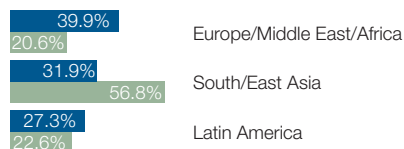


# Lazard

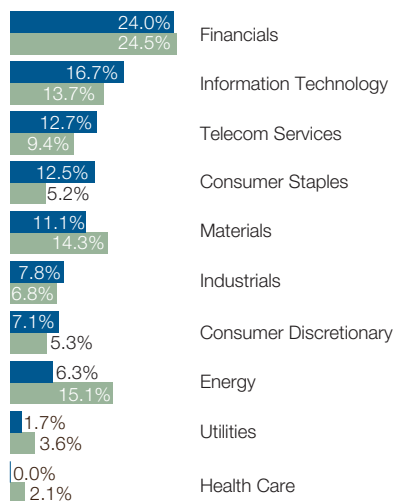
## Emerging Markets Equity 3Q09

### Allocations<sup>1</sup>

#### By Region



#### By Sector



■ Lazard  
■ MSCI Emerging Markets Index

### Investment Objective and Strategy

Lazard Emerging Markets Equity seeks to generate strong relative returns over a long-term time horizon by investing in companies with strong financial productivity at attractive valuations. The strategy typically invests in 70-90 securities of companies, generally with a market capitalization of approximately \$300 million or greater, that are located, or that do significant business in, emerging market countries.

### Statistics<sup>2</sup>

	Lazard	MSCI Emerging Markets Index
Weighted Average Market Cap (\$B)	14.3	31.7
P/E (x)	12.2	19.7
ROE (%)	21.1	10.5
Price / Cash Flow (x)	7.8	7.2
Turnover – Trailing 12 Months (%)	63.7	N/A
Dividend Yield (%)	3.7	2.2
FCF Yield (%)	8.4	5.6
Assets Under Management (\$ billion)*	15.4	N/A

\*AUM is as of June 30, 2009

### Top Ten Holdings<sup>1</sup>

	Lazard (%)
Banco Do Brasil	4.3
Cia Brasileira De Meios De Pagamentos	3.3
Mobile Telesystems (ADR)	3.1
Turkiye Is Bankasi (Isbank)	3.0
Redecard	2.9
Lukoil (ADR)	2.9
Sanlam	2.5
Shinhan Financial Group	2.5
Philippine Long Distance Telephone (ADR)	2.5
Nedbank Group	2.3

### Performance Data

(%; gross of fees; through September 30, 2009)

	Annualized Returns					
	3-Month	YTD	1-Year	3-Year	5-Year	10-Year
Lazard Emerging Markets Equity	22.6	62.6	13.7	9.4	20.1	15.0
MSCI Emerging Markets Index	20.9	64.5	19.1	8.0	17.3	11.4

Source: Lazard, State Street, MSCI

Performance is presented gross of fees. Please refer to the performance disclosure for additional performance information, including net-of-fees results. The performance quoted represents past performance. Past performance is not a reliable indicator of future results.

## Performance Disclosure

Reporting Currency	U.S. Dollar
Reporting Date	September 30, 2009
Benchmark	MSCI Emerging Markets Index
Composite Inception date	July 1, 1994

Annualized	Lazard Rate of Return (Gross of Fees%)	Lazard Rate of Return (Net of Fees%)	Benchmark (Rate of Return %)
1 Year	14.6	13.7	19.1
3 Years	10.4	9.4	8.0
5 Years	21.2	20.1	17.3
10 Years	15.9	15.0	11.4
Since Inception	9.8	8.9	6.7

Calendar Periods	Lazard Rate of Return (Gross of Fees%)	Lazard Rate of Return (Net of Fees%)	Benchmark (Rate of Return %)
QTD	22.9	22.6	20.9
YTD	63.7	62.6	64.5
2008	-47.6	-48.1	-53.3
2007	34.7	33.6	39.4
2006	32.4	31.2	32.2
2005	43.2	41.7	34.0
2004	32.4	31.0	25.6
2003	57.3	55.6	55.8
2002	1.1	0.7	-6.2
2001	-1.7	-2.0	-2.6
2000	-27.5	-27.7	-30.8
1999	57.3	56.7	66.5

## Disclosure Notes

The composite returns represent the total returns of all fully discretionary, fee-paying portfolios with an Emerging Markets Equity investment mandate and a minimum of \$5 million in assets under management.

Lazard's account inclusion policy was a minimum of three months from inception through June 30, 2001, and then the earlier of the first full month or the end of the month in which the account is fully invested from July 1, 2001 to the present. Data for the period prior to August 1997 reflects the performance of a mutual fund managed by Lazard with an emerging markets investment mandate and is considered supplementary. Mutual funds are subject to certain regulations to which separately managed portfolios are not, thereby potentially affecting their performance during such period. The returns of the individual portfolios within the composite are time-weighted, use trade date accounting, are based upon monthly portfolio valuations, and include the reinvestment of all earnings as of the payment date. The composite returns are asset-weighted based upon beginning period market value. Additional information regarding policies for calculating and reporting returns is available upon request. Effective January 1, 2003, composite returns include mutual funds.

Composite returns are shown before U.S. tax and the deduction of custody fees (except for mutual funds, which includes all fees). The composite and benchmark returns are reported net of foreign withholding taxes on dividends, interest and

capital gains. The assumed tax rate for the benchmark is that of a Luxembourg holding company and is based on the actual tax rate of each country. The composite returns presented represent past performance and is not a reliable indicator of future results, which may vary.

Lazard's standard fee schedule for Emerging Markets Equity accounts is 1.0% on the first \$100 million of assets and 0.80% of the balance. (This fee schedule may be presented in non-U.S. local currency equivalents based on prevailing exchange rates.) A complete list and description of all Lazard composites is available upon request.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index calculated gross of foreign withholding taxes through December 31, 1998 and total return net of foreign withholding taxes thereafter that is designed to measure equity market performance in the global emerging markets.

Lazard has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS). Lazard Asset Management is the "Firm" to which the GIPS Standards apply (Frankfurt office included in Firm definition as of January 1, 2003). The Firm has been audited by an independent accounting firm through December 31, 2007 and the GIPS verification letter is available upon request. The composite creation date is August 1997.

The table below describes historical composite information:

Calendar Periods	# of Portfolios	Composite Dispersion (Asset Wtd. Std. Dev.)	% of Firm Assets	Total Firm Assets (USD billions)
YTD 06/30/09	19	1.63	14.4	86.3
2008	19	12.8	10.2	79.8
2007	21	0.72	10.7	126.9
2006	14	0.52	6.9	97.7
2005	10	0.50	3.3	77.6
2004	8	0.49	1.7	76.5
2003	7	1.19	1.3	69.1
2002	<5	N/A	0.3	51.6
2001	<5	N/A	0.2	62.5
2000	<5	N/A	0.2	68.6
1999	<5	N/A	0.2	74.4

## NOTES

- The allocations and specific securities mentioned are derived from a representative portfolio that represents the proposed investment for a fully discretionary account. Allocations and security selection are subject to change. The securities identified above are not necessarily held by Lazard Asset Management 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. The securities discussed may not represent the entire portfolio.
- Portfolio characteristics are based upon a representative portfolio that represents the proposed investment for a fully discretionary account. Source: Lazard, MSCI.

## IMPORTANT INFORMATION

Equity securities will fluctuate in price; the value of your investment will thus fluctuate, and this may result in a loss. Securities in certain non-domestic countries may be less liquid, more volatile, and less subject to governmental supervision than in one's home market. The values of these securities may be affected by changes in currency rates, application of a country's specific tax laws, changes in government administration, and economic and monetary policy. Emerging market securities carry special risks, such as less developed or less efficient trading markets, a lack of company information, and differing auditing and legal standards. The securities markets of emerging market countries can be extremely volatile; performance can also be influenced by political, social, and economic factors affecting companies in emerging market countries.

Certain information included herein is derived by Lazard in part from an MSCI index or indices (the "Index Data"). However, MSCI has not reviewed this product or report, and does not endorse or express any opinion regarding this product or report or any analysis or other information contained herein or the author or source of any such information or analysis. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any Index Data or data derived therefrom. The MSCI Index Data may not be further redistributed or used as a basis for other indices or any securities or financial products.