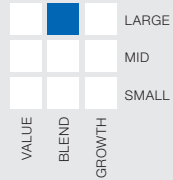


Morningstar category¹

Foreign Large Blend

Morningstar style¹



Cusip

Institutional 52106N400
Open 52106N830

Symbol

Institutional LZIEX
Open LZIOX

Minimum initial investment

Institutional \$100,000
Open \$2,500

Inception date

Institutional 1991
Open 1997

Net assets

Institutional \$92.0 million
Open \$31.5 million
Total \$123.5 million

Total annual operating expense ratio

Institutional 0.98%
Open 1.29%

Fund Overview

Description

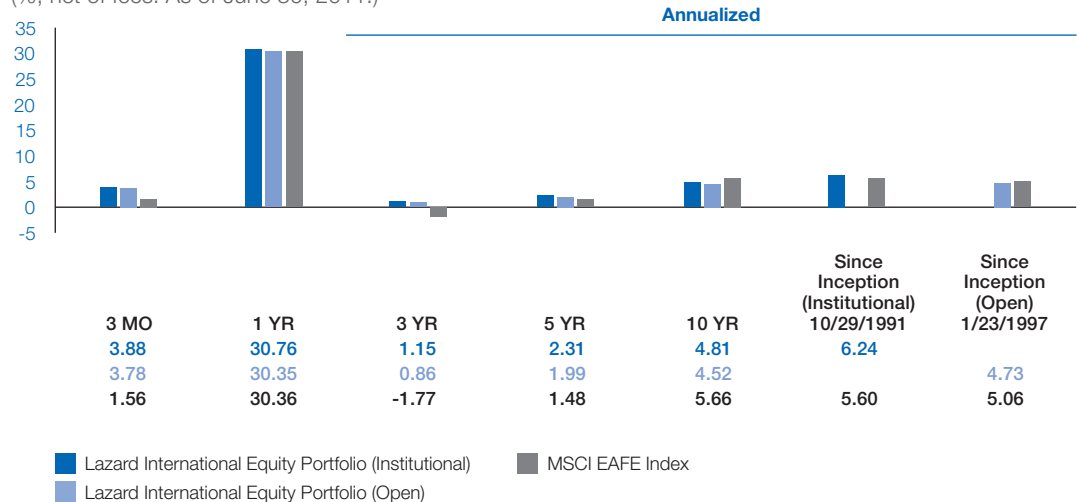
The Lazard International Equity Portfolio seeks to generate strong relative returns over a long-term time horizon by investing in companies with strong financial productivity at attractive valuations. The Portfolio typically invests at least 80% of its assets in equity securities of non-U.S. companies, including those from emerging markets (maximum of 30%), with a market capitalization generally of \$3 billion or greater.

Strategy

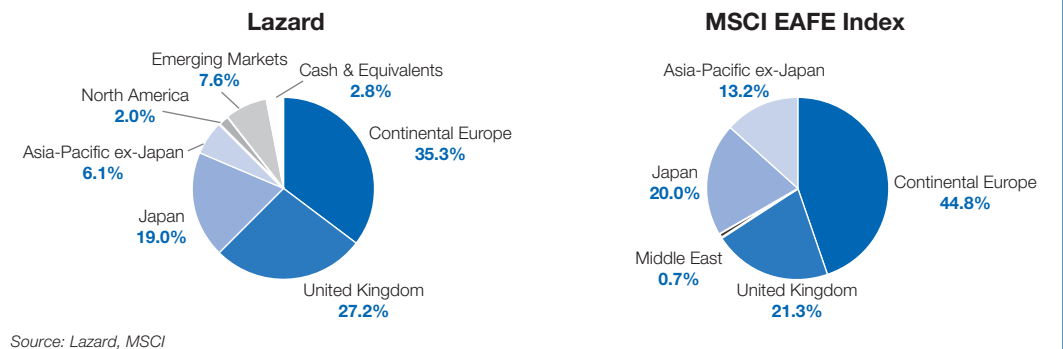
- Bottom-up approach to stock selection, the hallmark of Lazard's relative-value investment style.
- Fundamental analysis considers sustainability of returns, while accounting validation examines companies' stated financial statistics.
- Screening seeks to identify companies that are attractively priced relative to their financial returns.
- Quantitative research techniques are used to monitor risks associated with industry and country concentrations in order to ensure diversification.

Performance Review

(%; net of fees. As of June 30, 2011.)



Geographic Allocation²



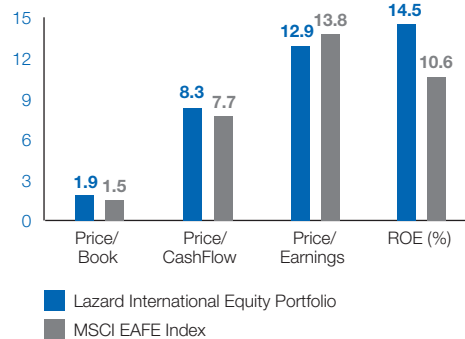
The performance quoted represents past performance. Past performance does not guarantee future results. The current performance may be lower or higher than the performance data quoted. An investor may obtain performance data current to the most recent month-end online at www.LazardNet.com. The investment return and principal value of the Portfolio will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost.

Portfolio management team

Michael G. Fry
 Michael A. Bennett
 Michael Powers
 John R. Reinsberg*

*As a Deputy Chairman of Lazard, Mr. Reinsberg is ultimately responsible for overseeing this portfolio. In addition to his oversight responsibility, Mr. Reinsberg is a member of the portfolio management team.

Characteristics



	Lazard	MSCI EAFE Index
Number of holdings	67	944
Weighted average market cap (\$B)	52.5	53.1
Turnover rate (%; 1-year)	49.2	N/A
Beta (3-year)	Institutional	0.91
	Open	0.91
Standard deviation (%; 3-year)	Institutional	23.57
	Open	23.55
		25.49

Source: Lazard, MSCI

Top Ten Holdings²

	Lazard (%)
Novartis	3.2
Sanofi-Aventis	2.8
GlaxoSmithKline	2.5
Anheuser-Busch InBev	2.5
Yamada Denki	2.4
Daito Trust Construction	2.4
Prudential	2.4
BHP Billiton	2.4
Siemens	2.3
Royal Dutch Shell Cl A	2.2

For a complete list of holdings, please visit www.LazardNet.com

Sector Allocation²

	Lazard (%)	MSCI EAFE Index (%)
Financials	23.2	23.5
Consumer Discretionary	13.8	10.5
Consumer Staples	10.4	10.2
Health Care	9.6	8.7
Information Technology	9.4	4.7
Energy	8.7	8.1
Industrials	8.2	12.9
Materials	7.8	11.3
Telecom Services	5.1	5.5
Utilities	0.9	4.7
Cash & Equivalents	2.8	N/A

Source: Lazard, MSCI

Understanding Investment Risk

Beta is a relative measure of the sensitivity of a fund's return to changes in the benchmark's return. The beta of the fund versus its benchmark is the amount (and direction) the fund has historically moved when the benchmark moved by one unit.

Standard deviation measures the dispersion or "spread" of individual observations around their mean. Standard deviation of returns measures a fund's historical volatility, where a higher number is evidence of greater volatility (i.e., higher risk).

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. Small- and mid-capitalization stocks may be subject to higher degrees of risk, their earnings may be less predictable, their prices more volatile, and their liquidity less than that of large-capitalization or more established companies' securities. 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.

The Portfolio invests in stocks believed by Lazard to be undervalued, but that may not realize their perceived value for extended periods of time or may never realize their perceived value. The stocks in which the Portfolio invests may respond differently to market and other developments than other types of stocks.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI EAFE Index consists of 22 developed market country indices. The index is unmanaged and has no fees. One cannot invest directly in an index.

Published on July 19, 2011.

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