

Lazard

International Equity Select ADR 4Q11

Summary

Lazard International Equity Select ADR seeks to generate strong relative returns over a full market cycle by investing in companies with strong and/or improving financial productivity at attractive valuations. The strategy typically invests in 40–60 U.S.-listed securities of non-U.S. developed markets companies with a market capitalization generally of \$5 billion or greater (though not less than \$2 billion). The benchmark is the MSCI EAFE Index.

Investment Characteristics^{1,2}

	Lazard	MSCI EAFE Index	S&P 500 Index
Number of Securities	50	925	500
Current Dividend Yield (%)	3.4	3.9	2.2
Average Weighted Market Cap (\$B)	55.7	47.1	95.3
Turnover – Trailing 12 Months (%)	32.7	N/A	N/A
Price/Earning	12.1	12.0	13.8
Return-on-Earnings (%)	14.5	10.6	14.6

Quarterly Attribution¹

Helped

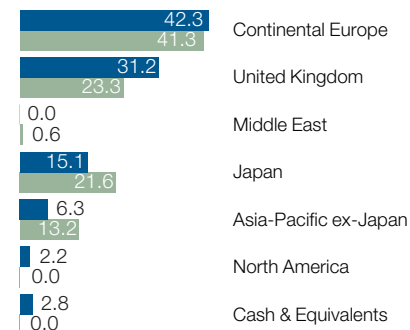
- Stock selection in the consumer staples sector
- Stock selection in the telecom services sector

Hurt

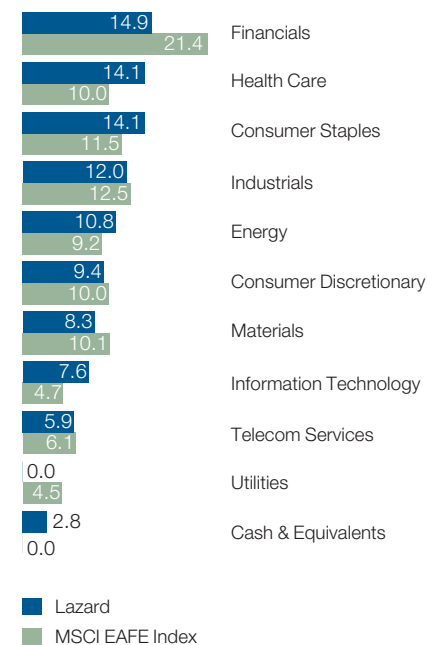
- High exposure to the information technology sector
- Low exposure to the materials sector

Allocations (%)^{1,2}

By Region



By Sector



Holdings³

Equity	97.2	Germany	9.7	Switzerland	4.7
Cash and Equivalents	2.8	Bayer (ADR)		Julius Baer Group (ADR)	
Australia	6.3	Bayerische Motoren Werke (ADR)		Novartis (ADR)	
BHP (ADR)		GEA Group (ADR)		United Kingdom	31.2
Telstra (ADR)		Merck (ADR)		BG Group (ADR)	
Belgium	4.0	SAP (ADR)		British American Tobacco (ADR)	
Anheuser-Busch InBev (ADR)		Siemens (ADR)		British Sky Broadcast Group (ADR)	
Canada	2.2	Ireland	1.8	GlaxoSmithKline (ADR)	
Potash Corporation of Saskatchewan		Ryanair Holdings (ADR)		Informa (ADR)	
Rogers Communications CI B		Italy	1.4	Petrofac (ADR)	
Finland	1.4	Atlantia (ADR)		Prudential (ADR)	
Sampo (ADR)		Japan	15.1	Rexam (ADR)	
France	13.8	Canon (ADR)		Royal Dutch Shell CI A (ADR)	
AXA (ADR)		Daito Trust Construct (ADR)		Tullow Oil (ADR)	
BNP Paribas (ADR)		Fanuc (ADR)		Unilever (ADR)	
Group Danone (ADR)		Honda Motor (ADR)		Vodafone Group (ADR)	
LVMH Moët Hennessy		JS Group (ADR)		William Morrison Supermarket (ADR)	
Louis Vuitton (ADR)		Mitsubishi Estate (ADR)		Wolseley (ADR)	
Sanofi (ADR)		Sumitomo Mitsui Financial Group (ADR)		Xstrata (ADR)	
Technip (ADR)		Yahoo Japan (ADR)			
Total (ADR)		Netherlands	1.6		
Valeo (ADR)		ING Groep NV (ADR)			
		Sweden	3.9		
		Assa Abloy (ADR)			
		Swedbank (ADR)			

Notes

- Investment characteristics and quarterly attribution are based upon a portfolio that represents the proposed investment for a fully discretionary account. Source: Lazard, MSCI, Standard & Poors.
- The allocations mentioned are based upon a portfolio that represents the proposed investment for a fully discretionary account. Allocations are subject to change.
- The allocations and specific securities mentioned are based upon a portfolio that represents the proposed investment for a fully discretionary account. Allocations and security selection are subject to change. The securities mentioned are not necessarily held by Lazard for all client portfolios, and their mention should not be considered a recommendation or solicitation to purchase or sell these securities. It should not be assumed that any investment in these securities was, or will prove to be, profitable, or that the investment decisions we make in the future will be profitable or equal to the investment performance of securities referenced herein. There is no assurance that any securities referenced herein are currently held in the portfolio or that securities sold have not been repurchased. Please note that cash is not viewed as a strategic asset class.

Important Information

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