

Lazard Emerging Markets Fund

(formerly the Lazard Emerging Markets Growth Fund)†



Morningstar
Qualitative Rating



Performance Data

Annualised Return* (in GBP % p.a.)

	Periods ended 30 June 2010					12 Months ended 30 June				
	3 months	YTD	1 year	3 years	5 years	2010	2009	2008	2007	2006
Lazard Emerging Markets Fund	-7.0	4.7	38.7	8.9	17.6	38.7	-10.8	4.4	35.0	29.0
Quartile	2	1	2	2	2	2	2	3	2	3
IMA Global Emerging Markets Sector	-6.7	1.4	33.5	6.1	16.0	33.5	-14.2	4.4	32.8	32.4
MSCI Emerging Markets Index	-7.0	1.4	35.9	7.8	17.2	35.9	-12.8	5.8	34.1	31.7

Source: Lipper Hindsight, Bid to Bid Price, Net Income Reinvested, Net of Fees. Past performance is not a reliable indicator of future results. *Performance data for periods less than 1 year is illustrated on a cumulative growth basis.
 Annualised return 5 years to 30/06/2010 (Offer Price to Bid Price) 16.7

Product Commentary

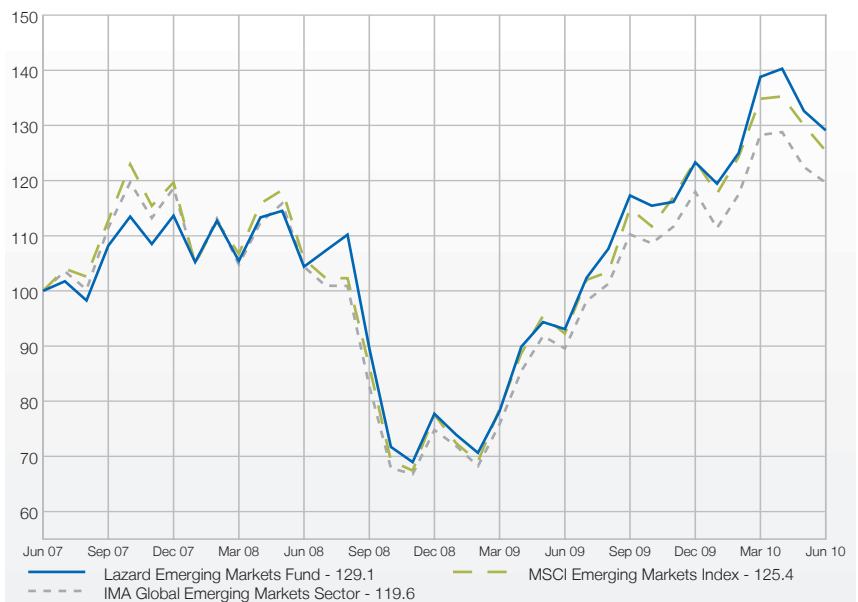
Market Review

Following significant weakness in May, emerging markets were down again in June. Deepening concerns over the fiscal crisis in Greece and slower European and global growth caused a negative reaction in emerging markets. The Chinese authorities re-introduced a currency basket for the renminbi, elevating its value as well as the value of several other Asian currencies. We believe this measure was introduced in part to deflect negative attention from the matter at the G-20 summit in Toronto. The MSCI Emerging Markets Index decreased by over 3% for the month, as share prices in Eastern Europe underperformed those in Latin America and Asia.

Outlook

We continue to be relatively optimistic about emerging markets over all time periods. In our opinion, valuations are not excessive and fundamentals are good. Therefore, we are of the opinion that long-term investors should consider increasing exposures to this asset class at this time.

£100 Invested Over Three Years



Source: Lipper Hindsight, Cumulative Growth, Bid to Bid Price, Net of fees, Net Income Reinvested to 30/06/2010 in GBP.

What Helped the Fund

- ▲ Owing Lukoil Holdings (Energy)
- ▲ Not owning Petrobras Petroleo Brasileiro (Energy)
- ▲ Owing Usinas Siderurgicas de Minas Gerais (Materials)

What Hurt the Fund

- ▼ Overweight Redecard (Diversified Financials)
- ▼ Overweight Nedbank Group (Banks)
- ▼ Not owning China Mobile (Telecommunication Services)

Fund Information

Objective† To achieve long-term capital growth by investing in companies located in, or doing significant business in, emerging market countries.

Benchmark MSCI Emerging Markets Index

Fund Managers James Donald and team

Launch Date 26 May 1997

Fund Size £696.26m

Base Fund Currency £

Retail share class (£2,000 min)

NAV 217.60p

Current Yield 1.80%

Initial Charge 3.75%

Annual Management Charge 1.50%

Institutional share class (£200,000 min)

NAV 216.90p

Current Yield 2.18%

Initial Charge 0.00%

Annual Management Charge 1.00%

Sedol Codes

0846958 (Retail Income)

0846710 (Institutional Income)

B24F1P6 (Retail Accumulation)

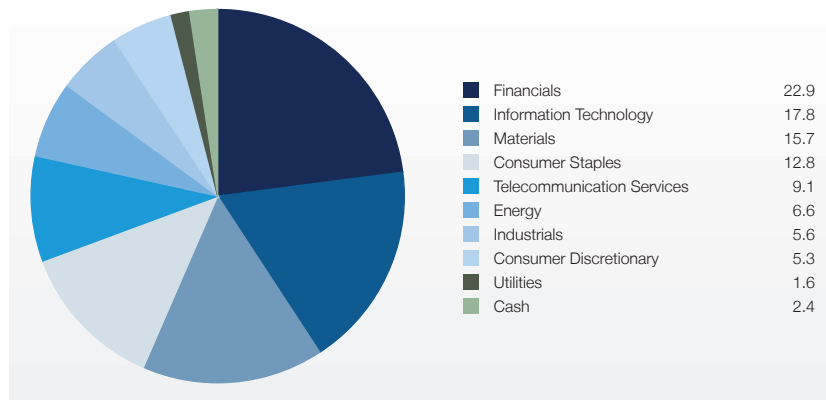
B24F1G7 (Institutional Accumulation)

Income Distribution Dates

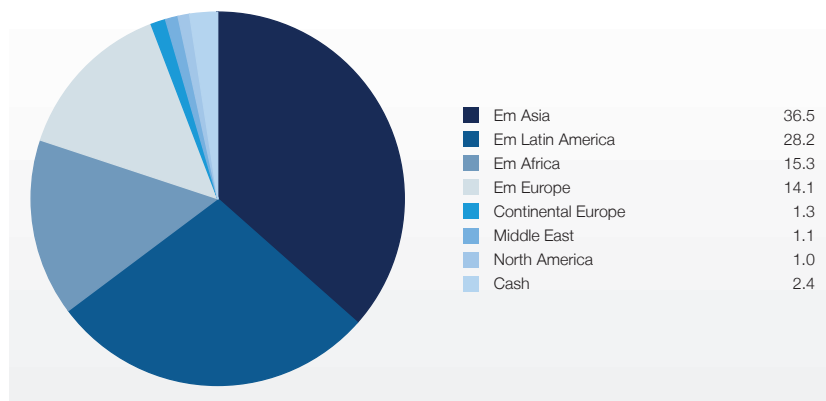
31 May, 30 November

†There is no assurance that the Lazard Emerging Markets Fund's objectives or performance targets will be achieved.

Sector Breakdown



Geographic Breakdown



Top Ten Fund Holdings

	Fund (%)
Turkiye Is Bankasi	3.1
Banco do Brasil	3.1
Cia Vale do Rio Doce Ord Sh	3.0
Cielo	2.9
Redecard	2.8
TSM Co.	2.7
Shinhan Financial	2.7
Usiminas	2.4
Lukoil	2.4
Punjab National Bank	2.1
Total	27.2
Total Securities	78

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Technical Statistics†

Alpha (% p.a.) 3.44 "Alpha" represents the return of a portfolio that is attributable to the manager's investment decisions.

Beta 0.93 "Beta" measures a fund's sensitivity to movements in the overall market.

Tracking Error (% p.a.) 7.45 "Tracking error" measures the volatility of the difference between a portfolio's performance and the benchmark.

Information Ratio 0.37 "Information ratio" represents the value added of the manager (excess return) divided by the tracking error.

Sharpe Ratio 0.38 "Sharpe ratio" measures return in excess of the risk free rate for every unit of risk taken.

†Technical statistics calculated three years to 30/06/2010.

Tracking error shown is calculated using NAV data priced at midday and Index data priced at the close of day.

All data contained herein are sourced by Lazard Asset Management or affiliates unless otherwise noted as at 30/06/2010.

This is a financial promotion and is not intended to constitute investment advice.

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Past performance is not a reliable indicator of future results.

Investors are reminded that the value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market movements. When you sell your investment you may get back less than you originally invested.

Changes in the rate of exchange between the currency in which shares are denominated and the currency of investment may have the effect of causing the value of your investment to fluctuate.

Any yield quoted is gross and is not guaranteed. It is subject to fees, taxation and charges within the fund and the investor will receive less than the gross yield.

Investments in emerging markets carry an above-average degree of risk due to the undeveloped nature of the securities markets in those countries. Investors should consider carefully whether or not investment in emerging markets stocks is suitable for them and, if so, how substantial a part of their portfolio such investments should be.

The information provided should not be considered a recommendation or solicitation to purchase, retain or sell any particular security. It should also not be assumed that any investment in these securities was or will be, profitable.

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