

LAZARD

Investor Information

October 2012

Disclaimer

This presentation contains certain statements, estimates and forecasts with respect to future performance and events. These statements, estimates and forecasts are “forward-looking statements.” In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “might,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negatives thereof or variations thereon or similar terminology. All statements other than statements of historical fact included in this presentation are forward-looking statements and are based on various underlying assumptions and expectations and are subject to known and unknown risks and uncertainties, and may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied in the forward-looking statements. These factors include, but are not limited to, those discussed in our Annual Report on Form 10-K under Item 1A “Risk Factors,” and also disclosed from time to time in our quarterly reports on Form 10-Q and current reports on Form 8-K, including the following: (a) a decline in general economic conditions or the global financial markets, (b) losses caused by financial or other problems experienced by third parties, (c) losses due to unidentified or unanticipated risks, (d) a lack of liquidity, i.e., ready access to funds for use in our businesses, and (e) competitive pressure on our business and on our ability to retain our employees. As a result, there can be no assurance that the forward-looking statements included in this presentation will prove to be accurate or correct. In light of these risks, uncertainties and assumptions, the future performance or events described in the forward-looking statements in this presentation might not occur. Accordingly, you should not rely upon forward-looking statements as a prediction of actual results and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. We do not undertake any obligation to, and will not, update any forward-looking statements, whether as a result of new information, future events or otherwise.

Investment Highlights

- Lazard's unrivaled global network
- Low-risk business model with minimal capital requirements
- Attractive growth opportunities
- Operating leverage as macro environment improves
- Significant free cash flow with shareholder-friendly capital allocation

Global Franchise

FINANCIAL ADVISORY

- The leading global independent advisor
- Long track record of innovation
- Market leader in Restructuring and Sovereign Advisory
- Capital Structure Advisory reinforces Strategic Advisory

LTM¹ Operating Revenue
\$1,000mn

ASSET MANAGEMENT

- World class global asset manager: 3Q12 AUM of \$160bn and 2011 AUM of \$141bn
- Predominantly institutional
- Diversified by investment platform, client type and geography
- Local focus, global leverage

LTM¹ Operating Revenue
\$841mn

¹ Latest twelve months through September 30, 2012

Unmatched Network of Global Relationships

Clients

- Corporations
- Governments
- Sovereign wealth funds
- Institutional investors
- HNW individuals
- Financial Sponsors

Financial Advisory

- Meet with thousands of CEOs, CFOs and corporate directors annually
- 241 clients with fees greater than \$1mn
- 152 Managing Directors with average professional experience > 21 years

Asset Management

- Research > 3,000 companies
- Meet with and invest in > 1,000 companies
- Invest in over 80 countries

Broad Global Reach

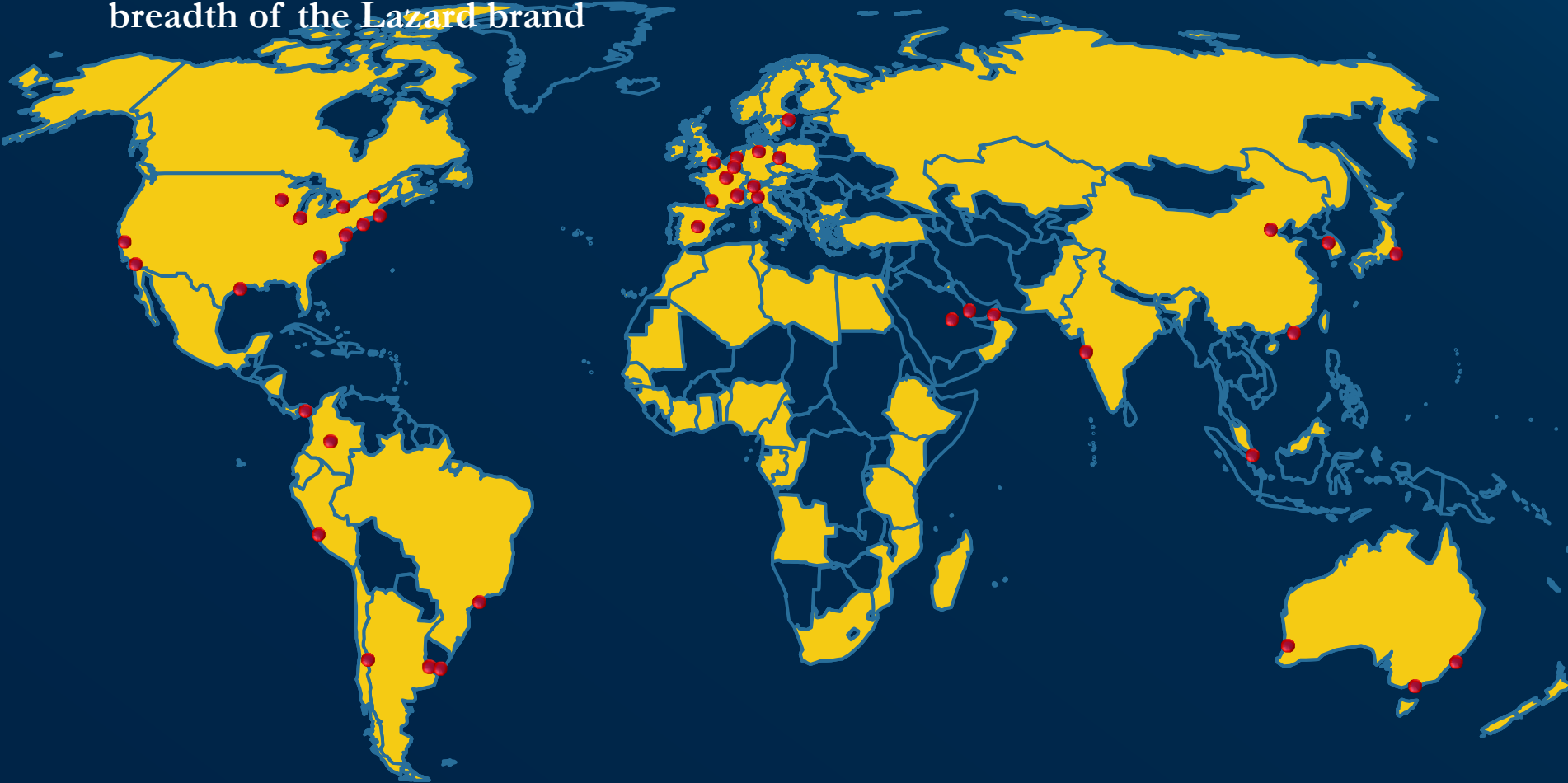
- Offices in 42 cities in 27 countries, operating as locals in local markets yet offering clients a global perspective



Note: As of September 30, 2012

Broad Global Reach: Advisory

- Advisory clients in more than 70 countries, reflecting strong relationships and the breadth of the Lazard brand



Note: Based on transactions 2008 through September 30, 2012

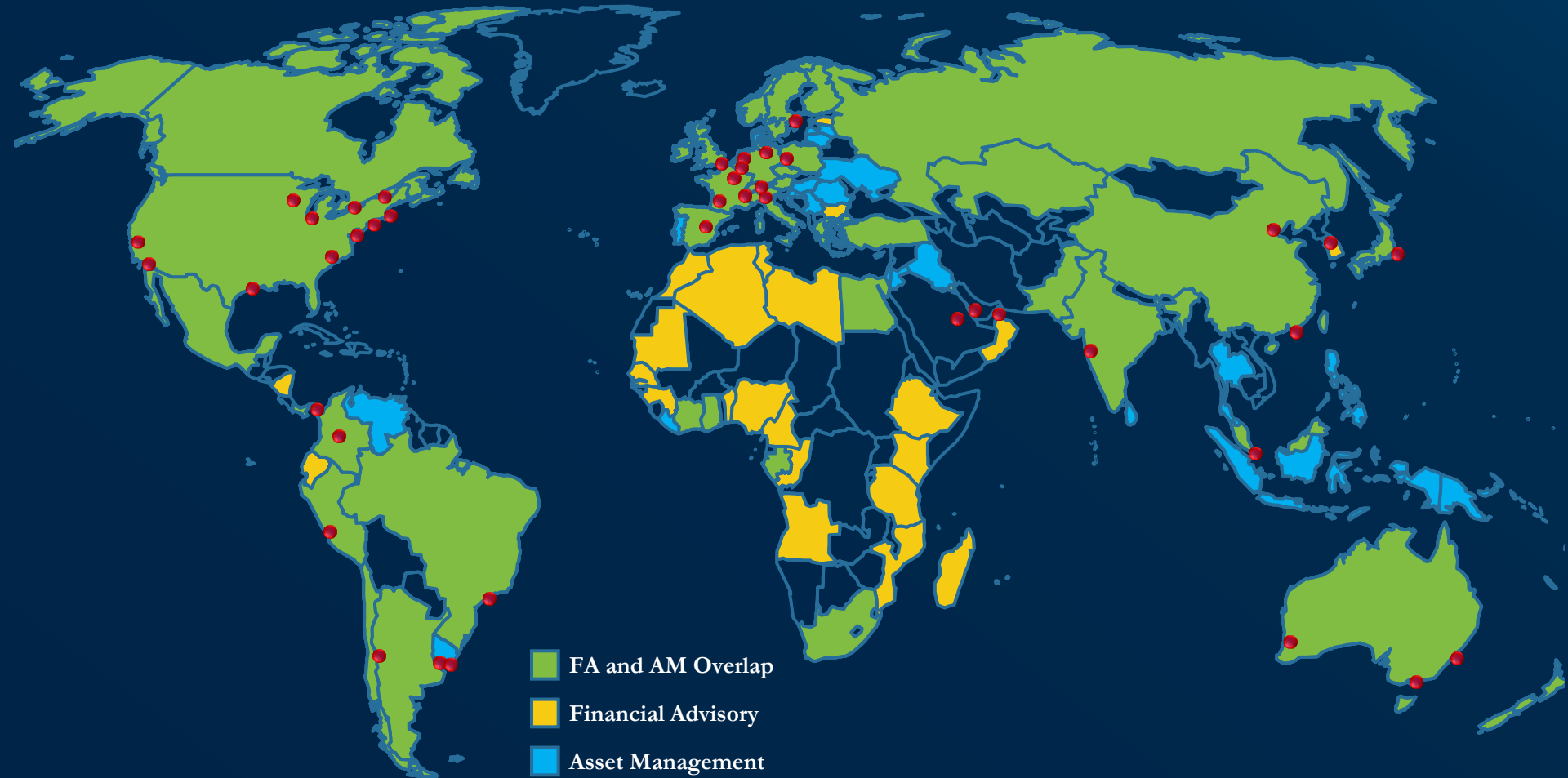
Broad Global Reach: Asset Management

- Asset management clients in more than 80 countries



Note: As of September 30, 2012

The Power of the Lazard Network

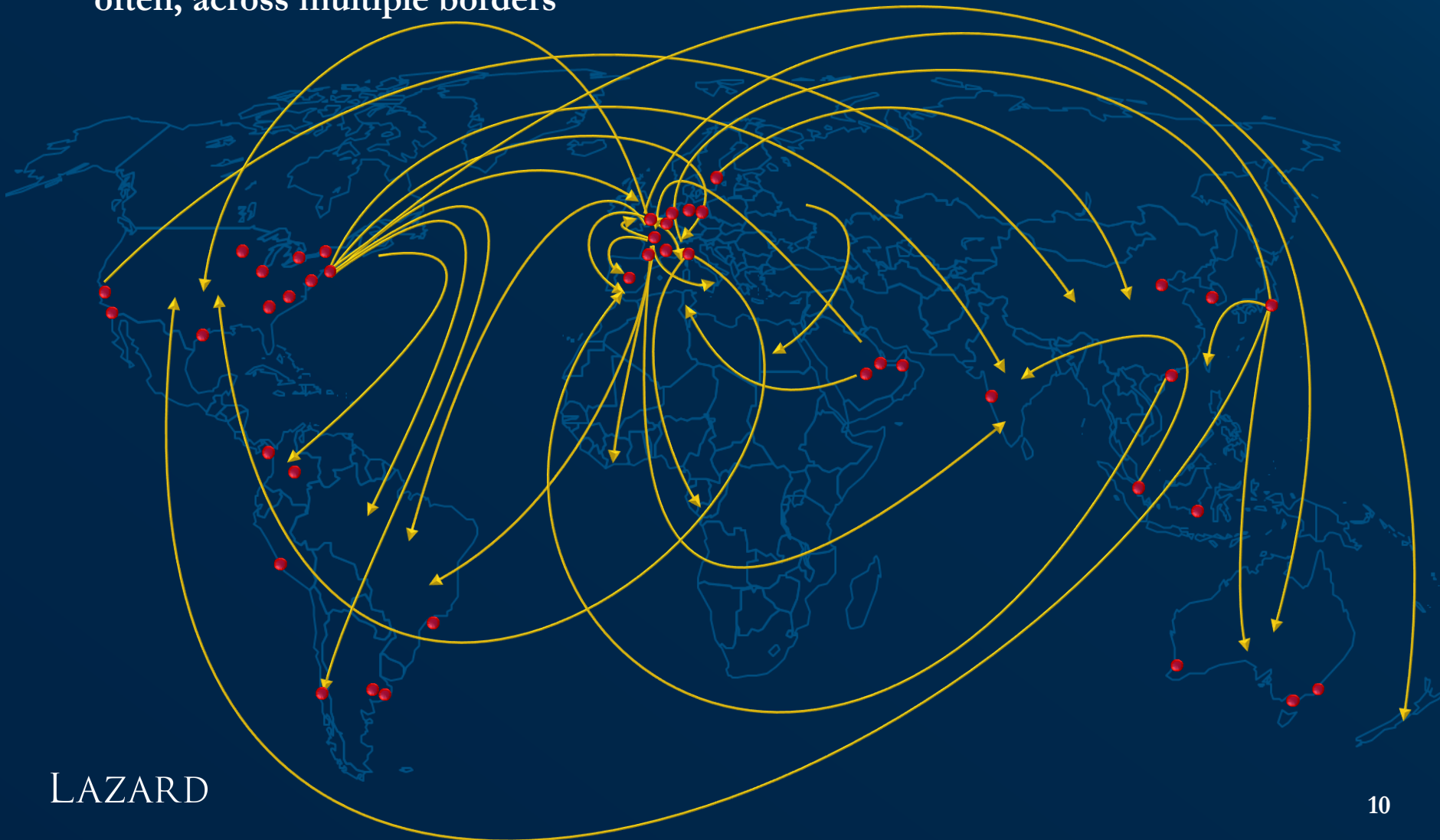


Note: As of September 30, 2012

LAZARD

Global Network Benefits Our Advisory Clients

- A significant portion of Lazard's 2011 M&A transactions were cross-border and, often, across multiple borders



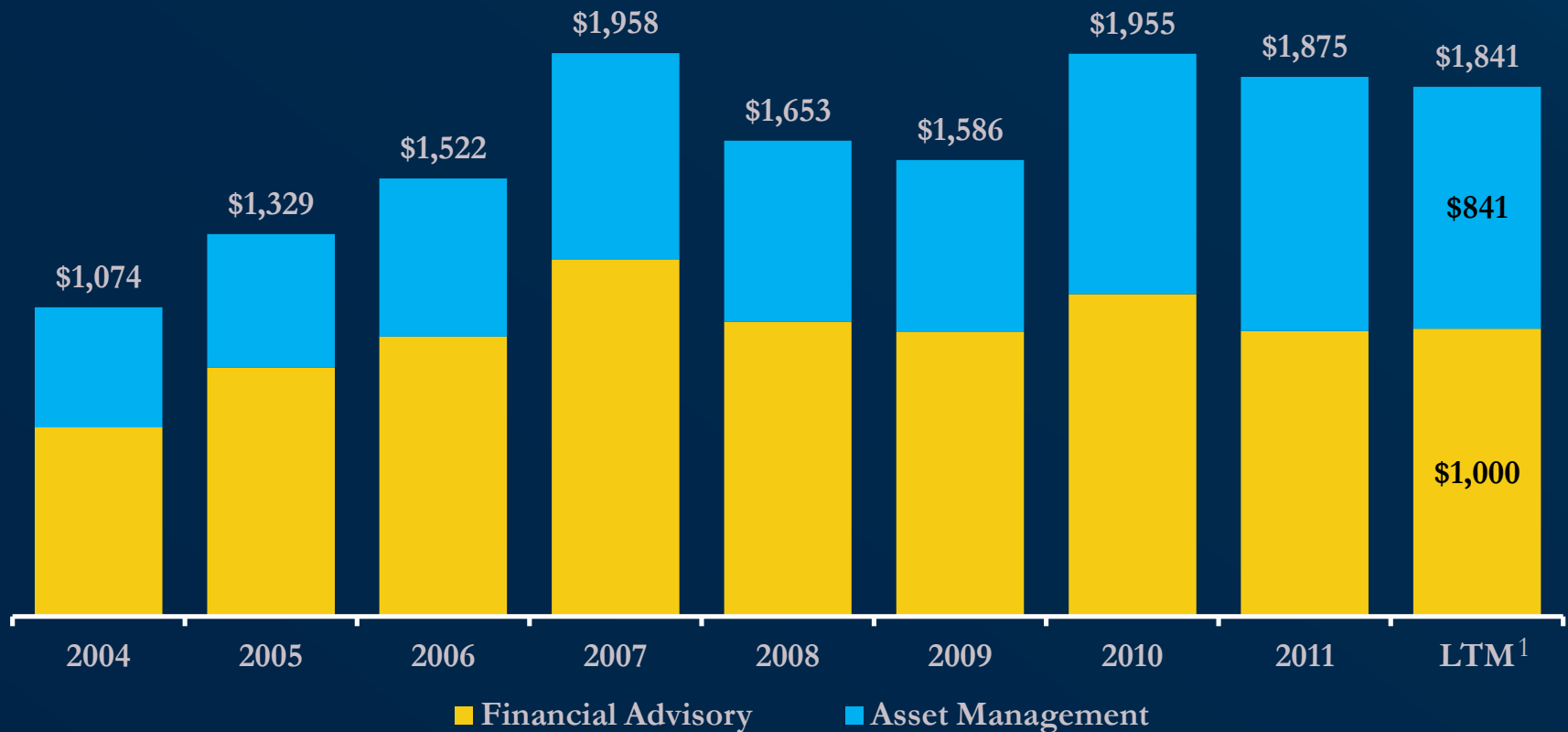
Asset Management's Global Export/Import/Local Model



Global Export/Import/Local Model:
Global, regional and local strategies, distributed worldwide

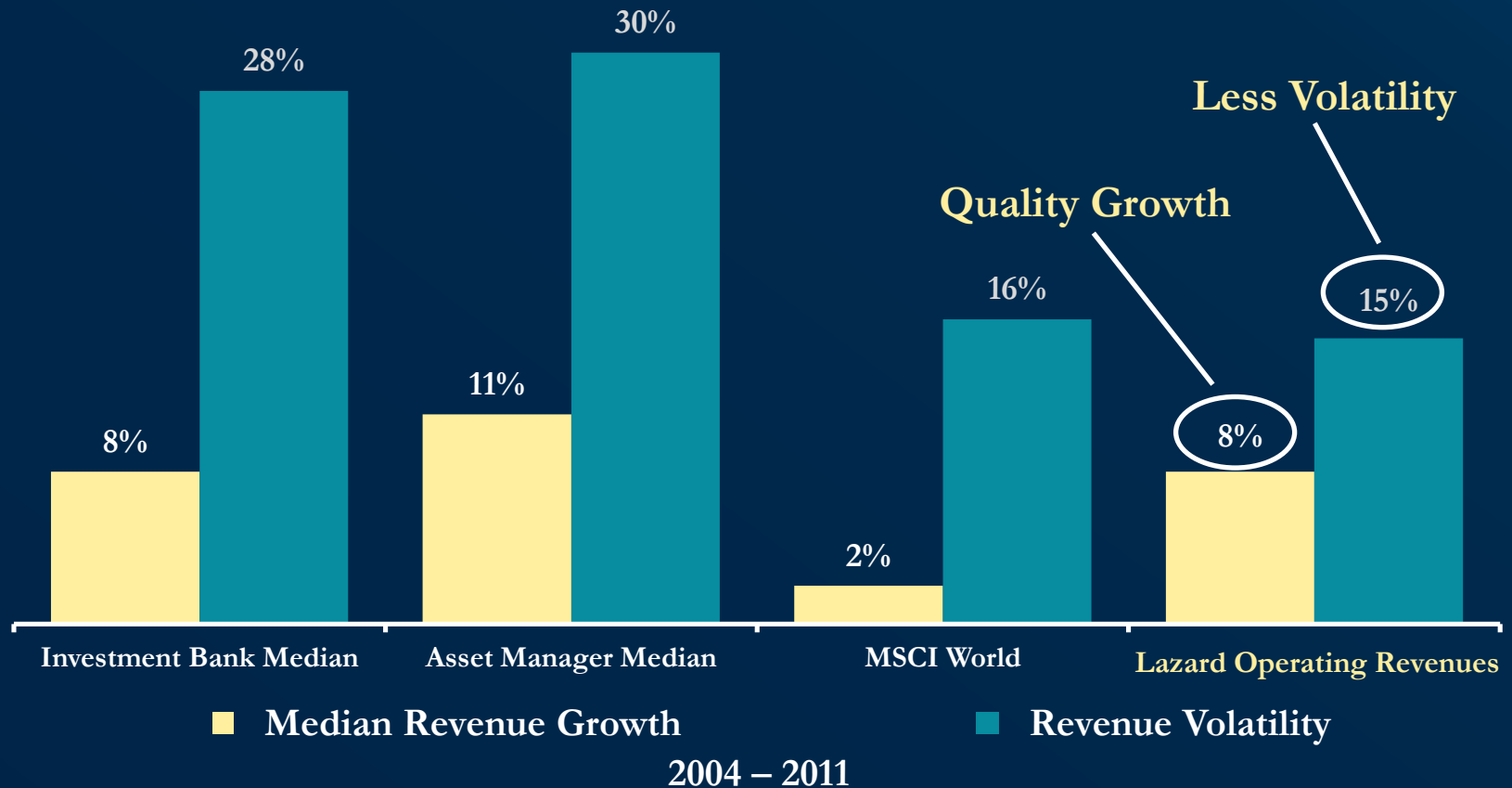
Growth Over the Cycles...

Operating Revenues (\$ in millions)



¹ Latest twelve months through September 30, 2012

...With Less Volatility



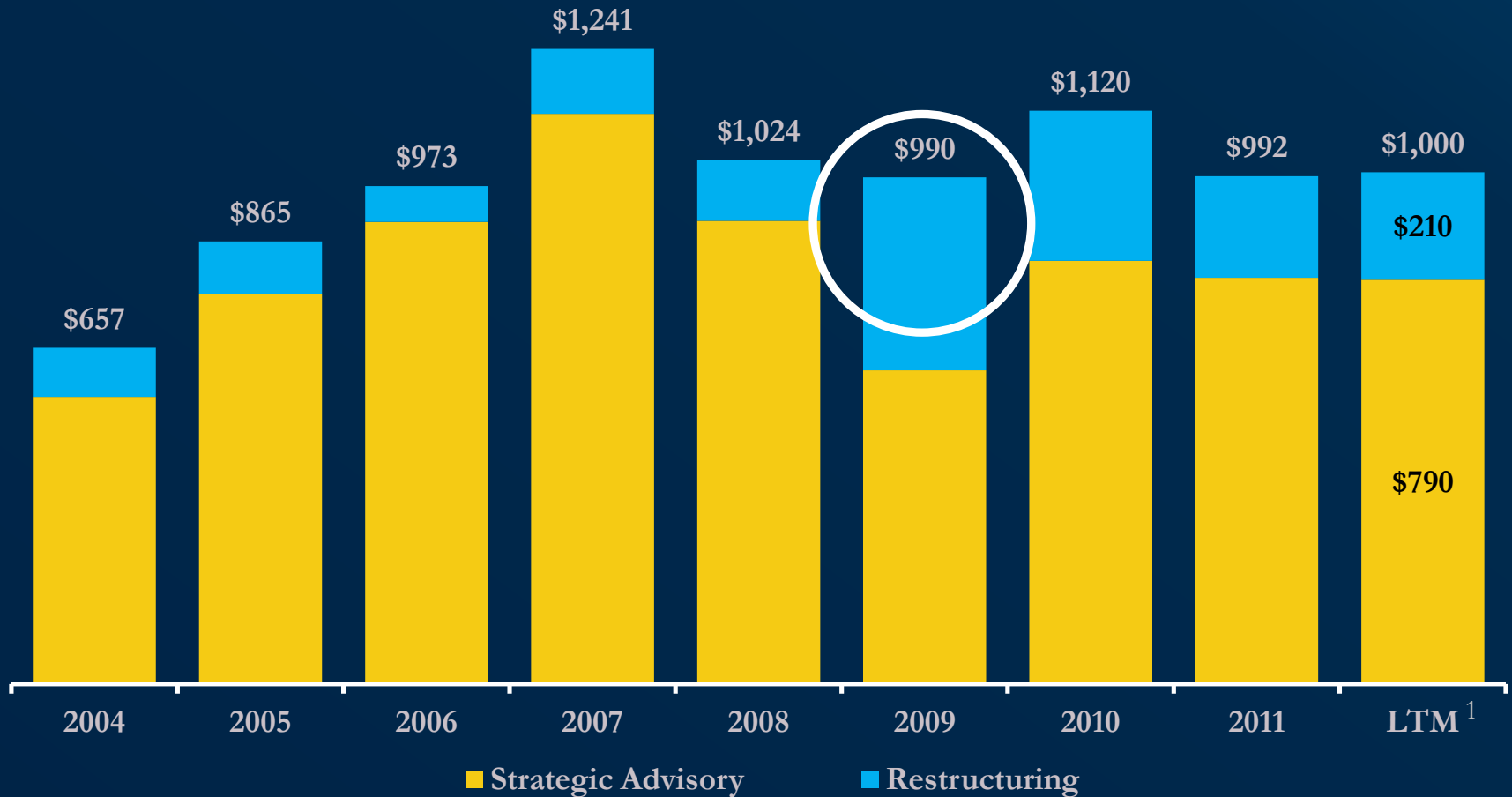
Source: Company reports

Note: Revenue of full-service investment banks includes net interest income. Volatility is measured as the standard deviation of annual revenue growth. Investment banks include: GS, MS, JPM, BAC, UBS, DB, C, JEF, EVR, GHL; Asset managers include: BLK, INV, LM, TROW, AMG, EV, JNS, CNS.

Counter-Cyclical Businesses Reduce Volatility

Financial Advisory Operating Revenues

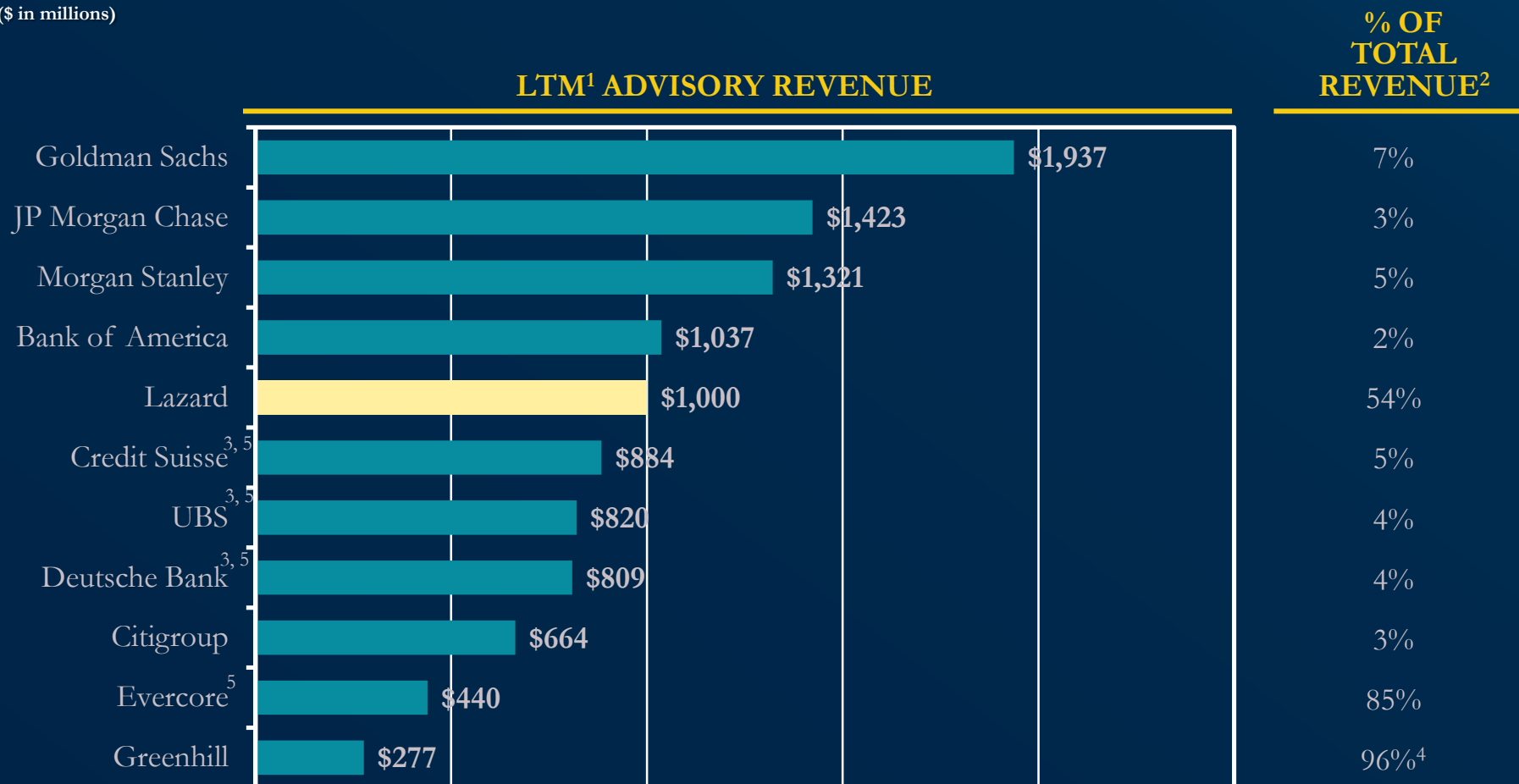
(\$ in millions)



¹ Latest twelve months through September 30, 2012

Advisory Revenue Ranks Among the Largest Firms

(\$ in millions)



Source: Press releases and public filings.

¹ Latest twelve months through September 30, 2012

² Advisory revenue as percentage of non-interest revenue (operating revenue for Lazard)

³ Converted to US dollars by using average exchange rate by quarter

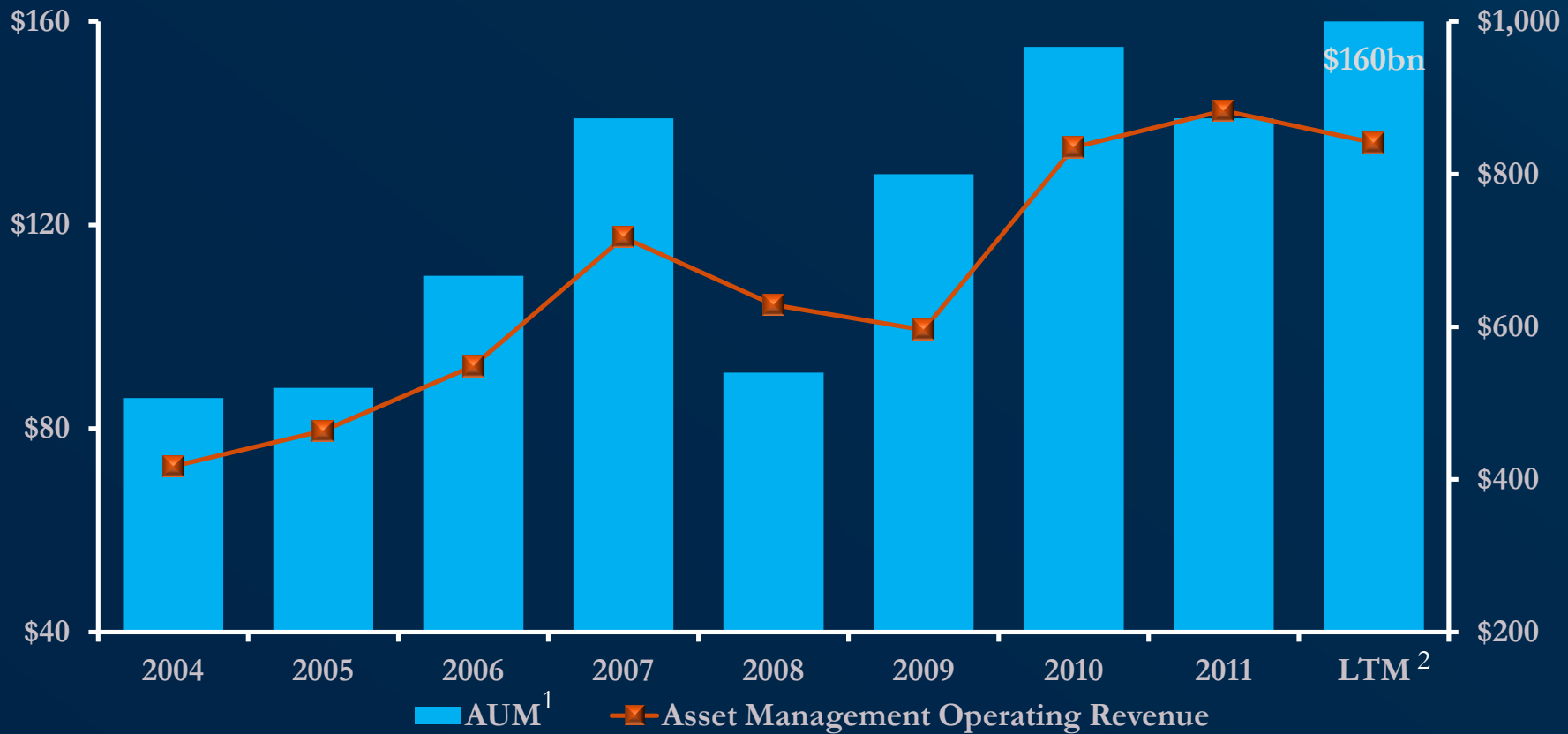
⁴ Excludes loss on merchant banking portfolio

⁵ Company has not yet reported quarter ending September 30, 2012. LTM data includes consensus estimate.

Asset Management: Powerful Growth Engine

Assets Under Management
(\$ in billions)

Asset Management
Operating Revenue
(\$ in millions)



¹ Period-end assets under management as of September 30, 2012

² Latest twelve months through September 30, 2012

Macro Drivers of Revenue Growth for Lazard

FINANCIAL ADVISORY

- Mergers & Acquisitions
 - CEO confidence
 - Valuation
 - Financing environment for corporations
- Capital Structure Advisory/Restructuring/Sovereign Debt Advisory
 - Impact of global financial crisis

ASSET MANAGEMENT

- Economic recovery/market stability
- Investor confidence
- Defined contribution plans
- Global pension system/Sovereign wealth funds

Key Objectives

GENERATE REVENUE GROWTH

- Reinforce our position as leading global advisor
- Expand Asset Management platform
- Franchise synergies

PRODUCE OPERATING LEVERAGE THROUGH COST DISCIPLINE

- Management initiatives
- Industry tailwinds

RETURN CASH TO SHAREHOLDERS

Focused on High-Quality Earnings

Revenue Growth Initiatives

FINANCIAL ADVISORY

- Expand capabilities
- Deepen market coverage
- Leverage the network

ASSET MANAGEMENT

- New expertise
- Platform extensions
- Client reach
- Significant organic capacity

Near Term Objectives

COMPENSATION

- Grow awarded compensation slower than revenue
 - Maintain discipline on deferrals
 - Achieve mid- to high- 50's compensation ratio over the cycle
-

NON-COMPENSATION

- Target non-compensation ratio of 16% to 20% over the cycle
-

OPERATING LEVERAGE

- Target awarded operating margin of 25% in 2014
-

CAPITAL MANAGEMENT

- Reduce excess cash on balance sheet by \$200 million in 2013
- Neutralize potential dilution from RSU grants
- Deploy excess cash generated from operations in the future

Cost Saving Initiatives: Overview

- Committed to achieving financial targets outlined in April 2012 Shareholder letter, including an operating margin of 25% in 2014 at current activity levels
- Focused on reducing the firm's expense base and enhancing operating leverage
- Implementing series of cost saving initiatives encompassing both compensation and non-compensation expense across geographies and businesses
 - Particular emphasis on Support and Financial Advisory segments
- Expect initiatives to improve profitability with minimal impact on revenue growth

Cost Saving Initiatives: Strategy

REALIGN INVESTMENTS INTO AREAS WITH GREATEST LONG-TERM GROWTH POTENTIAL

- Reduce staffing and investment in areas of low return

OPTIMIZE ORGANIZATIONAL STRUCTURE

- Streamline support functions
- Leverage resources across businesses and geographies

RENEGOTIATE OR EXIT CERTAIN THIRD PARTY CONTRACTS

- Data services
- Real estate

Improved Profitability With Minimal Impact on Revenue Growth

Cost Saving Initiatives: Impact

- Approximately \$125 million of annual savings from firm's existing expense base
 - \$85 million compensation expense
 - \$40 million non-compensation expense
 - Expect at least two thirds of savings to be realized in 2013, with the full impact in 2014
- Cost savings initiatives should result in implementation expense of \$110 million to \$130 million
 - Significant majority should be recognized in 4Q12 with remainder taken in 1HQ13
 - Approximately 75% of costs will be cash
- Expect operating margin of approximately 21% or 22% in 2013 at current activity levels

Shareholder-Friendly Capital Management

DIVIDENDS

- Raised quarterly dividend 25% to \$0.20 per share in April 2012
- Raised quarterly dividend 28% to \$0.16 per share in April 2011

SHARE REPURCHASES

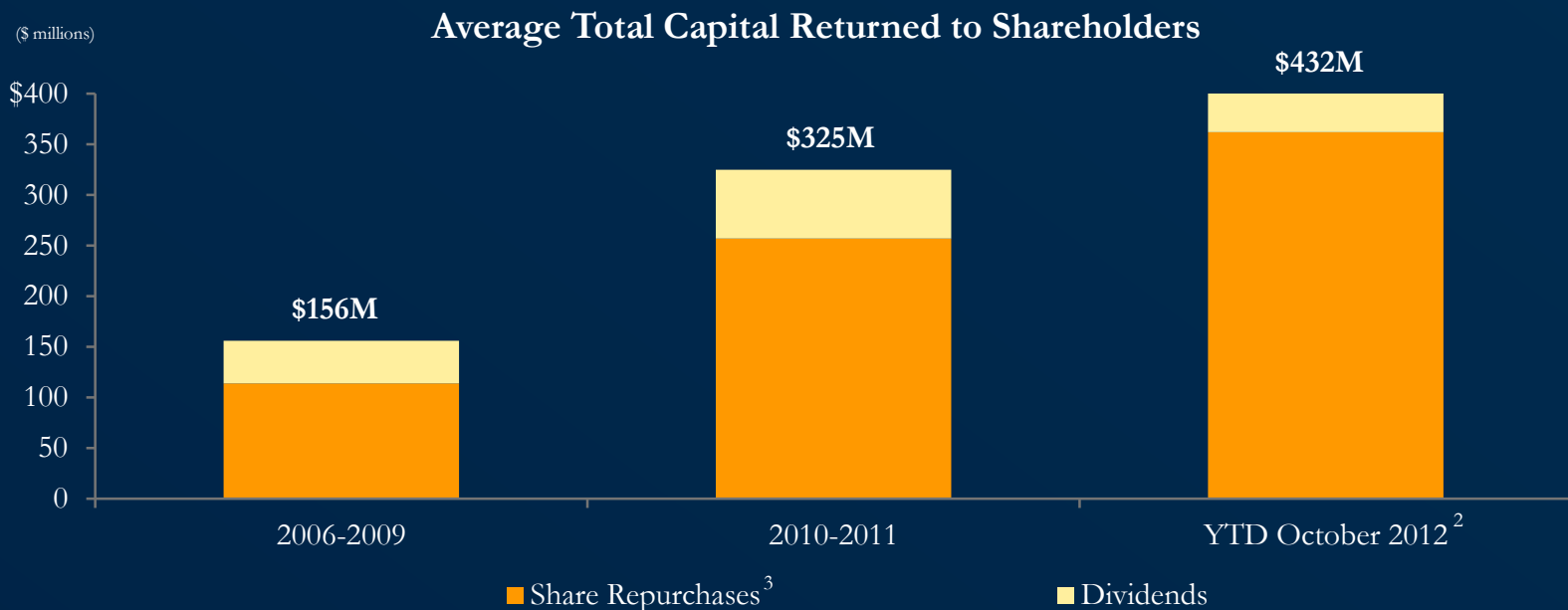
- 11.6 million shares repurchased YTD as of October 24, 2012; 6.2 million shares repurchased in 2011
- New share repurchase authorization of \$200 million as of October 24, 2012

BALANCE SHEET MANAGEMENT

- Repurchased \$150 million of subordinated notes in 2011
- Returned \$200 million of surplus cash to shareholders one year ahead of goal

Return of Capital to Shareholders

- In 2010 and 2011, we more than doubled the average amount of total capital returned to shareholders as compared to the 2006-2009 period average
- In 2012, we have already repurchased enough shares to offset potential dilution of 2011 year-end grants and achieved capital management target of returning \$200 million in surplus cash to shareholders one year ahead of goal ¹



¹ As of October 23, 2012, we repurchased 11.6M shares of our Class A common stock for \$321M at an average price of \$27.61 per share. Approximately 4.5M of these shares, repurchased at a cost of \$120M, served to directly offset the potential dilution from our 2011 year-end equity-based compensation awards, net of estimated forfeitures and tax withholding to be paid in cash by the Company in lieu of share issuances. The remaining 6.8M shares represented the achievement of our commitment to return \$200M in surplus cash to our shareholders by 2013.

² We have paid \$70M to our shareholders for dividends declared in January, April and July of 2012; have repurchased, as of October 23, 2012, 11.6M shares of Class A common stock for \$321M at an average price of \$27.61 per share; and have satisfied employee tax obligations of \$41M in cash in lieu of share issuance upon vesting of equity grants in the first nine months of 2012.

³ Includes settlement of vested share-based incentive compensation

Lazard's Progress Scorecard

Objective	2006	2007	2008	2009	2010	2011	YTD 2012
Financial Performance							
◆ Awarded Compensation of 55-59%	68%	70%	71%	67%	62%	62%	60%
◆ Non-Compensation of 16-20%	17%	17%	22%	21%	19%	21%	22%
◆ Awarded Operating Margin of 25% ¹	15%	13%	7%	12%	20%	17%	18%
Capital Management							
◆ Deployment of \$200M in surplus cash							✓
◆ Dividends	\$35	\$38	\$44	\$50	\$60	\$75	\$70
◆ Share repurchases to offset potential dilution of year-end grants					✓	✓	✓
◆ Total Capital Returned to Shareholders	\$39	\$128	\$328	\$127	\$275	\$374	\$432
Corporate Governance							
◆ Two new independent directors to Board							✓
◆ 80% independent board representation vs 60% previously							✓

¹ Awarded operating margin defined as operating revenues less awarded compensation expense and adjusted non-compensation expense divided by operating revenues.

Conclusion

- Lazard's unrivaled global network
- Low-risk business model with minimal capital requirements
- Attractive growth opportunities
- Operating leverage as macro environment improves
- Significant free cash flow with shareholder-friendly capital allocation

Appendix

Company Overview

Global-Scale Independent Advisory Firm



FINANCIAL ADVISORY – 155 MDs

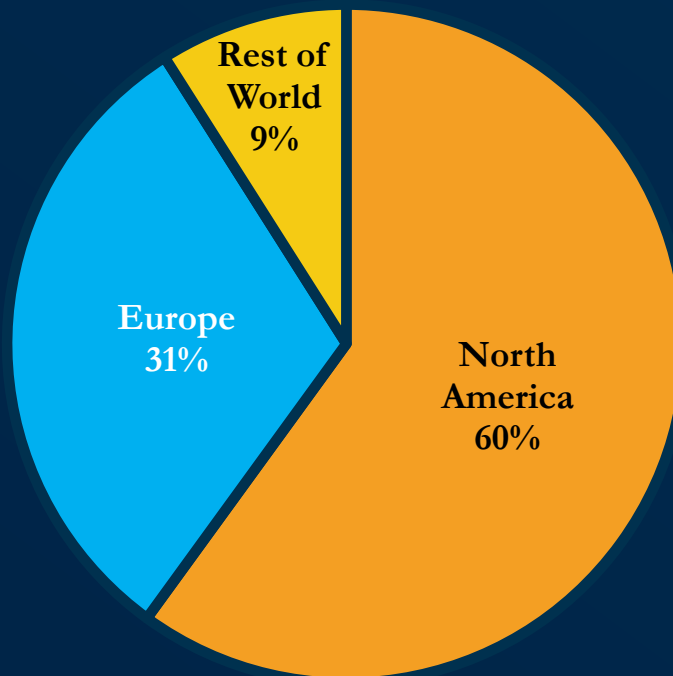
- Americas – 458 Professionals
- Europe/Middle East – 360 Professionals
- Asia/Australia – 100 Professionals
- Strategic alliances for Central / Eastern Europe and Russia, and Mexico

ASSET MANAGEMENT – 76 MDs

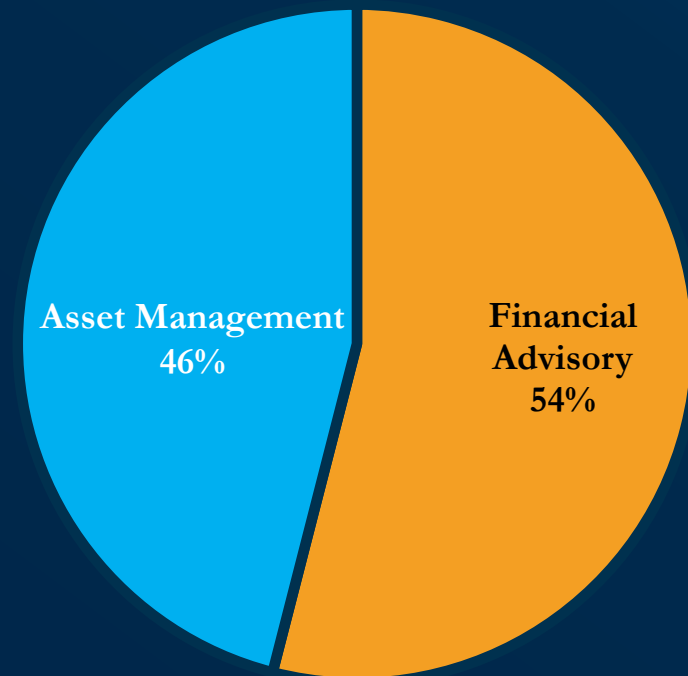
- North America – 220 Professionals
- Europe – 151 Professionals
- Asia/Australia – 39 Professionals

Balanced Across Geography And Business Lines

LTM¹ REVENUE BY GEOGRAPHY



LTM¹ REVENUE BY BUSINESS LINE

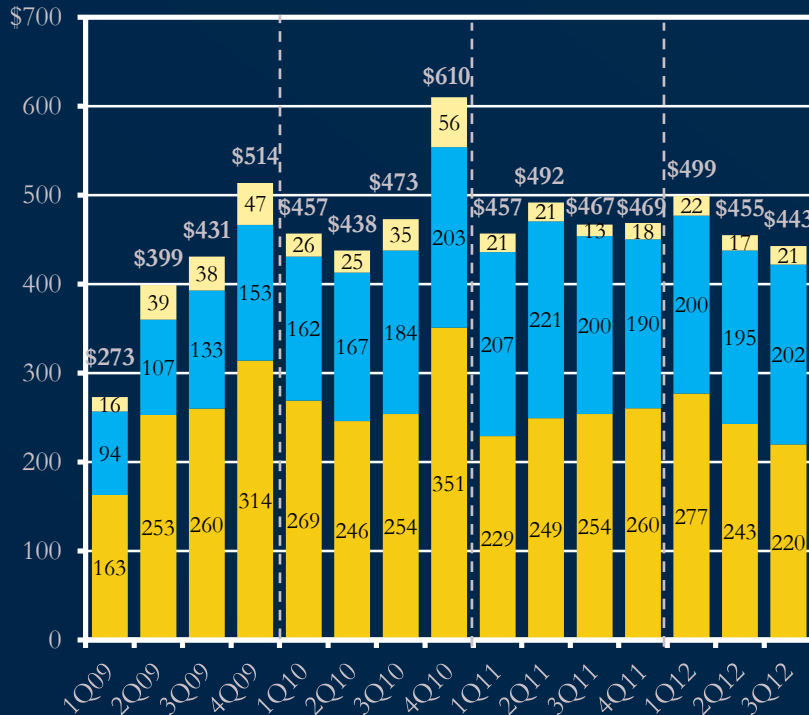


¹ Latest twelve months through September 30, 2012

Note: Represents operating revenue from Financial Advisory and Asset Management segments (excludes Corporate).

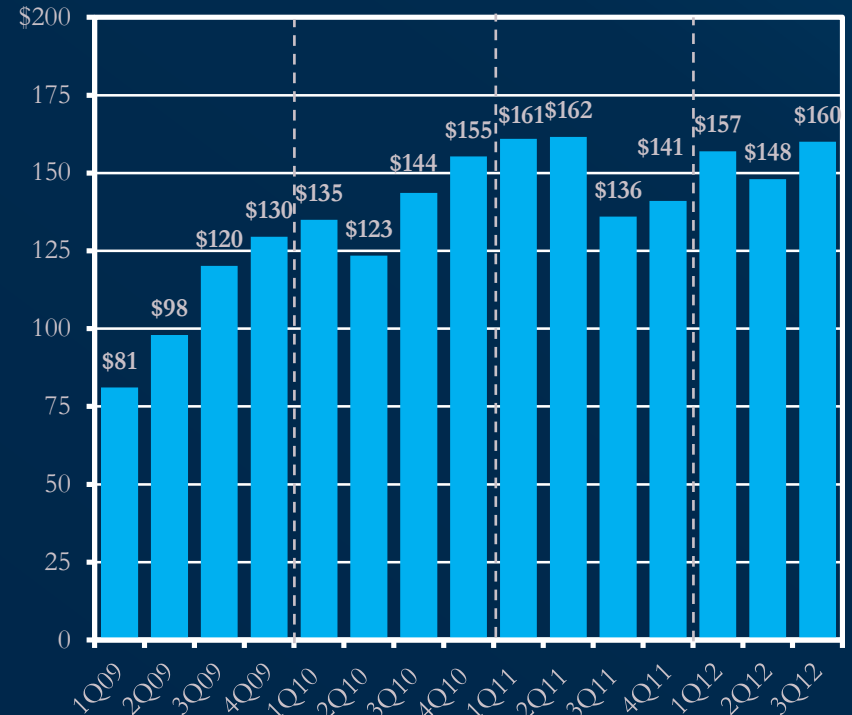
Historical Financial Performance

QUARTERLY OPERATING REVENUE (\$MN)



■ Financial Advisory ■ Management Fees ■ Other

QUARTERLY AUM (\$BN)

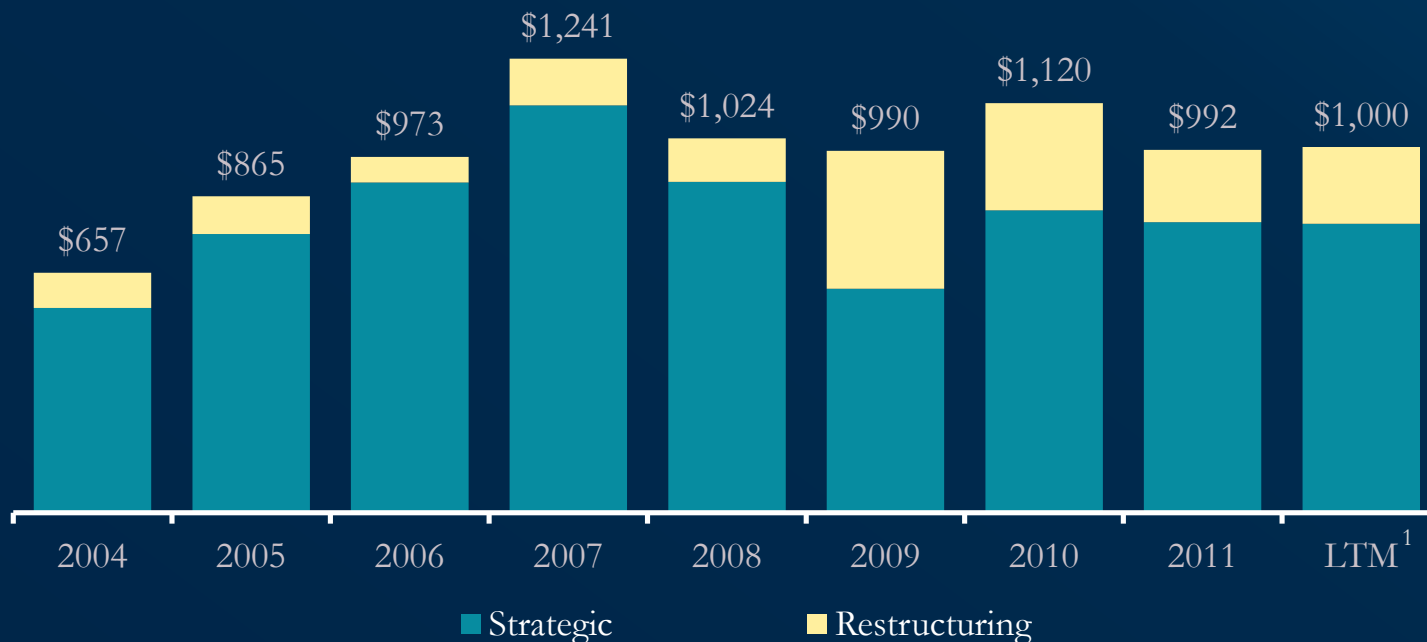


Net Flows (\$2.4) \$0.4 \$7.7 \$4.6 \$3.0 \$2.1 \$1.1 \$3.2 \$0.7 (\$0.3) (\$1.1) (\$0.3) (\$0.2) \$1.0 \$1.8

Financial Advisory

Financial Advisory Operating Revenue

(\$ in millions)



Strategic Advisory:

Operating Revenue	\$561	\$762	\$903	\$1,114	\$905	\$613	\$827	\$794	\$790
% Growth	26%	36%	18%	23%	(19%)	(32%)	35%	(4%)	(1)%

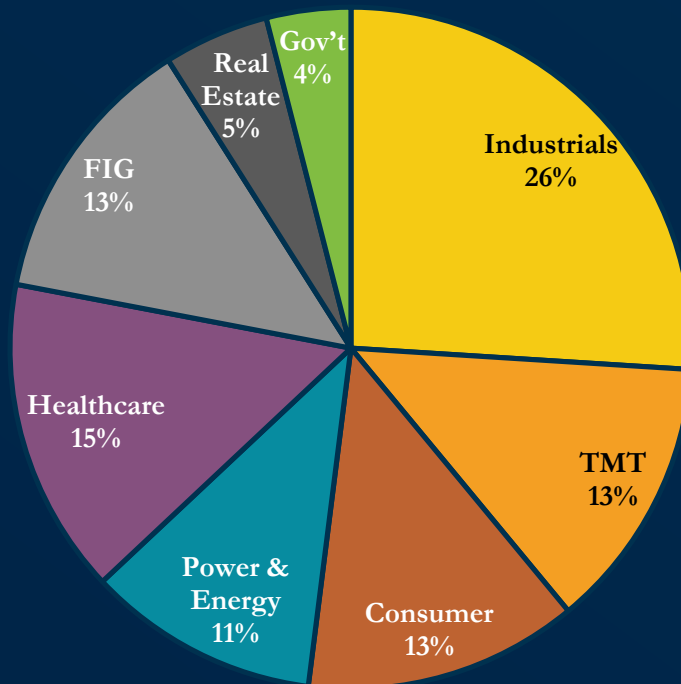
Restructuring:

Operating Revenue	\$96	\$103	\$70	\$127	\$119	\$377	\$294	\$198	\$210
% Growth	(61%)	8%	(32%)	82%	(6%)	216%	(22%)	(33%)	6%

¹ Latest twelve months through September 30, 2012

Diversified Financial Advisory Business

LTM¹ M&A REVENUE BY INDUSTRY



- **Diversified geographically**
 - Advised on transactions in over 40 countries²
- **Diversified by industry and client base**
 - Advised on over 350 transactions, across a broad range of industries²
 - Top ten fee paying clients constituted 14% of segment net revenues²
- **Industry and geographic coverage bolstered with senior hires**

¹ Latest twelve months through September 30, 2012

² As of year-ended December 31, 2011

Selected Pending M&A Transactions¹

INDUSTRIALS & CHEMICALS

CONSUMER & RETAIL

FINANCIALS/ REAL ESTATE

POWER & ENERGY

Permian Mud

Service

(parent company of Champion Technologies and Corsitech)

› Ecolab



› Grupo Modelo



› Silic, Dexia



› Fortis



› Georgia Gulf



› United Postal Service



› Caprum

TMT



› Talison Lithium



› Dollar Thrifty



› ATEBank, Geniki Bank



› T-Mobile, Metro PCS



› Xstrata



› Cencosud



› VanceInfo Technologies

The Global M&A Cycle

ANNOUNCED M&A VOLUME AS % OF MARKET VALUE BELOW HISTORICAL AVERAGE

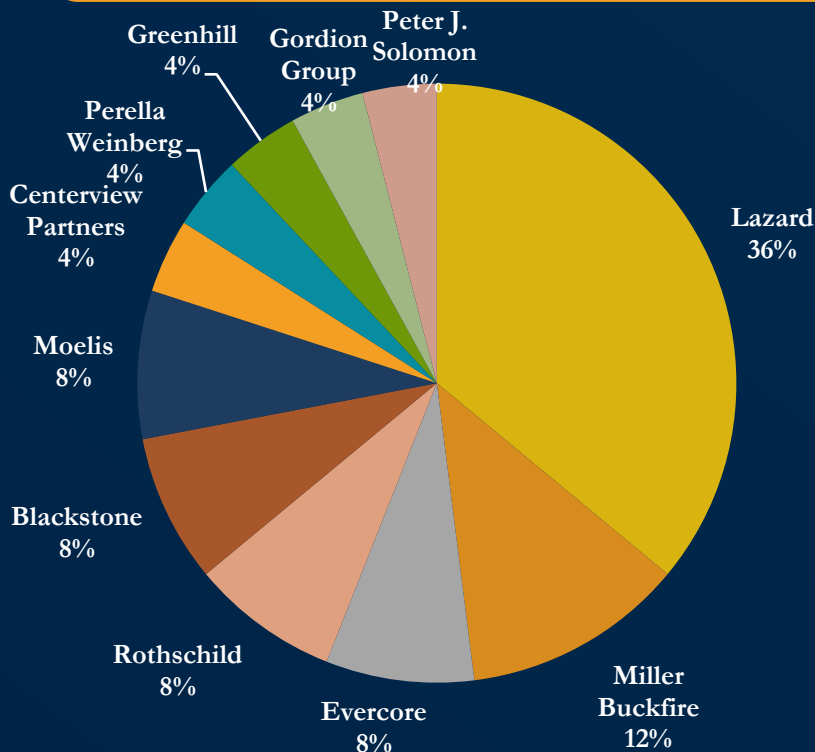


¹ Data through 10/08/12, annualized

Market Leading Restructuring Practice

DEBTOR MARKET SHARE

25 LARGEST CHAPTER 11 BANKRUPTCIES^{1,2}



- Most experienced team – advised on more than 500 restructurings worldwide over the past decade
- Largest company-focused restructuring group with nearly 113 dedicated professionals globally
- Leading market share; advised on
 - 18 of the 25¹ largest bankruptcies since the beginning of 2009, including 9 (36%²) of the debtors
 - 15 of the 16¹ of the largest bankruptcies since the beginning of 2009, including 7 (44%²) of the debtors
- Majority of assignments are non-bankruptcy and approximately one-third are outside the U.S.

Source: Bankruptcydata.com.

¹ Reflects largest public Chapter 11 bankruptcies filed since 2009, excludes bank holding companies

² Full credit given to multiple advisors; two transactions have two advisors in the top 25, with one of those transactions in the top 12

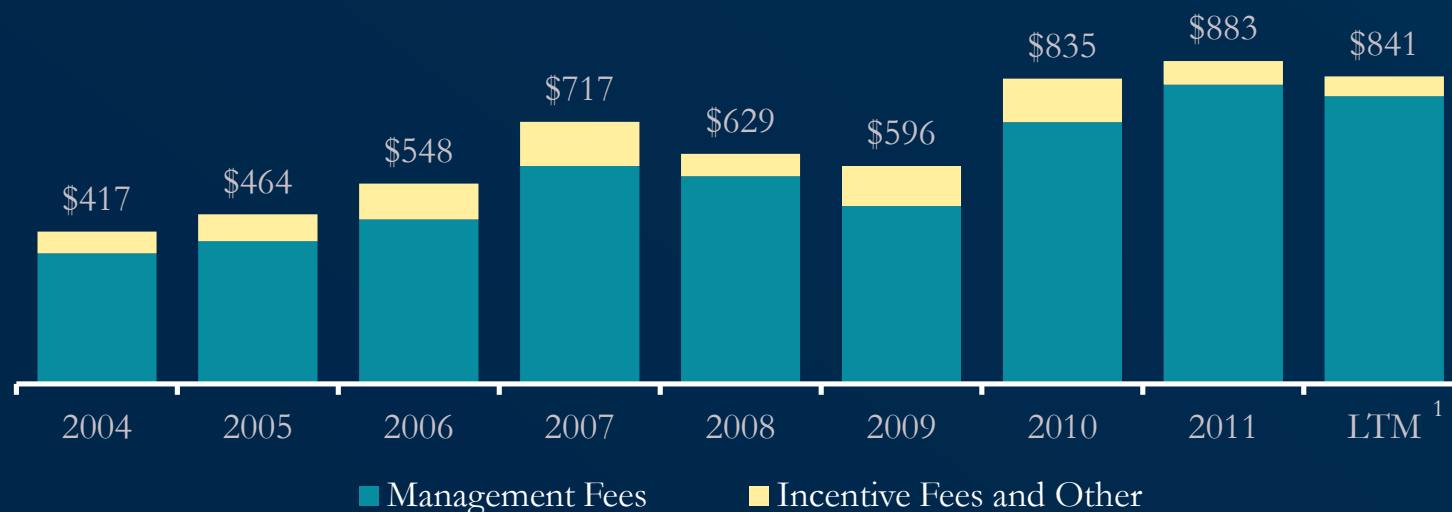
Selected Recent Restructuring and Debt Advisory Assignments

TECHNOLOGY/ MEDIA/ TELECOM	GAMING/ ENTERTAINMENT /HOSPITALITY	PROFESSIONAL/ FINANCIAL SERVICES	CONSUMER/ FOOD	PAPER AND PACKAGING
				
	MSR Resorts (GIC Real Estate)	OTHER		
				
				
				

Asset Management

Asset Management Operating Revenue

(\$ in millions)



Management Fees:

Revenue	\$357	\$390	\$450	\$596	\$568	\$487	\$716	\$818	\$787
% Growth	25%	9%	15%	32%	(5%)	(14%)	47%	14%	(4%)

Incentive Fees and Other:

Revenue	\$60	\$74	\$98	\$121	\$61	\$109	\$119	\$65	\$54
% Growth	(8%)	23%	32%	23%	(50%)	79%	9%	(45%)	(17%)

¹ Latest twelve months through September 30, 2012

Selected Significant Recent New Mandates

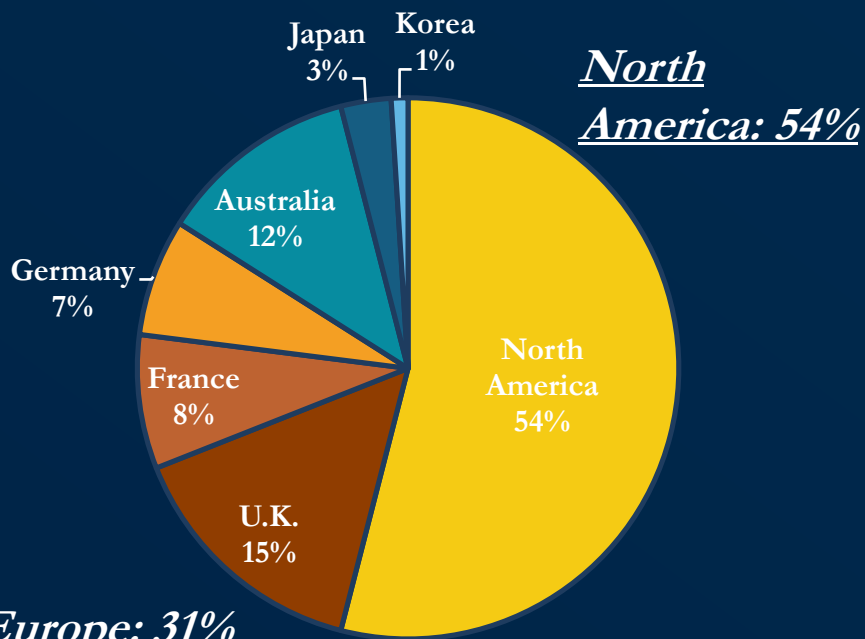
Client Type	Investment Strategy
Asian Public Pension	Developing Markets Equity
Australian Multi Manager	Australian Equity
European Corporate Pension Fund	US Equity
European Corporate Pension Fund	Global Fixed Income
US Corporate Pension Fund	Emerging Markets Debt
US Multi Manager	US Equity
US Public Pension Fund	International Equity

DIVERSIFICATION BY REGION AND INVESTMENT STRATEGY

Geographic Mix

AUM BY OFFICE DOMICILE¹

Asia-Pacific: 15%



\$160.4bn AUM

LOCAL PRESENCE

North America

- New York
- Boston
- Chicago
- San Francisco
- Toronto
- Montreal

Europe

- London
- Paris
- Milan
- Zurich
- Frankfurt
- Hamburg

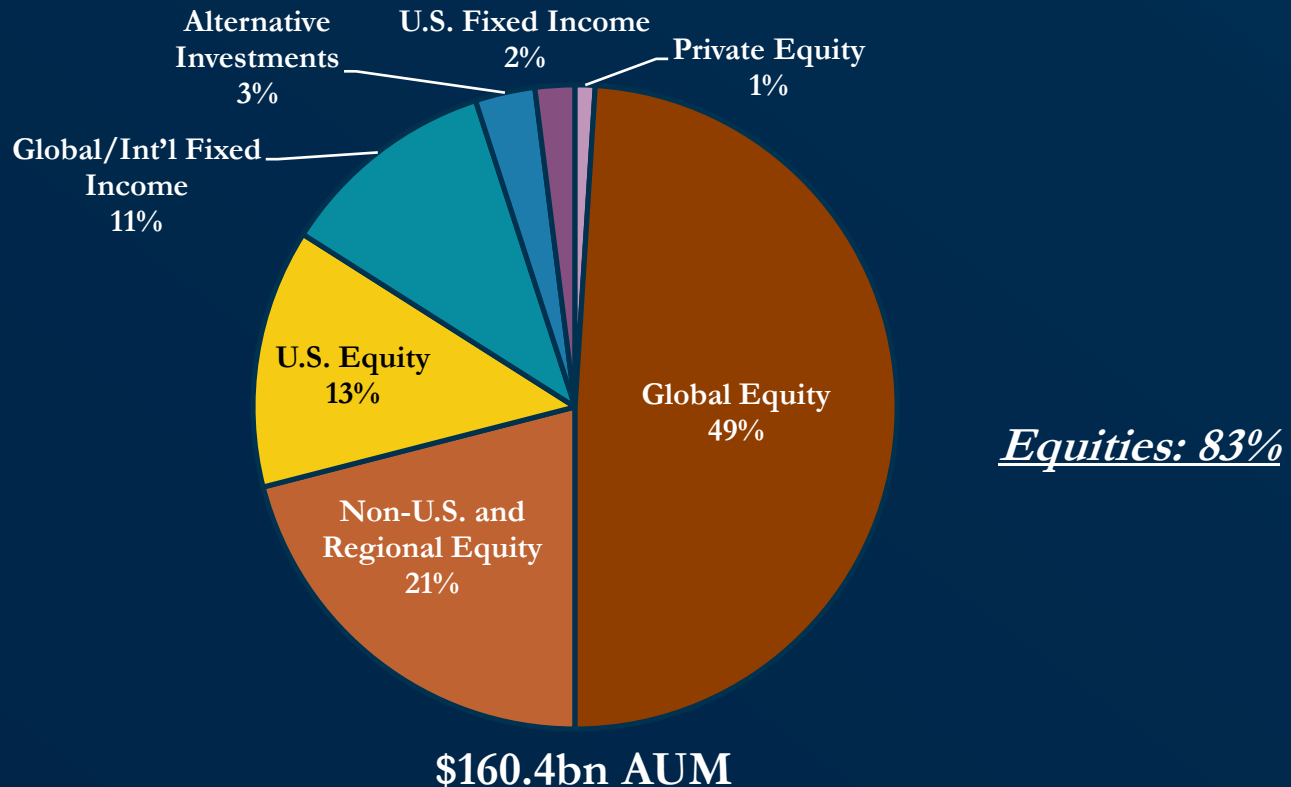
Asia-Pacific

- Hong Kong
- Tokyo
- Seoul
- Bahrain
- Sydney

¹ Domicile refers to location of client servicing office. Breakdown as of September 30, 2012

Diversified Product Mix – AUM By Product¹

- More than 20 strategies with over \$1.5bn in AUM²



¹ Breakdown as of September 30, 2012

² Number of strategies as of September 30, 2012

Compensation Data (Non-GAAP)

Definitions

- **Deferrals** – Compensation awarded for an applicable year which requires a subsequent service period before vesting
- **Forfeiture** – Concept used under U.S. GAAP to account for portion of deferrals cancelled before they vest
- **Amortization Expense** – Expense associated with a historical deferral award, expensed over the requisite service period
- **GAAP Compensation** – Current-year cash compensation and benefits and the current period amortization expense at cost of deferrals awarded in previous years
- **Notional Compensation** – Total cash compensation and benefits plus deferrals with respect to the applicable year
- **Awarded Compensation** – Notional compensation less expected future forfeitures on deferrals using similar methodology as and for comparability to U.S. GAAP

Estimated Future Amortization of Historical Deferrals

- Cost saving initiatives expected to result in accelerated deferred compensation amortization, which is not reflected in the below schedule

(\$ in millions)	2011A	2012E	2013E
2005 Grants	–	–	–
2006 Grants	\$3	–	–
2007 Grants	16	–	–
2008 Grants	54	\$40	\$5
2009 Grants	85	54	11
2010 Grants	113	104	68
2011 Grants	12	118	107
2012 Grants	–	17	TBD
Other	6	6	4
Total	\$289	\$339¹	TBD

Note: Under U.S. GAAP, an estimate is made for future forfeitures of deferred compensation awards. This estimate is based on both historical experiences and future expectations and is subject to change. The result reflects the cost associated with awards that are expected to vest.

¹ Excludes \$7 million impact of first quarter 2012 expense pertaining to staff reductions.

2011 Compensation Bridge – U.S. GAAP Basis to Awarded

(\$ in millions)

		<i>% of Revenue</i>
Compensation – U.S. GAAP Basis	\$1,169	62.1%
Adjustments¹	(1)	
Compensation – Adjusted U.S. GAAP Basis	\$1,168	62.0%
Deferral Amortization (previous years)	(289)	
2011 Deferrals Awarded	321	
FX Adjustment	(5)	
Notional Compensation	\$1,196	
Estimated Forfeitures on Deferrals²	(32)	
Awarded Compensation	\$1,164	61.7%

¹ Compensation related to non-controlling interests and Lazard Fund Interests fair value adjustments.

² Under U.S. GAAP, an estimate is made for future forfeitures of deferred compensation awards. This estimate is based on both historical experiences and future expectations. The result reflects the cost associated with awards that are expected to vest. This calculation is undertaken in order to present awarded compensation using similar methodology as and for comparability to U.S. GAAP compensation.

Unaudited and Non-GAAP Supplemental Information

(\$ in millions)

	Financial Advisory		Asset Management		Corporate	
	2010	2011	2010	2011	2010	2011
Operating Revenue	\$1,121	\$992	\$835	\$883	\$1,979	\$1,884
<i>% Growth</i>	<i>13%</i>	<i>(11%)</i>	<i>40%</i>	<i>6%</i>	<i>22%</i>	<i>(5%)</i>
Awarded Compensation ¹	\$678	\$629	\$378	\$382	\$162	\$151
<i>% of Operating Revenue²</i>	<i>60%</i>	<i>63%</i>	<i>45%</i>	<i>43%</i>	<i>8%</i>	<i>8%</i>
Non-Compensation ³	\$136	\$152	\$130	\$145	\$103	\$102
<i>% of Operating Revenue²</i>	<i>12%</i>	<i>15%</i>	<i>16%</i>	<i>16%</i>	<i>5%</i>	<i>5%</i>

¹ Under U.S. GAAP, an estimate is made for future forfeitures of deferred compensation awards. This estimate is based on both historical experiences and future expectations. The result reflects the cost associated with awards that are expected to vest. This calculation is undertaken in order to present awarded compensation using similar methodology as and for comparability to U.S. GAAP compensation.

² Corporate percentages based on total firm operating revenue.

³ Results shown are before direct and indirect overhead allocations.

Summary Financials

Note

- Lazard believes that presenting results and measures on an adjusted basis (non-GAAP) in connection with U.S. GAAP measures provides the most meaningful basis for comparison among present, historical and future periods.
- The Company's quarterly revenue and profits can fluctuate materially depending on the number, size and timing of completed transactions on which it advised, as well as seasonality, the performance of equity markets and other factors. Accordingly, the revenue and profits in any particular quarter may not be indicative of future results. As such, Lazard management believes that annual results are the most meaningful.
- A reconciliation to GAAP is provided in the schedules attached to our second quarter earnings release, which can be found on our web site at www.Lazard.com.

Operating Revenue – Q3

Unaudited and Non-GAAP

(\$ in millions)				% Change from	
	Q3 2012	Q2 2012	Q3 2011	Q2 2012	Q3 2011
Financial Advisory					
M&A and Strategic Advisory	\$171.4	\$195.4	\$199.1	(12%)	(14%)
Capital Markets & Other	14.2	17.2	16.4	(17%)	(14%)
Strategic Advisory	185.6	212.6	215.5	(13%)	(14%)
Restructuring	34.4	30.0	38.1	14%	(10%)
Total	220.0	242.6	253.6	(9%)	(13%)
Asset Management					
Management Fees	202.3	195.2	200.0	4%	1%
Incentive Fees	10.6	3.7	9.4	186%	13%
Other Revenue	7.4	7.7	7.3	(3%)	1%
Total	220.3	206.6	216.7	7%	2%
Corporate	2.9	6.0	(3.8)		
Operating Revenue	\$443.2	\$455.2	\$466.5	(3%)	(5%)

Notes:

1. For all periods, Operating Revenue excludes interest expense related to financing activities and revenue/(loss) relating to the consolidation of noncontrolling interests, each of which is included in net revenue.
2. For all periods, Corporate excludes gains/(losses) related to the change in fair value of investments held in connection with Lazard Fund Interests for which an equal amount is excluded from compensation and benefits expense.
3. For the 2011 period, excludes gains on repurchase of subordinated debt.

Operating Revenue – Nine Months YTD

Unaudited and Non-GAAP

(\$ in millions)

	Nine Months		Increase/ (Decrease)	
	2012	2011		
Financial Advisory				
M&A and Strategic Advisory	\$559.4	\$533.5	\$25.9	5%
Capital Markets & Other Advisory	45.7	76.2	(30.5)	(40%)
Strategic Advisory	605.1	609.7	(4.6)	(1%)
Restructuring	134.7	122.0	12.7	10%
Total	739.8	731.7	8.1	1%
Asset Management				
Management Fees	597.4	627.9	(30.5)	(5%)
Incentive Fees	16.9	20.9	(4.0)	(19%)
Other Revenue	22.7	29.5	(6.8)	(23%)
Total	637.0	678.3	(41.3)	(6%)
Corporate	20.3	5.1	15.2	
Operating Revenue	\$1,397.1	\$1,415.1	(\$18.0)	(1%)

Notes:

1. For all periods, Operating Revenue excludes interest expense related to financing activities and revenue/(loss) relating to the consolidation of noncontrolling interests, each of which is included in net revenue.
2. For all periods, Corporate excludes gains/(losses) related to the change in fair value of investments held in connection with Lazard Fund Interests for which an equal amount is excluded from compensation and benefits expense.
3. For the 2011 period, excludes gains on repurchase of subordinated debt.

Selected Quarterly Financial Data

(\$ in millions, except per share figures)

	Q3	Q2	Q3	% Change from	
	2012	2012	2011	Q2 2012	Q3 2011
<u>Operating Revenue</u>					
Financial Advisory	\$220.0	\$242.6	\$253.6	(9%)	(13%)
Asset Management	220.3	206.6	216.7	7%	2%
Total Operating Revenue	\$443.2	\$455.2	\$466.5	(3%)	(5%)
<u>Expenses</u>					
Compensation and benefits	\$278.1	\$285.2	\$276.7	(2%)	1%
<i>Ratio of compensation to operating revenue</i>	62.7%	62.7%	59.3%		
Non-compensation	\$95.1	\$105.8	\$98.6	(10%)	(4%)
<i>Ratio of non-compensation to operating revenue</i>	21.5%	23.2%	21.1%		
<u>Earnings</u>					
Earnings from Operations	\$70.0	\$64.2	\$91.2	9%	(23%)
<i>Operating margin</i>	15.8%	14.1%	19.6%		
Net Income	\$35.4	\$33.1	\$52.9	7%	(33%)
Net Income per Share	\$0.26	\$0.25	\$0.39	4%	(33%)
Assets Under Management (in billions)	\$160.4	\$148.4	\$135.8	8%	18%

Notes applicable to all periods:

1. Operating Revenue and Compensation and Benefits expense excludes amounts related to the changes in the fair value of Lazard Fund Interests.
2. For the 2011 period, excludes gains on repurchase of subordinated debt.

Selected Financial Data – Nine Months YTD

(\$ in millions, except per share figures)

	Nine Months		%	Full Year		%
	2012	2011		Inc/Dec	2011	
Operating Revenue						
Financial Advisory	\$739.8	\$731.7	1%	\$992.2	\$1,120.6	(11%)
Asset Management	637.0	678.3	(6%)	882.8	834.7	6%
Total Operating Revenue	\$1,397.1	\$1,415.1	(1%)	\$1,883.9	\$1,978.5	(5%)
Expenses						
Compensation and benefits	\$876.0	\$831.2	5%	\$1,168.2	\$1,166.2	0%
<i>Ratio of compensation to operating revenue</i>	<i>62.7%</i>	<i>58.7%</i>		<i>62.0%</i>	<i>58.9%</i>	
Non-compensation	\$306.1	\$291.0	5%	\$399.7	\$368.2	9%
<i>Ratio of non-compensation to operating revenue</i>	<i>21.9%</i>	<i>20.6%</i>		<i>21.2%</i>	<i>18.6%</i>	
Earnings						
Earnings from Operations	\$215.0	\$292.9	(27%)	\$316.0	\$444.1	(29%)
<i>Operating margin</i>	<i>15.4%</i>	<i>20.7%</i>		<i>16.8%</i>	<i>22.4%</i>	
Net Income	\$113.3	\$177.2	(36%)	\$178.6	\$281.1	(36%)
Net Income per Share	\$0.84	\$1.30	(35%)	\$1.31	\$2.06	(36%)
Assets Under Management (in billions)	\$160.4	\$135.8	18%	\$141.0	\$155.3	(9%)

Notes :

- For the nine month 2012, 2011 and full year 2011 periods, Operating Revenue and Compensation and Benefits expense excludes amounts related to the changes in the fair value of Lazard Fund Interests.
- For the nine month 2012 period, excludes charges related to staff reductions.
- For the nine month and full year 2011 periods, excludes gains on repurchase of subordinated debt and for the full year 2011 period, excludes the writeoff of Lazard Alternative Investment Holdings option prepayment and provision for onerous lease contract for U.K. facility.
- For the full year 2010 period, excludes the restructuring charge and acceleration of share-based incentive awards in connection with the Company's change in retirement policy.

U.S. GAAP Net Income Summary – Q3

(\$ in millions, except per share figures)

	Q3		
	2012	2011	% Change
Total Revenue	\$449.5	\$484.6	(7%)
Interest Expense	(20.7)	(22.2)	
Net Revenue	428.8	462.4	(7%)
Operating expenses:			
Compensation and benefits	283.8	273.5	4%
Non Compensation expenses	98.3	101.2	(3%)
Operating expenses	382.1	374.7	2%
Operating income	46.7	87.7	(47%)
Provision for income taxes	13.0	20.6	(37%)
Net income	33.7	67.1	(50%)
Net income attributable to noncontrolling interests	0.4	4.4	
Net income attributable to Lazard Ltd	\$33.3	\$62.7	(47%)
Net income per share			
Basic	\$0.29	\$0.53	
Diluted	\$0.26	\$0.49	

U.S. GAAP Net Income Summary – Nine Months YTD

(\$ in millions, except per share figures)

	Nine Months		
	2012	2011	% Change
Total Revenue	\$1,413.2	\$1,446.5	(2%)
Interest Expense	(61.4)	(68.8)	
Net Revenue	1,351.8	1,377.7	(2%)
Operating expenses:			
Compensation and benefits	905.5	830.0	9%
Non Compensation expenses	317.2	297.3	7%
Operating expenses	1,222.7	1,127.3	8%
Operating income	129.1	250.4	(48%)
Provision for income taxes	32.2	51.7	(38%)
Net income	96.9	198.7	(51%)
Net income attributable to noncontrolling interests	7.2	19.0	
Net income attributable to Lazard Ltd	\$89.7	\$179.7	(50%)
Net income per share			
Basic	\$0.76	\$1.53	
Diluted	\$0.70	\$1.39	

Operating Expenses – Q3

(\$ in millions)

	Q3	
	2012	2011
Compensation and Benefits	\$278.1	\$276.7
<i>% of Operating Revenue</i>	<i>62.7%</i>	<i>59.3%</i>
Non-Compensation Expenses:		
Occupancy and equipment	\$25.6	\$24.3
Marketing and business development	18.9	19.8
Technology and information services	21.4	20.4
Professional services	8.5	11.4
Fund administration and outsourced services	13.2	14.0
Other	7.5	8.6
Total Non-Compensation Expenses	\$95.1	\$98.5
<i>% of Operating Revenue</i>	<i>21.5%</i>	<i>21.1%</i>

Notes applicable to all periods:

1. Excludes amounts related to noncontrolling interests.
2. Compensation and Benefits expense excludes amounts related to the changes in the fair value of Lazard Fund Interests.

Operating Expenses – Nine Months YTD

(\$ in millions)

	Nine Months	
	2012	2011
Compensation and Benefits	\$876.0	\$831.2
<i>% of Operating Revenue</i>	<i>62.7%</i>	<i>58.7%</i>
Non-Compensation Expenses:		
Occupancy and equipment	\$80.1	\$70.0
Marketing and business development	69.2	58.8
Technology and information services	63.1	60.6
Professional services	30.8	34.4
Fund administration and outsourced services	39.3	40.8
Other	23.6	26.4
Total Non-Compensation Expenses	\$306.1	\$291.0
<i>% of Operating Revenue</i>	<i>21.9%</i>	<i>20.6%</i>

Notes:

1. For the 2012 and 2011 periods, excludes amounts related to noncontrolling interests.
2. For the 2012 and 2011 periods, Compensation and Benefits expense excludes amounts related to the changes in the fair value of Lazard Fund Interests.
3. For the 2012 period, excludes charges pertaining to staff reductions.

Selected Quarterly Operating Results

Unaudited and Non-GAAP

	<u>Q3 12¹</u>	<u>Q2 12¹</u>	<u>Q1 12^{1,2}</u>	<u>Q4 11^{1,3}</u>	<u>Q3 11^{1,4}</u>	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q4 10⁵</u>	<u>Q3 10⁵</u>
<i>Financial Advisory</i>									
M&A and Strategic Advisory	\$171.4	\$195.4	\$192.6	\$167.1	\$199.1	\$170.6	\$163.8	\$260.0	\$160.6
Capital Markets & Other Advisory	<u>14.2</u>	<u>17.2</u>	<u>14.4</u>	<u>17.7</u>	<u>16.4</u>	<u>30.3</u>	<u>29.5</u>	<u>43.6</u>	<u>27.8</u>
Strategic Advisory	185.6	212.6	207.0	184.8	215.5	200.9	193.3	303.6	188.4
Restructuring	<u>34.4</u>	<u>30.0</u>	<u>70.2</u>	<u>75.7</u>	<u>38.1</u>	<u>48.3</u>	<u>35.6</u>	<u>47.8</u>	<u>66.0</u>
Total	220.0	242.6	277.2	260.5	253.6	249.2	228.9	351.4	254.4
<i>Asset Management</i>									
Management Fees	202.3	195.2	199.9	190.1	200.0	221.2	206.8	203.1	184.0
Incentive Fees	10.6	3.7	2.6	5.4	9.4	6.3	5.1	44.4	15.5
Other Revenue	<u>7.4</u>	<u>7.7</u>	<u>7.6</u>	<u>8.9</u>	<u>7.3</u>	<u>10.2</u>	<u>12.1</u>	<u>8.2</u>	<u>8.5</u>
Total	<u>220.3</u>	<u>206.6</u>	<u>210.1</u>	<u>204.4</u>	<u>216.7</u>	<u>237.7</u>	<u>224.0</u>	<u>255.7</u>	<u>208.0</u>
<i>Corporate</i>	<u>2.9</u>	<u>6.0</u>	<u>11.4</u>	<u>3.8</u>	<u>(3.8)</u>	<u>4.9</u>	<u>4.0</u>	<u>2.9</u>	<u>10.8</u>
Operating Revenue	<u>\$443.2</u>	<u>\$455.2</u>	<u>\$498.7</u>	<u>\$468.7</u>	<u>\$466.5</u>	<u>\$491.8</u>	<u>\$456.9</u>	<u>\$610.0</u>	<u>\$473.2</u>
Earnings from Operations	<u>\$70.0</u>	<u>\$64.2</u>	<u>\$80.8</u>	<u>\$23.0</u>	<u>\$91.2</u>	<u>\$106.6</u>	<u>\$95.2</u>	<u>\$153.7</u>	<u>\$102.2</u>
Net income (loss), fully exchanged basis	<u>\$35.4</u>	<u>\$33.1</u>	<u>\$44.8</u>	<u>\$1.4</u>	<u>\$52.9</u>	<u>\$65.8</u>	<u>\$58.5</u>	<u>\$104.5</u>	<u>\$62.2</u>
Net income (loss) per share, fully exchanged basis ⁶									
Diluted	<u>\$0.26</u>	<u>\$0.25</u>	<u>\$0.33</u>	<u>\$0.01</u>	<u>\$0.39</u>	<u>\$0.48</u>	<u>\$0.43</u>	<u>\$0.76</u>	<u>\$0.46</u>

Excludes:

¹ Amounts related to the changes in the fair value of Lazard Fund Interests.

² Charges pertaining to staff reductions.

³ Write-off of Lazard Alternative Investment Holdings option prepayment and provision for onerous lease contract for UK facility.

⁴ Gain on repurchase of subordinated debt.

⁵ The restructuring charge and acceleration of share-based incentive awards in connection with the Company's change in the retirement policy in Q1 '10.

⁶ Refers to net income (loss) attributable to Lazard Ltd.

Condensed Balance Sheet

Unaudited and Non-GAAP

(\$ in millions)

	September 30, 2012	June 30, 2012	December 31, 2011
	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>			
Cash & Cash Equivalents	\$832.9	\$751.2	\$1,003.8
Deposits with banks	266.7	324.3	286.0
Cash deposited with clearing organizations and other segregated cash	61.9	78.8	75.5
Receivables	484.3	483.5	504.5
Investments	439.4	439.7	378.5
Goodwill and other intangible assets	395.4	394.2	393.1
Other Assets	514.3	506.2	440.5
Total Assets	<u>\$2,994.9</u>	<u>\$2,977.9</u>	<u>\$3,081.9</u>
<u>LIABILITIES & STOCKHOLDERS' EQUITY</u>			
Deposits and Other Payables	\$262.2	\$338.5	\$288.4
Accrued Compensation	301.2	251.1	383.5
Other Liabilities	520.8	485.0	466.3
Senior and Subordinated Debt	1,076.9	1,076.9	1,076.9
Total Stockholders' Equity ¹	<u>833.8</u>	<u>826.4</u>	<u>866.8</u>
Total Liabilities and Stockholders' Equity	<u>\$2,994.9</u>	<u>\$2,977.9</u>	<u>\$3,081.9</u>

¹ Attributable to Lazard Ltd: \$714 at September 30, 2012, \$704 at June 30, 2012 and \$726 at December 31, 2011.

Detailed Balance Sheet Information

Unaudited and Non-GAAP

(\$ in millions)

September 30, 2012

KEY COMMENTS

Cash & Cash Equivalents	\$832.9	<ul style="list-style-type: none"> Mostly U.S. Government and Agency money market funds and bank balances
Deposits with Banks	\$266.7	<ul style="list-style-type: none"> Represents LFB's short-term deposits, principally with the Banque de France
Cash Deposited with Clearing Organizations and Other Segregated Cash	\$61.9	
Investments	\$439.4	
Including:		
<ul style="list-style-type: none"> Debt, Equities and Alternative Asset Management funds 	\$265.1	<ul style="list-style-type: none"> Mainly Asset Management seed capital¹ and Lazard Fund Interests²
<ul style="list-style-type: none"> Private Equity 	\$117.2	<ul style="list-style-type: none"> Edgewater and other funds, including \$19.7 consolidated but owned by non-controlling interests

¹ Seed capital investments are generally hedged when appropriate or feasible.

² Any gain or loss on those investments is directly offset by a corresponding change in compensation expense.

LAZARD

Investor Information

October 2012