

PRODUCT PROFILE / 1Q 2010

U.S. Equity Select

STRATEGY DESCRIPTION

Lazard U.S. Equity Select invests in financially productive large- and mega-cap companies, employing intensive fundamental analysis and accounting validation to identify investment opportunities. It seeks to outperform the S&P 500 Index by investing in companies that compound earnings and capital and by taking advantage of valuation anomalies. The strategy typically invests in 35-55 securities of companies with a market capitalization generally over \$5 billion.

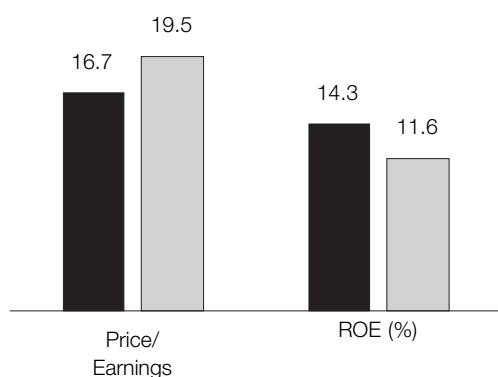
PERFORMANCE (%) — AS OF MARCH 31, 2010

(%; Gross of fees)	3-Month	YTD	1-Year	Annualized Returns		
				3-Year	5-Year	10-Year
Lazard U.S. Equity Select	4.4	4.4	45.2	-0.5	4.3	3.2
S&P 500 Index	5.4	5.4	49.8	-4.2	1.9	-0.7

Performance is preliminary and presented gross of fees. Please refer to the disclosure sections 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.

PORTFOLIO PROFILE
Characteristics¹

- Lazard
- S&P 500 Index



	Lazard	S&P 500 Index
Number of Securities	50	500
Current Dividend Yield (%)	1.8	1.9
Average Weighted Market Cap (\$ billions)	102.2	83.9
Turnover - Trailing 12 Months (%)	51.9	N/A
Standard Deviation 5 Year (%)	14.5	16.2
Annualized Alpha 5 Year (%)	2.4	N/A

HOLDINGS²

Equity	99.2	Industrials (cont.)	
Cash and Equivalents	0.8	United Technologies	
Information Technology	25.7	Financials	12.8
Apple Computer		City National	
Cisco Systems		Goldman Sachs Group	
eBay		JPMorgan Chase	
EMC		TD Ameritrade	
Google Cl A		Wells Fargo	
Hewlett-Packard		Energy	9.7
Intel		Apache	
International Business Machines		ConocoPhillips	
MasterCard		EOG Resources	
Microsoft		Exxon Mobil	
Oracle		Halliburton	
Visa Cl A		Consumer Discretionary	8.8
Health Care	16.4	Comcast Special Cl A	
Amgen		Mattel	
Gilead Sciences		McDonalds	
Johnson & Johnson		Starbucks	
Life Technologies		Consumer Staples	8.2
Medtronic		Molson Coors Brewing	
Merck		PepsiCo	
Pfizer		Wal-Mart Stores	
Talecris Biotherapeutics Holdings		Walgreen	
Industrials	14.9	Materials	1.7
Caterpillar		Ball	
Dover		Mosaic	
Emerson Electric		Telecommunication Services	1.0
Honeywell International		AT&T	
Parker Hannifin		Utilities	0.0
Raytheon			
Republic Services Cl A			
United Parcel Service Cl B			

NOTES:

- Investment characteristics are based upon a portfolio that represents the proposed investment for a fully discretionary account. Source: Lazard, Standard & Poor's.
- 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.

Equity securities will fluctuate in price; the value of your investment will thus fluctuate, and this may result in a loss.

COMMENTARY²

Stocks finished the first quarter of 2010 with solid gains, extending the year-long rally that began in early March of 2009. After a sharp sell-off in January, equity markets rebounded strongly in February and maintained the momentum through March amid an improving economic outlook. During the period, many developments impacted the markets, including intensifying sovereign default risk in Europe, tightening credit conditions in China, and, in the United States, proposals to overhaul the financials sector and the passage of landmark health care legislation.

Despite the volatility during the quarter, equities performed well due to improving economic data, including better industrial production and durable goods numbers. Recent manufacturing data showed a modest decline, but remained above the breakeven level, while retail sales and personal spending rose in February. The most recent S&P/Case-Shiller Home Price Index data for January 2010 showed only a slight decline in house prices from the peak of the recent rebound in September 2009, indicating that we may be closer to reaching a bottom in housing prices. However, the continued high unemployment rate remains a major obstacle to a sustained economic recovery.

Industrials was the best-performing sector during the quarter, followed by financials and consumer discretionary, which benefited from the continued economic recovery. The traditionally defensive utilities and telecom services sectors, however, both declined for the quarter despite the solid positive returns for the market overall, as investors favored more cyclical sectors.

During the quarter, the strategy benefited from an overweight position in the industrials sector, as late-cycle, diversified industrial stocks benefited from improving manufacturing activity. Stock selection in the information technology sector also helped performance. The strategy's positions in a computer components manufacturer and a computer manufacturer and retailer added to returns, as both companies reported better-than-expected earnings. Strong earnings at the computer manufacturer and retailer were a result of robust revenues driven by sales of its branded personal

computers, which helped the company secure a larger market share within the personal computer industry. Additionally, we believe that the company's branded smartphone, which also posted strong sales for the quarter, is well positioned to secure further gains in that market. The strategy also benefited from a lack of holdings in the utilities sector, which posted a negative return for the quarter.

Conversely, an overweight position and stock selection in the health care sector hurt the strategy's performance, as positions in a pharmaceutical company and a biopharmaceutical company both declined. Shares of the pharmaceutical company fell due to lower-than-expected fourth quarter earnings and lowered guidance. Despite this, we believe the long-term outlook for the company is still favorable and that it will benefit from a recent acquisition, which should further improve its product diversification. Shares of the biopharmaceutical company also declined after it reported fourth quarter earnings that disappointed investors. However, we continue to view the company favorably due to our outlook for strong revenues and longer-term margin expansion. Stock selection and an underweight position in the financials sector, particularly in regional banks, also detracted from performance. Banks rose sharply during the quarter after underperforming in 2009, as fourth quarter earnings and the outlook for consumer credit were both better than expected overall. Additionally, holdings in more diversified financials, which are less reliant on consumer credit, lagged during the quarter.

Over the quarters and years ahead, we continue to believe we will see increasing differentiation between the winners, survivors, and losers. We expect the winners to be the companies with strong balance sheets, robust organic cash flow, and the resulting operational flexibility. We believe that our forward-looking, fundamental research, deployed through a robust scenario analysis framework and disciplined portfolio construction process, is particularly well designed for the kind of uncertainty that we are likely to see on the road ahead.

PERFORMANCE DISCLOSURE

Reporting Currency:	U.S. Dollars
Reporting Date:	March 31, 2010
Benchmark:	S&P 500 Index
Composite Inception Date	October 1, 1993

Annualized	Lazard Return (%; Gross of Fees)	Lazard Return (%; Net of Fees)	Benchmark Return (%)
1-Year	45.2	44.6	49.8
3-Year	-0.5	-1.0	-4.2
5-Year	4.3	3.8	1.9
10-Year	3.2	2.7	-0.7
Since Inception	9.2	8.5	7.9

Calendar Periods	Lazard Return (%; Gross of Fees)	Lazard Return (%; Net of Fees)	Benchmark Return (%)
QTD	4.4	4.4	5.4
YTD	4.4	4.4	5.4
2009	30.2	29.5	26.5
2008	-32.5	-32.9	-37.0
2007	7.0	6.4	5.5
2006	20.1	19.5	15.8
2005	2.7	2.2	4.9
2004	10.6	10.1	10.9
2003	22.8	22.2	28.7
2002	-15.9	-16.4	-22.1
2001	-4.4	-4.9	-11.9
2000	2.5	1.8	-9.1

DISCLOSURE NOTES

The composite represents the returns of all fully discretionary, fee-paying, portfolios with a U. S. Equity Select investment mandate and a minimum of \$250,000 through December 31, 2003, and no minimum thereafter for all assets invested by Lazard Asset 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. 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. Composite returns are shown before tax and the deduction of custody fees. The composite returns presented represent past performance and is not a reliable indicator of future results, which may vary. Lazard's U.S. Equity Select product invests in a relatively small number of securities. Should any individual security held in this portfolio decline in value or underperform relative to the market, it may have a greater impact on the account's performance than if the account held a larger number of securities. An account invested using this strategy may experience more volatility.

Lazard's standard fee schedule for U. S. Equity Select accounts is 0.75% of the first \$100 million in assets, 0.50% on the balance of the account (This fee schedule may be presented in non-U.S. local currency based on prevailing exchange rates.) A complete list and description of all Lazard composites is available upon request.

The S&P 500 Index is an index of 500 industrial, utility, transportation and financial companies of the U.S. markets (mostly NYSE issues). It is a capitalization-weighted index calculated on a total return basis with dividends reinvested.

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, 2008 and the GIPS verification letter is available upon request. The composite creation date is October 1993.

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 12/31/09	14	0.26	< 0.1	116.5
2009	14	0.26	< 0.1	116.5
2008	16	0.15	< 0.1	79.8
2007	14	0.20	< 0.1	126.9
2006	22	0.22	< 0.1	97.7
2005	85	0.16	0.1	77.6
2004	118	0.22	0.2	76.5
2003	65	0.86	0.3	69.1
2002	64	0.35	0.3	51.6
2001	87	0.72	0.4	62.5
2000	73	1.73	0.6	68.6