

Lazard Global Total Return & Income Fund

FUND OVERVIEW – AS OF JUNE 30, 2004

LGI Performance Review¹	Share Price (%)	NAV (%)
1 Month	-10.5	1.8
3 Month	N/A	N/A
1 Year	N/A	N/A
5 Year	N/A	N/A
10 Year	N/A	N/A
Since Inception	-14.5	0.8

About the Fund

Portfolio Manager: Lazard Asset Management LLC

NYSE Symbol: LGI

First Day of Trading: 4/28/2004

Inception NAV: \$19.06

Inception Share Price: \$20.00

CURRENT FUND DATA²

Total Net Assets	\$184.5 mm
Shares Outstanding	9,605,237
Net Asset Value Per Share	\$19.21
Share Price	\$17.10
Premium/Discount	-10.98%
Dividend Per Share	\$0.1042 ³
Current Dividend Yield (on share price)	7.31% ³
52 Week High-Low Share Price	\$20.04/\$16.85
52 Week High-Low NAV	\$19.36/\$18.25
Total Leveraged Assets	\$259.7 mm
Leveraged Percentage	29.0%

COMMENTARY

For June 2004, the NAV of Lazard Global Total Return and Income Fund, Inc. rose 1.8%, compared with an increase of 2.1% for the Fund's benchmark, the MSCI World Index. The month marked a period of stabilization for global equity prices, creating, in our view, a favorable environment for the Fund's existing large cap global equity holdings. Industrials, energy, and materials were strong sectors during June, while health care was weak. The Fund is now relatively fully invested. An improving economic climate and a widely anticipated rising interest rate environment (the latter of which we believe is being significantly priced into equities) is, in our view, creating a positive climate for our relative-value, bottom-up security selection process.

The smaller, emerging market income component of the Fund is, we believe, positioned to respond favorably to the rising interest rate environment. The Fund's focus on short duration currency and debt allows us to re-invest as interest rates rise in order to help capture higher yields and pass along higher returns to investors. We anticipate the Fund will employ leverage close to 33% of the Fund's total leveraged assets in the near future.

¹ Past performance does not guarantee future results. The NAV results are calculated using the Fund's Net Asset Value per share, and assumes reinvestment of all distributions.

² Data is based on the Fund's holdings as of June 30, 2004, which are subject to change in the future.

³ The Fund's first dividend is payable on July 23, 2004 to shareholders of record on July 12, 2004.

INVESTMENT OBJECTIVE

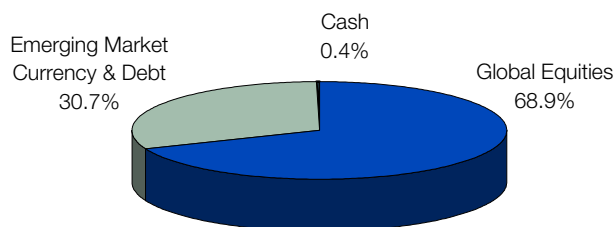
The Fund's objective is total return, consisting of capital appreciation and current income. The Fund seeks to achieve its objective by primarily investing in a portfolio of approximately 35 – 45 equity securities with a market cap of \$5 billion or greater, at the time of purchase, that are domiciled in those countries that comprise the MSCI World IndexSM. It will seek enhanced income by investing in short duration (typically below one year) emerging market forward currency contracts and debt instruments.

SELECTED PORTFOLIO STATISTICS^{4,5} — AS OF JUNE 30, 2004

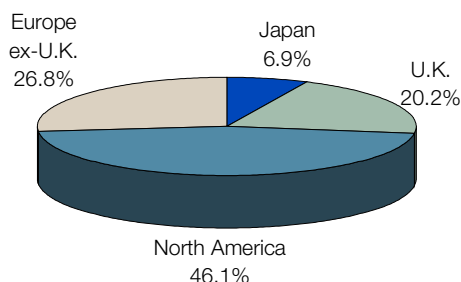
Top 10 Global Equity Holdings	Dollar Value (\$mm)	Net Assets (%)
GlaxoSmithKline PLC	7.1	3.9
Microsoft Corp.	6.1	3.3
General Electric	6.0	3.2
Bank of America	5.8	3.2
Johnson & Johnson	5.8	3.1
Bank One Corp.	5.8	3.1
HSBC Holdings PLC	5.7	3.1
Nokia Corp.	5.7	3.1
Exxon Mobil Corp.	5.7	3.1
Credit Suisse Group	5.6	3.0

Global Equity Sector Weightings	(%)
Consumer Discretionary	2.1
Consumer Staples	18.8
Energy	10.4
Financials	29.8
Health Care	13.4
Industrials	9.8
Information Technology	13.0
Telecommunication Services	2.7

Total LGI Allocation (as a percentage of total leveraged assets)



Global Equity Regional Weightings⁵



EMERGING MARKET CURRENCY AND DEBT

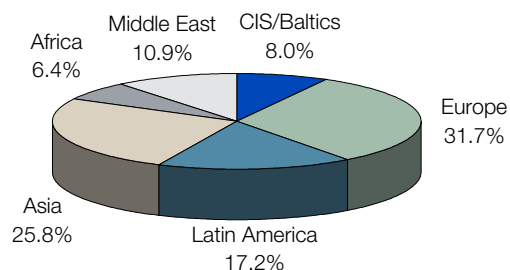
Investment Vehicle Allocation

Forwards	84.2%
Bonds	15.8%

Investment Characteristics

Average Duration	5 Months ⁶
Average Credit Rating	A ⁷

Regional Exposure



4 The securities identified 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 be, profitable.

5 Allocations are as of June 30, 2004 and are subject to change.

6 A measure of the average cash-weighted term-to-maturity of the investment holdings. Duration is a measure of the price sensitivity of a bond to interest rate movements. Duration for a forward currency contract is equal to its term-to-maturity.

7 Source: S&P, Moody's and Fitch. Ratings for the forward currency contracts represent the counterparty credit rating. Ratings for the bonds represent the bond issuer rate. Ratings for the credit-linked structured notes represent the lower of the sovereign or counterparty rates.

RISKS:

Past performance does not guarantee future results.

Risk factors include:

Investment and Market Risk. An investment in the Fund's Common Stock is subject to investment risk, including the possible loss of the entire principal amount invested. An investment in Common Stock represents an indirect investment in the Fund's portfolio investments. Their value, like other market investments, may move up or down, sometimes rapidly and unpredictably.

The Fund's Common Stock, at any point in time, may be worth less than the amount originally invested, even after taking into account the reinvestment of Fund dividends and distributions. The Fund's investment strategy includes purchasing investments that have embedded financial leverage, such as forward currency contracts, which magnifies the risk that you may lose money.

Leverage Risk. Using leverage is a speculative investment technique and involves certain risks. These include higher volatility of net asset value, the likelihood of more volatility in the market value of Common Stock and the possibility either that the Fund's return will fall if the interest rate on any borrowings rises, or that income will fluctuate because the interest rate of borrowings varies. If the market value of the Fund's portfolio declines, the leverage will result in a greater decrease in net asset value than if the Fund were not leveraged. Such greater net asset value decrease also will tend to cause a greater decline in the market price for Common Stock.

Non-U.S. Investments Risk. Global Equity investments will be in securities of foreign issuers operating in developed countries and will not include securities of emerging market issuers. These investments involve special risks, including the following: less publicly available information about non-U.S. issuers or markets because of less rigorous disclosure or accounting standards or regulatory practices; many non-U.S. markets are smaller, less liquid and more volatile; the economies of non-U.S. countries may grow at slower rates than expected or may experience a downturn or recession; and the impact of economic, political, social or diplomatic events.

Investing in sovereign debt securities will expose the Fund to the direct or indirect consequences of political, social or economic changes in the emerging market countries that issue the securities. Many of these countries are also characterized by political uncertainty or instability. The ability and willingness of sovereign obligors in emerging market countries or the governmental authorities that control repayment of their debt to pay principal and interest on such debt when due may depend on general economic and political conditions within the relevant country. Countries in which the Fund intends to invest have historically experienced, and may continue to experience, high rates of inflation, high interest rates, exchange rate fluctuations, trade difficulties and extreme poverty and unemployment.

The market values of corporate debt securities are sensitive to individual corporate developments and changes in economic conditions. Emerging market issuers may be highly leveraged and may not have more traditional methods of financing available to them. Therefore, their ability to service their debt obligations during an economic downturn or during sustained periods of rising interest rates may be impaired, resulting in a higher risk of default.

Currency Risks. An investment in Common Stock, as measured in U.S. dollars, may change significantly when the values of the emerging market local currencies change relative to the U.S. dollar, thereby subjecting investors to currency risks. The currencies of emerging market countries may experience significant declines against the U.S. dollar, and significant devaluation may occur subsequent to investments in these currencies by the Fund. Other risks include the dependence on the Investment Manager's ability to predict movements in exchange rates and imperfect correlations between movements in exchange rates. The Fund may use currency hedging transactions which might result in a poorer overall performance for the Fund than if the Fund had not engaged in any hedging transactions.

Currency Investments could be adversely affected by delays in, or a refusal to grant, repatriation of funds or conversion of emerging market currencies. Forward currency contracts are highly volatile, and a relatively small price movement in a forward currency contract may result in substantial losses to the Fund.

Please read the Prospectus carefully for more explanation of these and other risks.

NOTES:

The information provided in this material should not be considered a recommendation to purchase or sell any security. There is no assurance that any securities referenced herein will remain in the Fund's portfolio or that securities sold have not been repurchased. The securities discussed may not represent the Fund's entire portfolio.

It should not be assumed that any of the referenced securities were or will prove to be profitable, or that the investment decisions we make in the future will be profitable.

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