUXEMBOURG</b>			<b>3 626 144,90</b>	<b>5,05</b>
<b>NETHERLANDS</b>				
ASML HOLDING NV	EUR	13 000	1 783 020,00	2,48
UNILEVER	EUR	38 200	1 811 444,00	2,53
<b>TOTAL NETHERLANDS</b>			<b>3 594 524,00</b>	<b>5,01</b>
<b>UNITED KINGDOM</b>				
KINGFISHER PLC NEW	GBP	733 400	1 695 510,00	2,36
PRUDENTIAL PLC	GBP	120 000	1 874 435,94	2,62
RECKITT BENCKISER PLC	GBP	27 200	1 822 222,72	2,54
RSA INSURANCE GROUP PLC	GBP	327 500	1 874 034,87	2,61
SPECTRIS PLC	GBP	71 500	1 815 481,03	2,53
VODAFONE GROUP PLC	GBP	1 080 500	1 840 660,13	2,56
WEIR GROUP (THE)	GBP		1 736 836,95	2,42
<b>TOTAL UNITED KINGDOM</b>			<b>12 659 181,66</b>	<b>17,64</b>
<b>SWEDEN</b>				
SVENSKA KULLAGERFABRIKEN AB -B-	SEK	146 000	1 936 822,89	2,70
<b>TOTAL SWEDEN</b>			<b>1 936 822,89</b>	<b>2,70</b>
<b>SWITZERLAND</b>				
ADECCO GROUP AG-REG	CHF	45 400	1 850 405,54	2,58
CREDIT SUISSE GROUP	CHF	193 200	1 851 592,87	2,57
NESTLE NOM.	CHF	25 900	1 834 075,78	2,56
ROCHE HOLDING	CHF	8 500	1 805 750,29	2,52
<b>TOTAL SWITZERLAND</b>			<b>7 341 824,48</b>	<b>10,23</b>
<b>TOTAL equities and similar securities traded on a regulated or equivalent market</b>			<b>71 678 906,23</b>	<b>99,87</b>
<b>TOTAL Equities and similar securities</b>			<b>71 678 906,23</b>	<b>99,87</b>
<b>Receivables</b>			<b>2 181 833,60</b>	<b>3,04</b>
<b>Liabilities</b>			<b>-3 032 543,01</b>	<b>-4,23</b>
<b>Financial accounts</b>			<b>945 895,47</b>	<b>1,32</b>
<b>Net assets</b>			<b>71 774 092,29</b>	<b>100,00</b>