

**INFORMATION MEMORANDUM**

26 February 2008

**From: Bill Smith, CEO of Lazard Asset Management, London****To: Distribution****Re: Continental European Equities Strategy – Management Changes**

With effect from 3rd March, Aaron Barnfather will assume responsibility as the lead portfolio manager for Lazard Asset Management's Continental European Equities strategy, working alongside Mark Little, Barnaby Wilson and Marina Leacock. This strategy includes the onshore Lazard European Alpha Fund, its Dublin-based equivalent the Lazard European Equity Fund and a number of segregated mandates. Aaron joined Lazard Asset Management earlier this month as a senior Portfolio Manager.

Gabrielle Boyle, who formerly led this strategy, will now focus her efforts solely on leading the firm's highly successful Global and International Select strategies.

In order best to serve our clients, we believe it is increasingly important to continue adding high quality investment talent and to increase the focus of our senior portfolio managers. Our European team has delivered excellent performance for our clients in our Continental European equities strategy and a range of other strategies. We are confident that Aaron will continue this strong pattern of performance, and his strong investment insight and deep experience will enhance our European equities efforts.

Aaron joined the firm from Newton Investment Management, where he was a Senior Portfolio Manager and Director of European equities. He was lead manager for all of Newton's pan-European portfolios and also launched a Continental European Equity Income strategy, which included the European Higher Income Fund.

Having gained an MSc in Investment Analysis, Aaron began his career in 1994 at Sun Alliance Investment Management as an analyst. In 1996 he joined the European fund management team as the company merged to become Royal & Sun Alliance Investment Management. He joined Newton in 2001.

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**Notes to Editors****The Lazard European Alpha Fund Performance**

Annualised Return (in sterling %pa)	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>7 Years</b>	<b>10 Years</b>
<b>Lazard European Alpha Fund*</b>	1.4	14.1	17.79	4.86	9.14
<b>Quartile Ranking</b>	1	2	2	1	1
<b>IMA Europe ex UK Sector Avg</b>	-1.5	14.0	17.69	2.91	7.31

As of 31 January 2008

Past performance is not a reliable indicator of future results

\* Retail Share Class

Source: Lipper Hindsight, Bid to bid price, net income re-invested, net of fees

Performance data for periods less than 1 year is illustrated on a cumulative growth basis.

### **About Lazard Asset Management**

Lazard Asset Management provides investment management services to financial intermediaries, institutional clients and private clients around the world. By leveraging its global perspective on investing and years of experience, the firm offers clients a broad range of traditional (equity, bond and multi-asset) and alternative investment strategies. LAM's team-based approach to portfolio management seeks to deliver strong and consistent performance over time.

As of 31 December 2007, LAM managed more than £63 billion worth of client assets. For more information about Lazard Asset Management, please go to [www.lazardnet.com/funds](http://www.lazardnet.com/funds)

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