

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 27, 2022

Lazard Ltd

(Exact name of registrant as specified in its charter)

Bermuda

(State or Other Jurisdiction
of Incorporation)

001-32492

(Commission File Number)

98-0437848

(IRS Employer
Identification No.)

Clarendon House, 2 Church Street, Hamilton,

Bermuda

(Address of Principal Executive Offices)

HM 11

(Zip Code)

Registrant's Telephone Number, Including Area Code: 441-295-1422

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock	LAZ	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On July 28, 2022, Lazard Ltd (the “Company”) issued a press release announcing financial results for its second quarter ended June 30, 2022. A copy of the Company’s press release containing this information is being furnished as Exhibit 99.1 to this Report on Form 8-K and is incorporated herein by reference.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On July 28, 2022, the Company announced that its Board of Directors appointed Mary Ann Betsch, age 43, as Chief Financial Officer and a Managing Director of the Company and Lazard Group LLC (“Group”), effective October 3, 2022.

Previously, since 2018, Ms. Betsch served as a Managing Director at Citadel, which is not a parent, subsidiary or other affiliate of the Company or Group, where Ms. Betsch helped lead Citadel’s financing and accounting functions. She began her career over 20 years ago at PricewaterhouseCoopers, where she held audit and advisory roles, serving global investment banks and other financial institutions.

On July 27, 2022, Group entered into a letter agreement with Ms. Betsch (the “Letter Agreement”) with respect to her employment. Generally, Ms. Betsch’s service under the Letter Agreement may be terminated by either party; provided that Ms. Betsch must provide three months’ written notice of her intention to terminate employment. The Letter Agreement provides that Ms. Betsch will receive an annual base salary of \$750,000 and a discretionary bonus in respect of calendar year 2022, a portion of which will be granted in the same form of deferred compensation and in comparable proportion as is paid to other executive officers of Group. In addition, as an inducement to accept Group’s offer, and in further consideration of certain restrictions, Ms. Betsch will receive a sign-on bonus equal to \$250,000, subject to repayment if Ms. Betsch resigns within 12 months after commencing employment. While providing services to Group and for six months thereafter, Ms. Betsch will be subject to restrictive covenants prohibiting competition with Group or any of its affiliates and solicitation of their clients and employees.

The preceding summary of the Letter Agreement is qualified in its entirety by reference to the Letter Agreement attached as Exhibit 10.1, as though such agreement were fully set forth herein.

There are no arrangements or understandings between Ms. Betsch and any other persons pursuant to which she was selected as Managing Director and Chief Financial Officer of the Company and Group. Further, there are no family relationships between Ms. Betsch and any director or executive officer of the Company or Group. In addition, Ms. Betsch has not been party to any reportable transactions with the Company or Group pursuant to Item 404(a) of the Securities and Exchange Commission Regulation S-K.

A copy of the related press release, dated July 28, 2022, is attached to this report as Exhibit 99.2.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are filed or furnished as part of this Report on Form 8-K:

<u>Exhibit Number</u>	<u>Description</u>
10.1	Letter Agreement, dated July 23, 2022, by and between Lazard Group LLC and Mary Ann Betsch
99.1	Press Release issued on July 28, 2022
99.2	Press Release issued on July 28, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

LAZARD LTD

(Registrant)

By: /s/ Scott D. Hoffman

Name: Scott D. Hoffman

Title: Chief Administrative Officer and General Counsel

Dated: July 28, 2022

July 23, 2022

Mary Ann Betsch

Dear Ms. Betsch:

This letter agreement shall set forth the terms upon which you would join Lazard Group LLC (“Lazard”) as a Managing Director and Chief Financial Officer.

1. **Position:** Managing Director and Chief Financial Officer, effective on a date not later than October 3, 2022 (the “Effective Date”), subject to (a) your having returned a signed copy of this letter agreement on or prior to the offer expiration date set forth in Section 13 of this letter agreement, and (b) your commencement of services with Lazard on or prior to the Effective Date. Your primary location of work shall be in Lazard’s New York office, with it being understood that you will travel as reasonably needed to perform the business affairs of your position.

2. **Base Compensation:** You will receive a salary at the rate of \$750,000 per annum, which will be paid semi-monthly on the business day prior to the 15th and the business day prior to the last day of each month, while you remain employed.

3. **2022 Bonus:** For calendar year 2022, as long as you remain employed by Lazard on the date that discretionary bonus payments are made to Lazard employees in respect of calendar year 2022 and have not given notice of resignation, you will receive a payment as if you were employed by Lazard for the entirety of 2022 that appropriately reflects the amount that people in comparable positions with comparable experience are paid, as well as your contributions to Lazard (the “2022 Bonus”). Subject to the terms of the Lazard Ltd 2018 Incentive Compensation Plan, as it may be amended from time to time, or any successor plan thereto (the “Equity

Plan”), a portion of the 2022 Bonus shall be granted in the same form of deferred compensation and in comparable proportion as is paid to other Lazard executive officers, on the basis of the actual compensation paid or granted to you (upon the execution of one or more award agreements in customary form, including with respect to vesting), and the remaining portion of the 2022 Bonus will be issued in cash.

4. **Sign-on Bonus:** In connection with your commencement of service with Lazard, as an inducement for you to accept our offer, for the additional restrictions on which you agreed with your current employer and in further consideration of the restrictions set forth in Section 6, you will be paid a sign-on bonus of \$250,000 in cash within 30 days of your commencement of employment. In the event that you resign within 12 months of commencing employment, you agree to promptly refund the full amount of the sign-on bonus.

5. **Status as “At Will” Employee:** At all times, you will be treated as an “at will” employee who can be terminated at any time for any reason or no reason at all. Notwithstanding the foregoing, you agree to provide Lazard with three months’ written notice of your intent to terminate your employment with Lazard.

6. **Non Competition; Non Solicitation of Clients and Employees:** You agree that while employed by Lazard and thereafter until six months after you leave Lazard for any reason, you shall not, directly or indirectly, on your behalf or on behalf of any other person, firm, corporation, association or other entity, as a Managing Director, employee, director, advisor, partner, consultant or otherwise, provide services or perform activities for, or acquire or maintain any ownership interest in, a “Competitive Enterprise.” For purposes of this agreement, “Competitive Enterprise” shall mean a business (or business unit) that (x) engages in any activity or (y) owns or controls a significant interest in any entity that engages in any activity, that in either case, is similar to an activity in which Lazard or any of its affiliates (collectively, the “Firm”) is engaged up to and including your departure date from Lazard (a “Competitive Activity”). You also agree that while employed by Lazard and thereafter until six

months after you leave Lazard for any reason, you shall not, directly or indirectly, (i) solicit a Client to transact business with a Competitive Enterprise in respect of a Competitive Activity or to reduce or refrain from doing any business with the Firm, or (ii) interfere with or damage (or attempt to interfere with or damage) any relationship between the Firm and a Client. For purposes of this agreement, the term "Client" means any client or prospective client of the Firm to whom you provided services, or for whom you transacted business, or to whom you knew that other individuals associated with the Firm had provided services, whether or not the Firm has been engaged by such Client pursuant to a written agreement; provided that an entity which is not a client of the Firm shall be considered a "prospective client" for purposes of this sentence only if the Firm made a presentation or written proposal to such entity during the 12-month period preceding your termination date or was preparing to make such a presentation or proposal at the time of your termination. In addition, you agree that while employed by Lazard and thereafter until six months after you leave Lazard for any reason, you shall not, directly or indirectly, for yourself or on behalf of any third party at any time in any manner, solicit, hire, or otherwise cause any employee (including, without limitation, managing directors), officer or agent of Lazard or any of its affiliates to apply for, or accept employment with, any Competitive Enterprise, or to otherwise refrain from rendering services to Lazard or any of its affiliates or to terminate his or her relationship, contractual or otherwise, with Lazard or any of its affiliates, other than in response to a general advertisement or public solicitation not directed specifically to employees of Lazard or any of its affiliates. For purposes of this agreement, the term "solicit" means any direct or indirect communication of any kind whatsoever, regardless of by whom initiated, inviting, advising, persuading, encouraging or requesting any person or entity, in any manner, to take or refrain from taking any action.

7. **Benefits:** You will be eligible for health and other insurance benefits coverage with Lazard on your first day of active employment. Coverage will be contingent upon completion of your online enrollment within 31 days from your first

day of active employment, and will be subject to all terms and conditions generally applicable to Lazard employees.

8. No Conflicts; Obligations to Current Employer: You represent that the execution of this agreement and the performance by you of your obligations under this agreement will not conflict with, or result in the breach of, any agreement to which you are a party as of the Effective Date. You covenant and agree that you have not breached and will not breach any covenant, obligation or other contractual or similar duty to your current employer, including, without limitation, any applicable confidentiality, notice, non-competition, non-solicitation of clients/prospective clients and/or non-solicitation of employees obligations. Without limiting the foregoing, you agree that you will not retain, convey to Lazard or use in connection with your work for Lazard any confidential or proprietary information of any person or entity obtained in connection with your services to your current employer. You also represent and warrant that you have provided or will provide to Lazard documentation of any applicable post-employment obligations and/or restrictions. This offer of employment is contingent on your compliance with this provision.

9. Withholding: Lazard may withhold from any amounts payable under this agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

10. Integration: You represent and warrant that, in accepting this offer, you are not relying on any representations to you by Lazard regarding this offer of employment or the terms and conditions of your anticipated employment except as expressly set forth in this letter agreement. This letter agreement contains the entire understanding and agreement between you and Lazard concerning this offer of employment and the terms and conditions of your anticipated employment, and supersedes all prior agreements, understandings, discussions, negotiations, and undertakings, whether written or oral, between you and Lazard. The terms of this

letter agreement may not be amended orally. The terms of this letter agreement may only be amended if such an amendment is agreed to in writing and is signed by you and Lazard.

11. **Registration:** To the extent that you have not already done so, it is a condition of your continued employment that you take and pass all required exams as soon as practicable, as directed by Lazard.

12. **Governing Law; Arbitration:** This letter agreement and any claim related directly or indirectly to this letter agreement shall be governed and construed in accordance with the laws of the State of New York (without giving regard to the conflicts of law provisions thereof). All disputes, controversies and claims arising out of or relating to this letter agreement or any breach or termination or alleged breach or termination of this letter agreement shall be submitted to binding arbitration administered by JAMS in New York before a single arbitrator and pursuant to the rules of JAMS then in effect (except as otherwise required by law).

13. **Conditions of Offer:** This letter constitutes an offer of employment with Lazard on the terms and conditions contained herein. This offer will remain open until **12:00 pm on July 26, 2022**, and you may accept it, and it shall become a binding agreement between us, by returning an executed copy of this letter to Lazard no later than that time. You should retain the second copy for your files. Notwithstanding anything else contained herein, this employment offer is made contingent upon your passing a pre-employment investigative background check and credit check (if applicable). In addition, in order to satisfy immigration laws, your employment with Lazard is also conditional upon your presentation of appropriate documentation verifying your lawful ability to work in the United States. We request that you present such documents on your first day of employment. The attached sheet outlines the documents required. Even if your employment begins before the results of any or all of these requirements are available to Lazard, your employment and the terms of this letter agreement remain contingent upon the timely and satisfactory completion of

these requirements. In the event that your employment does not commence or is terminated because the results of Lazard's standard background checks and procedures are unsatisfactory, this letter agreement shall be null and void *ab initio* and of no further effect, and Lazard shall have no further obligation to you under this letter agreement or otherwise. Subject to the satisfaction of the conditions set forth herein and provided that prior to the Effective Date you have not done anything that would serve as the basis for a termination for cause, your employment under this letter agreement will commence on the Effective Date.

Please do not hesitate to contact me at 212-632-6106 if you have any questions.

Very truly yours,

Lazard Group LLC

By: /s/ Scott D. Hoffman

Scott D. Hoffman
Chief Administrative Officer
and General Counsel

AGREED TO AND ACCEPTED:

/s/ Mary Ann Betsch

Mary Ann Betsch
Date: July 26, 2022

**LAZARD LTD REPORTS
SECOND-QUARTER AND FIRST-HALF 2022 RESULTS**

**Financial Advisory operating
revenue reflected high levels of
activity globally**

**Asset Management fundamental
investment style well-positioned in
current market environment**

**Returned \$526 million in capital to
shareholders, including the
repurchase of 10.6 million shares
year-to-date**

NEW YORK, July 28, 2022 – Lazard Ltd (NYSE: LAZ) today reported operating revenue¹ of \$676 million for the quarter ended June 30, 2022. Net income, as adjusted², was \$96 million, or \$0.92 per share (diluted) for the quarter. On a U.S. GAAP basis, second-quarter 2022 net income was \$95 million, or \$0.92 per share (diluted).

First-half 2022 net income, as adjusted, was \$211 million, or \$1.97 per share (diluted). On a U.S. GAAP basis, first-half 2022 net income was \$209 million, or \$1.97 per share (diluted).

“Our results demonstrate the resilience, diversification and discipline of our business model, and we are well-positioned for the current economic environment,” said Kenneth M. Jacobs, Chairman and Chief Executive Officer of Lazard. “We continue to invest for growth while remaining focused on delivering innovative client solutions, generating significant cash flow and returning capital to shareholders.”

(\$ in millions, except per share data and AUM)	Quarter Ended June 30,			Six Months Ended June 30,		
	2022	2021	%'22-'21	2022	2021	%'22-'21
Net Income						
U.S. GAAP	\$95	\$123	(22%)	\$209	\$210	(1%)
Per share, diluted	\$0.92	\$1.08	(15%)	\$1.97	\$1.83	8%
Adjusted ²	\$96	\$146	(34%)	\$211	\$247	(15%)
Per share, diluted	\$0.92	\$1.28	(28%)	\$1.97	\$2.15	(8%)
Operating Revenue¹						
Total operating revenue	\$676	\$821	(18%)	\$1,375	\$1,469	(6%)
Financial Advisory	\$407	\$471	(14%)	\$795	\$788	1%
Asset Management	\$266	\$343	(23%)	\$577	\$671	(14%)
AUM (\$ in billions)						
Period end	\$217	\$277	(22%)			
Average	\$230	\$276	(17%)	\$243	\$269	(9%)

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Note: Endnotes are on page 7 of this release. A reconciliation of adjusted GAAP to U.S. GAAP is on pages 14-15.

OPERATING REVENUE

Operating revenue¹ was \$676 million for the second quarter of 2022, and \$1,375 million for the first half of 2022, 18% and 6% lower, respectively, from the comparable 2021 periods.

Financial Advisory

Our Financial Advisory results include M&A Advisory, Capital Advisory, Capital Raising, Restructuring, Shareholder Advisory, Sovereign Advisory, and other strategic advisory work for clients.

For the second quarter of 2022, Financial Advisory operating revenue was \$407 million, 14% lower than the second quarter of 2021.

For the first half of 2022, Financial Advisory operating revenue was \$795 million, 1% higher than the first half of 2021.

During and since the second quarter of 2022, Lazard has been engaged in significant and complex M&A transactions and other advisory assignments globally, including the following (clients are in italics): *Vivendi's* €3.6 billion tender offer for Lagardère; *Resource REIT's* \$3.7 billion sale to Blackstone Real Estate Income Trust; *Oi's* BRL 20.0 billion fiber assets carve-out to a BTG Pactual-led consortium; *Ferro Corporation's* \$2.1 billion sale to Prince International; *Tivity Health's* \$2.0 billion acquisition by Stone Point Capital; *Sierra Oncology's* \$1.9 billion sale to GSK; *Alpargatas'* strategic partnership and investment in Rothy's; *Beeline's* investment from Stone Point Capital; and *Q-Energy's* sale of its GW renewable platform to Verbund AG.

Lazard has one of the world's preeminent restructuring practices. During and since the second quarter of 2022, we have been engaged in a broad range of visible and complex restructuring and debt advisory assignments for debtors or creditors, including roles involving: Alto Maipo S.P.A.; Andrade Gutierrez; Brazos Electric Power Cooperative; Corp Group Banking S.A.; GenapSys; Grupo GICSA; HEXO; Imagina Media Audiovisual; Nordic Aviation Capital; Rockall Energy; Stoneway Capital; and Vue Entertainment.

Our Capital and Shareholder Advisory practices remain active globally, advising on a broad range of public and private assignments. Our Sovereign Advisory practice continues to be active advising governments, sovereign and sub-sovereign entities across developed and emerging markets.

For a list of publicly announced Financial Advisory transactions on which Lazard advised in the second quarter of 2022, or continued to advise or completed since June 30, 2022, please visit our website at www.lazard.com/businesses/transactions.

Asset Management

In the text portion of this press release, we present our Asset Management results as 1) Management fees and other revenue, and 2) Incentive fees.

For the second quarter of 2022, Asset Management operating revenue was \$266 million, 23% lower than the second quarter of 2021. For the first half of 2022, Asset Management operating revenue was \$577 million, 14% lower than the first half of 2021.

For the second quarter of 2022, management fees and other revenue was \$258 million, 16% lower than the second quarter of 2021, and 10% lower than the first quarter of 2022. For the first half of 2022, management fees and other revenue was \$545 million, 10% lower than the first half of 2021.

Average assets under management (AUM) for the second quarter of 2022 was \$230 billion, 17% lower than the second quarter of 2021, and 10% lower than the first quarter of 2022. Average AUM for the first half of 2022 was \$243 billion, 9% lower than the first half of 2021.

AUM as of June 30, 2022, was \$217 billion, down 14% from March 31, 2022, and down 22% from June 30, 2021. The sequential decrease from March 31, 2022 was driven by market depreciation of \$23.2 billion, foreign exchange depreciation of \$8.2 billion and net outflows of \$4.6 billion.

For the second quarter of 2022, incentive fees were \$7 million, compared to \$34 million for the second quarter of 2021. For the first half of 2022, incentive fees were \$33 million, compared to \$67 million for the first half of 2021.

OPERATING EXPENSES

Compensation and Benefits

In managing compensation and benefits expense, we focus on annual awarded compensation (cash compensation and benefits plus deferred incentive compensation with respect to the applicable year, net of estimated future forfeitures and excluding charges), a non-GAAP measure. We believe annual awarded compensation reflects the actual annual compensation cost more accurately than the GAAP measure of compensation cost, which includes applicable-year cash compensation and the amortization of deferred incentive compensation principally attributable to previous years' deferred compensation. We believe that by managing our business using awarded compensation with a consistent deferral policy, we can better manage our compensation costs, increase our flexibility in the future and build shareholder value over time.

For the second quarter of 2022, we accrued compensation and benefits expense at an adjusted compensation¹ ratio of 58.5%, compared to the second-quarter 2021 ratio of 59.5%. This resulted in \$395 million of compensation and benefits expense, compared to \$489 million for the second quarter of 2021.

For the first half of 2022, adjusted compensation and benefits expense¹ was \$804 million, compared to \$874 million for the first half of 2021.

We manage our compensation and benefits expense based on awarded compensation with a consistent deferral policy. We take a disciplined approach to compensation, and our goal is to maintain a compensation-to-operating revenue ratio over the cycle in the mid- to high-50s percentage range on both an awarded and adjusted basis, with consistent deferral policies.

Non-Compensation Expense

Adjusted non-compensation expense¹ for the second quarter of 2022, was \$131 million, 10% higher than the second quarter of 2021. The increase primarily reflects higher marketing and business development expenses and technology investments. The ratio of adjusted non-compensation expense to operating revenue for the second quarter of 2022 was 19.4%, compared to 14.5% for the second quarter of 2021.

Adjusted non-compensation expense¹ for the first half of 2022 was \$248 million, 12% higher than the first half of 2021. The ratio of adjusted non-compensation expense to operating revenue for the first half of 2022 was 18.0%, compared to 15.1% for the first half of 2021.

Our goal remains to achieve an adjusted non-compensation expense-to-operating revenue ratio over the cycle of 16% to 20%.

TAXES

The provision for taxes, on an adjusted basis¹, was \$34 million for the second quarter and \$73 million for the first half of 2022. The effective tax rate on the same basis was 26.4% for the second quarter and 25.9% for the first half of 2022, compared to 25.2% and 26.7% for the respective 2021 periods.

CAPITAL MANAGEMENT AND BALANCE SHEET

Our primary capital management goals include managing debt and returning capital to shareholders through dividends and share repurchases.

In the second quarter of 2022, Lazard returned \$246 million to shareholders, which included: \$46 million in dividends; \$199 million in share repurchases of our common stock; and \$1 million in satisfaction of employee tax obligations in lieu of share issuances upon vesting of equity grants.

In the first half of 2022, Lazard returned \$526 million to shareholders, which included: \$93 million in dividends; \$375 million in share repurchases of our common stock; and \$58 million in satisfaction of employee tax obligations in lieu of share issuances upon vesting of equity grants.

During the first half of 2022, we repurchased 10.6 million shares, which included 5.9 million shares repurchased in the second quarter. On July 27, 2022, our Board of Directors authorized additional share repurchases of up to \$500 million, which expires as of December 31, 2024, bringing our total outstanding share repurchase authorization to \$559 million.

In addition, on July 27, 2022, our Board of Directors voted to increase the quarterly dividend on Lazard's outstanding common stock by 6% to \$0.50 per share. The dividend is payable on August 19, 2022, to stockholders of record on August 8, 2022.

Lazard's financial position remains strong. As of June 30, 2022, our cash and cash equivalents were \$907 million, and stockholders' equity related to Lazard's interests was \$716 million.

CONFERENCE CALL

Lazard will host a conference call at 8:00 a.m. EDT on July 28, 2022, to discuss the company's financial results for the second quarter and first half of 2022. The conference call can be accessed via a live audio webcast available through Lazard's Investor Relations website at www.lazard.com, or by dialing 1 800-420-1271 (U.S. and Canada) or +1 785-424-1603 (outside of the U.S. and Canada), 15 minutes prior to the start of the call.

A replay of the conference call will be available by 10:00 a.m. EDT, July 28, 2022, via the Lazard Investor Relations website at www.lazard.com, or by dialing 1 (888) 215-1280 (U.S. and Canada) or +1 (402) 220-4937 (outside of the U.S. and Canada).

ABOUT LAZARD

Lazard, one of the world's preeminent financial advisory and asset management firms, operates from 41 cities across 26 countries in North, Central and South America, Europe, Asia and Australia. With origins dating to 1848, the firm provides advice on mergers and acquisitions, strategic matters, restructuring and capital structure, capital raising and corporate finance, as well as asset management services to corporations, partnerships, institutions, governments and individuals. For more information on Lazard, please visit www.lazard.com. Follow Lazard at @Lazard.

Cautionary Note Regarding Forward-Looking Statements:

This press release contains forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "may", "might", "will", "should", "could", "would", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "target," "goal", or "continue", and the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance based on our growth strategies, business plans and initiatives and anticipated trends in our business. These forward-looking statements, including with respect to the current COVID-19 pandemic, are only predictions 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 by these 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 discussed from time to time in our reports on Forms 10-Q and 8-K, including the following:

- *A decline in general economic conditions or the global or regional financial markets;*
- *A decline in our revenues, for example due to a decline in overall mergers and acquisitions (M&A) activity, our share of the M&A market or our assets under management (AUM);*
- *Losses caused by financial or other problems experienced by third parties;*
- *Losses due to unidentified or unanticipated risks;*
- *A lack of liquidity, i.e., ready access to funds, for use in our businesses; and*
- *Competitive pressure on our businesses and on our ability to retain and attract employees at current compensation levels.*

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Neither we nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. We are under no duty to update any of these forward-looking statements after the date of this release to conform our prior statements to actual results or revised expectations and we do not intend to do so.

Lazard Ltd is committed to providing timely and accurate information to the investing public, consistent with our legal and regulatory obligations. To that end, Lazard and its operating companies use their websites, Lazard's Twitter account (twitter.com/Lazard) and other social media sites to convey information about their businesses, including the anticipated release of quarterly financial results, quarterly financial, statistical and business-related information, and the posting of updates of assets under management in various mutual funds, hedge funds and other investment products managed by Lazard Asset Management LLC and Lazard Frères Gestion SAS. Investors can link to Lazard and its operating company websites through www.lazard.com.

ENDNOTES

¹ A non-U.S. GAAP measure. See attached financial schedules and related notes for a detailed explanation of adjustments to corresponding U.S. GAAP results. We believe that presenting our results on an adjusted basis, in addition to the U.S. GAAP results, is the most meaningful and useful way to compare our operating results across periods.

² Second-quarter and first-half 2022 adjusted results¹ exclude pre-tax charges of \$0.9 million and \$2.0 million, respectively, relating to office space reorganization. On a U.S. GAAP basis, these resulted in a net charge of \$0.6 million, or \$0.01 (diluted) per share, for the second quarter, and a net charge of \$1.4 million, or \$0.01 (diluted) per share, for the first half of 2022.

LAZ-EPE

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LAZARD LTD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(U.S. GAAP)

	Three Months Ended			% Change From	
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021
(\$ in thousands, except per share data)					
Total revenue	\$ 660,658	\$ 716,144	\$ 843,264	(8%)	(22%)
Interest expense	(21,112)	(21,252)	(20,127)		
Net revenue	639,546	694,892	823,137	(8%)	(22%)
Operating expenses:					
Compensation and benefits	363,830	396,841	514,918	(8%)	(29%)
Occupancy and equipment	29,409	31,239	29,875		
Marketing and business development	22,673	14,123	9,332		
Technology and information services	42,067	37,931	35,774		
Professional services	16,549	16,029	19,996		
Fund administration and outsourced services	28,551	29,703	31,302		
Amortization of intangible assets related to acquisitions	15	15	15		
Other	10,614	9,283	15,664		
Subtotal	149,878	138,323	141,958	8%	6%
Operating expenses	513,708	535,164	656,876	(4%)	(22%)
Operating income	125,838	159,728	166,261	(21%)	(24%)
Provision for income taxes	34,187	38,753	41,345	(12%)	(17%)
Net income	91,651	120,975	124,916	(24%)	(27%)
Net income (loss) attributable to noncontrolling interests	(3,829)	7,099	1,738		
Net income attributable to Lazard Ltd	\$ 95,480	\$ 113,876	\$ 123,178	(16%)	(22%)
Attributable to Lazard Ltd Common Stockholders:					
Weighted average shares outstanding:					
Basic	98,660,173	102,547,277	106,746,654	(4%)	(8%)
Diluted	102,753,336	108,186,642	113,603,478	(5%)	(10%)
Net income per share:					
Basic	\$ 0.96	\$ 1.09	\$ 1.14	(12%)	(16%)
Diluted	\$ 0.92	\$ 1.05	\$ 1.08	(12%)	(15%)

LAZARD LTD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(U.S. GAAP)

(\$ in thousands, except per share data)	Six Months Ended		% Change
	June 30, 2022	June 30, 2021	
Total revenue	\$ 1,376,802	\$ 1,523,168	(10%)
Interest expense	(42,364)	(39,924)	
Net revenue	1,334,438	1,483,244	(10%)
Operating expenses:			
Compensation and benefits	760,671	916,464	(17%)
Occupancy and equipment	60,648	64,623	
Marketing and business development	36,796	15,983	
Technology and information services	79,998	69,444	
Professional services	32,578	34,944	
Fund administration and outsourced services	58,254	60,581	
Amortization of intangible assets related to acquisitions	30	30	
Other	19,897	20,624	
Subtotal	288,201	266,229	8%
Operating expenses	1,048,872	1,182,693	(11%)
Operating income	285,566	300,551	(5%)
Provision for income taxes	72,940	84,809	(14%)
Net income	212,626	215,742	(1%)
Net income attributable to noncontrolling interests	3,270	5,264	
Net income attributable to Lazard Ltd	\$ 209,356	\$ 210,478	(1%)
Attributable to Lazard Ltd Common Stockholders:			
Weighted average shares outstanding:			
Basic	100,603,724	107,019,107	(6%)
Diluted	105,469,988	114,712,885	(8%)
Net income per share:			
Basic	\$ 2.05	\$ 1.94	6%
Diluted	\$ 1.97	\$ 1.83	8%

LAZARD LTD
UNAUDITED CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL CONDITION
(U.S. GAAP)

(\$ in thousands)	June 30, 2022	December 31, 2021
<u>ASSETS</u>		
Cash and cash equivalents	\$ 907,472	\$ 1,465,022
Deposits with banks and short-term investments	1,700,961	1,347,544
Restricted cash	617,057	617,448
Receivables	739,702	805,809
Investments	787,139	1,007,339
Property	231,502	250,005
Goodwill and other intangible assets	378,004	379,571
Operating lease right-of-use assets	435,450	466,054
Deferred tax assets	408,187	435,308
Other assets	506,322	373,081
Total Assets	\$ 6,711,796	\$ 7,147,181
<u>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS & STOCKHOLDERS' EQUITY</u>		
Liabilities		
Deposits and other customer payables	\$ 1,831,825	\$ 1,442,701
Accrued compensation and benefits	494,464	972,303
Operating lease liabilities	520,025	552,522
Tax receivable agreement obligation	192,473	213,434
Senior debt	1,686,471	1,685,227
Other liabilities	583,871	628,030
Total liabilities	5,309,129	5,494,217
Commitments and contingencies		
Redeemable noncontrolling interests	575,710	575,000
Stockholders' equity		
Preferred stock, par value \$.01 per share	-	-
Common stock, par value \$.01 per share	1,128	1,128
Additional paid-in capital	71,918	144,729
Retained earnings	1,628,182	1,560,636
Accumulated other comprehensive loss, net of tax	(290,029)	(223,847)
Subtotal	1,411,199	1,482,646
Class A common stock held by subsidiaries, at cost	(695,537)	(507,426)
Total Lazard Ltd stockholders' equity	715,662	975,220
Noncontrolling interests	111,295	102,744
Total stockholders' equity	826,957	1,077,964
Total liabilities, redeemable noncontrolling interests and stockholders' equity	\$ 6,711,796	\$ 7,147,181

LAZARD LTD
SELECTED SUMMARY FINANCIAL INFORMATION (a)
(Non-GAAP - unaudited)

	Three Months Ended			% Change From	
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022	June 30, 2021
(\$ in thousands, except per share data)					
Revenues:					
Financial Advisory	\$ 406,792	\$ 388,130	\$ 471,075	5%	(14%)
Asset Management	265,707	311,781	343,453	(15%)	(23%)
Corporate	<u>3,412</u>	<u>(1,276)</u>	<u>6,918</u>	NM	(51%)
Operating revenue (b)	<u>\$ 675,911</u>	<u>\$ 698,635</u>	<u>\$ 821,446</u>	(3%)	(18%)
Expenses:					
Adjusted compensation and benefits expense (c)	<u>\$ 395,407</u>	<u>\$ 408,702</u>	<u>\$ 488,760</u>	(3%)	(19%)
<i>Ratio of adjusted compensation to operating revenue</i>	<i>58.5%</i>	<i>58.5%</i>	<i>59.5%</i>		
Non-compensation expense (d)	<u>\$ 130,941</u>	<u>\$ 117,126</u>	<u>\$ 118,830</u>	12%	10%
<i>Ratio of non-compensation to operating revenue</i>	<i>19.4%</i>	<i>16.8%</i>	<i>14.5%</i>		
Earnings:					
Earnings from operations (e)	<u>\$ 149,563</u>	<u>\$ 172,807</u>	<u>\$ 213,856</u>	(13%)	(30%)
<i>Operating margin (f)</i>	<i>22.1%</i>	<i>24.7%</i>	<i>26.0%</i>		
Adjusted net income (g)	<u>\$ 96,108</u>	<u>\$ 114,692</u>	<u>\$ 145,798</u>	(16%)	(34%)
Diluted adjusted net income per share	\$ 0.92	\$ 1.05	\$ 1.28	(12%)	(28%)
Diluted weighted average shares (h)	104,767,897	109,178,143	114,058,944	(4%)	(8%)
<i>Effective tax rate (i)</i>	<i>26.4%</i>	<i>25.4%</i>	<i>25.2%</i>		

This presentation includes non-U.S. GAAP ("non-GAAP") measures. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for the corresponding U.S. GAAP measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with U.S. GAAP. For a detailed explanation of the adjustments made to the corresponding U.S. GAAP measures, see Reconciliation of U.S. GAAP to Selected Summary Financial Information and Notes to Financial Schedules.

LAZARD LTD
SELECTED SUMMARY FINANCIAL INFORMATION (a)
(Non-GAAP - unaudited)

(\$ in thousands, except per share data)	Six Months Ended		
	June 30, 2022	June 30, 2021	% Change
Revenues:			
Financial Advisory	\$ 794,922	\$ 788,375	1%
Asset Management	577,488	671,367	(14%)
Corporate	2,136	9,566	(78%)
Operating revenue (b)	\$ 1,374,546	\$ 1,469,308	(6%)
Expenses:			
Adjusted compensation and benefits expense (c)	\$ 804,109	\$ 874,238	(8%)
<i>Ratio of adjusted compensation to operating revenue</i>	58.5%	59.5%	
Non-compensation expense (d)	\$ 248,067	\$ 221,310	12%
<i>Ratio of non-compensation to operating revenue</i>	18.0%	15.1%	
Earnings:			
Earnings from operations (e)	\$ 322,370	\$ 373,760	(14%)
<i>Operating margin (f)</i>	23.5%	25.4%	
Adjusted net income (g)	\$ 210,800	\$ 247,019	(15%)
Diluted adjusted net income per share	\$ 1.97	\$ 2.15	(8%)
Diluted weighted average shares (h)	106,973,019	114,958,432	(7%)
<i>Effective tax rate (i)</i>	25.9%	26.7%	

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LAZARD LTD
ASSETS UNDER MANAGEMENT ("AUM")
(unaudited)

(\$ in millions)

	As of			Variance	
	June 30, 2022	March 31, 2022	December 31, 2021	Qtr to Qtr	YTD
Equity:					
Emerging Markets	\$ 22,656	\$ 26,575	\$ 31,227	(14.7%)	(27.4%)
Global	48,742	55,810	59,516	(12.7%)	(18.1%)
Local	46,617	53,832	56,310	(13.4%)	(17.2%)
Multi-Regional	52,259	64,810	73,953	(19.4%)	(29.3%)
Total Equity	<u>170,274</u>	<u>201,027</u>	<u>221,006</u>	(15.3%)	(23.0%)
Fixed Income:					
Emerging Markets	9,948	11,997	12,231	(17.1%)	(18.7%)
Global	12,380	13,881	14,410	(10.8%)	(14.1%)
Local	5,302	5,652	6,022	(6.2%)	(12.0%)
Multi-Regional	12,299	13,454	13,623	(8.6%)	(9.7%)
Total Fixed Income	<u>39,929</u>	<u>44,984</u>	<u>46,286</u>	(11.2%)	(13.7%)
Alternative Investments	4,145	4,483	4,203	(7.5%)	(1.4%)
Private Equity	1,268	1,256	1,290	0.9%	(1.7%)
Cash Management	1,010	925	954	9.2%	5.9%
Total AUM	<u>\$ 216,626</u>	<u>\$ 252,675</u>	<u>\$ 273,739</u>	(14.3%)	(20.9%)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
AUM - Beginning of Period	\$ 252,675	\$ 264,852	\$ 273,739	\$ 258,642
Net Flows	(4,649)	(828)	(11,174)	(2,507)
Market and foreign exchange appreciation (depreciation)	<u>(31,400)</u>	<u>13,354</u>	<u>(45,939)</u>	<u>21,243</u>
AUM - End of Period	<u>\$ 216,626</u>	<u>\$ 277,378</u>	<u>\$ 216,626</u>	<u>\$ 277,378</u>
Average AUM	\$ 230,162	\$ 275,851	\$ 243,263	\$ 268,657
% Change in average AUM	(16.6%)		(9.5%)	

Note: Average AUM generally represents the average of the monthly ending AUM balances for the period.

LAZARD LTD
RECONCILIATION OF U.S. GAAP TO SELECTED SUMMARY FINANCIAL INFORMATION (a)
(unaudited)

(\$ in thousands, except per share data)	Three Months Ended			Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2022	June 30, 2021
	Operating Revenue				
Net revenue - U.S. GAAP Basis	\$ 639,546	\$ 694,892	\$ 823,137	\$ 1,334,438	\$ 1,483,244
Adjustments:					
Revenue related to noncontrolling interests (j)	(660)	(10,795)	(5,754)	(11,455)	(12,115)
(Gains) losses related to Lazard Fund Interests ("LFI") and other similar arrangements	35,098	14,323	(16,491)	49,421	(23,978)
Distribution fees, reimbursable deal costs, bad debt expense and other (k)	(17,083)	(18,822)	(21,625)	(35,905)	(38,335)
Losses associated with restructuring and closing of certain offices (l)	-	-	23,579	-	23,579
Interest expense	19,010	19,037	18,600	38,047	36,913
Operating revenue, as adjusted (b)	<u>\$ 675,911</u>	<u>\$ 698,635</u>	<u>\$ 821,446</u>	<u>\$ 1,374,546</u>	<u>\$ 1,469,308</u>
	Compensation and Benefits Expense				
Compensation and benefits expense - U.S. GAAP Basis	\$ 363,830	\$ 396,841	\$ 514,918	\$ 760,671	\$ 916,464
Adjustments:					
(Charges) credits pertaining to LFI and other similar arrangements	35,098	14,323	(16,491)	49,421	(23,978)
Expenses associated with restructuring and closing of certain offices (m)	-	-	(7,287)	-	(13,910)
Compensation related to noncontrolling interests (j)	(3,521)	(2,462)	(2,380)	(5,983)	(4,338)
Compensation and benefits expense, as adjusted (c)	<u>\$ 395,407</u>	<u>\$ 408,702</u>	<u>\$ 488,760</u>	<u>\$ 804,109</u>	<u>\$ 874,238</u>
	Non-Compensation Expense				
Non-compensation expense - Subtotal - U.S. GAAP Basis	\$ 149,878	\$ 138,323	\$ 141,958	\$ 288,201	\$ 266,229
Adjustments:					
Expenses related to office space reorganization (n)	(871)	(1,124)	(1,237)	(1,995)	(2,653)
Distribution fees, reimbursable deal costs, bad debt expense and other (k)	(17,083)	(18,822)	(21,625)	(35,905)	(38,335)
Amortization of intangible assets related to acquisitions	(15)	(15)	(15)	(30)	(30)
Income (expenses) associated with restructuring and closing of certain offices (m)	-	-	1,586	-	(1,385)
Non-compensation expense related to noncontrolling interests (j)	(968)	(1,236)	(1,837)	(2,204)	(2,516)
Non-compensation expense, as adjusted (d)	<u>\$ 130,941</u>	<u>\$ 117,126</u>	<u>\$ 118,830</u>	<u>\$ 248,067</u>	<u>\$ 221,310</u>
	Pre-Tax Income and Earnings From Operations				
Operating Income - U.S. GAAP Basis	\$ 125,838	\$ 159,728	\$ 166,261	\$ 285,566	\$ 300,551
Adjustments:					
Losses associated with restructuring and closing of certain offices (l)	-	-	23,579	-	23,579
Expenses related to office space reorganization (n)	871	1,124	1,237	1,995	2,653
Expenses associated with restructuring and closing of certain offices (m)	-	-	5,701	-	15,295
Net income (loss) related to noncontrolling interests (j)	3,829	(7,099)	(1,738)	(3,270)	(5,264)
Pre-tax income, as adjusted	130,538	153,753	195,040	284,291	336,814
Interest expense	19,010	19,037	18,600	38,047	36,913
Amortization of intangible assets related to acquisitions and other	15	17	216	32	33
Earnings from operations, as adjusted (e)	<u>\$ 149,563</u>	<u>\$ 172,807</u>	<u>\$ 213,856</u>	<u>\$ 322,370</u>	<u>\$ 373,760</u>
	Net Income attributable to Lazard Ltd				
Net income attributable to Lazard Ltd - U.S. GAAP Basis	\$ 95,480	\$ 113,876	\$ 123,178	\$ 209,356	\$ 210,478
Adjustments:					
Losses associated with restructuring and closing of certain offices (l)	-	-	23,579	-	23,579
Expenses related to office space reorganization (n)	871	1,124	1,237	1,995	2,653
Expenses associated with restructuring and closing of certain offices (m)	-	-	5,701	-	15,295
Tax benefit allocated to adjustments	(243)	(308)	(7,897)	(551)	(4,986)
Net income, as adjusted (g)	<u>\$ 96,108</u>	<u>\$ 114,692</u>	<u>\$ 145,798</u>	<u>\$ 210,800</u>	<u>\$ 247,019</u>
	Diluted Weighted Average Shares Outstanding				
Diluted Weighted Average Shares Outstanding - U.S. GAAP Basis	102,753,336	108,186,642	113,603,478	105,469,988	114,712,885
Adjustment: participating securities including profits interest participation rights	2,014,561	991,501	455,466	1,503,031	245,547
Diluted Weighted Average Shares Outstanding, as adjusted (h)	<u>104,767,897</u>	<u>109,178,143</u>	<u>114,058,944</u>	<u>106,973,019</u>	<u>114,958,432</u>
Diluted net income per share:					
U.S. GAAP Basis	\$ 0.92	\$ 1.05	\$ 1.08	\$ 1.97	\$ 1.83
Non-GAAP Basis, as adjusted	\$ 0.92	\$ 1.05	\$ 1.28	\$ 1.97	\$ 2.15

This presentation includes non-GAAP measures. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for the corresponding U.S. GAAP measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with U.S. GAAP. For a detailed explanation of the adjustments made to the corresponding U.S. GAAP measures, see Notes to Financial Schedules.

See Notes to Financial Schedules

LAZARD LTD
RECONCILIATION OF NON-COMPENSATION U.S. GAAP TO ADJUSTED (a)
(unaudited)

(\$ in thousands)	Three Months Ended			Six Months Ended	
	June 30,	March 31,	June 30,	June 30,	June 30,
	<u>2022</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Non-compensation expense - U.S. GAAP Basis:					
Occupancy and equipment	\$ 29,409	\$ 31,239	\$ 29,875	\$ 60,648	\$ 64,623
Marketing and business development	22,673	14,123	9,332	36,796	15,983
Technology and information services	42,067	37,931	35,774	79,998	69,444
Professional services	16,549	16,029	19,996	32,578	34,944
Fund administration and outsourced services	28,551	29,703	31,302	58,254	60,581
Amortization of intangible assets related to acquisitions	15	15	15	30	30
Other	10,614	9,283	15,664	19,897	20,624
Non-compensation expense - Subtotal - U.S. GAAP Basis	<u>\$ 149,878</u>	<u>\$ 138,323</u>	<u>\$ 141,958</u>	<u>\$ 288,201</u>	<u>\$ 266,229</u>
Non-compensation expense - Adjustments:					
Occupancy and equipment (j) (m) (n)	\$ (932)	\$ (1,183)	\$ 788	\$ (2,115)	\$ (3,397)
Marketing and business development (j) (k) (m)	(2,043)	(1,225)	(1,247)	(3,268)	(1,452)
Technology and information services (j) (k) (m)	(61)	(30)	(88)	(91)	(102)
Professional services (j) (k) (m) (n)	(403)	(738)	(2,054)	(1,141)	(3,515)
Fund administration and outsourced services (j) (k)	(15,680)	(16,512)	(16,826)	(32,192)	(32,096)
Amortization of intangible assets related to acquisitions	(15)	(15)	(15)	(30)	(30)
Other (j) (k) (n)	197	(1,494)	(3,686)	(1,297)	(4,327)
Subtotal Non-compensation adjustments	<u>\$ (18,937)</u>	<u>\$ (21,197)</u>	<u>\$ (23,128)</u>	<u>\$ (40,134)</u>	<u>\$ (44,919)</u>
Non-compensation expense, as adjusted:					
Occupancy and equipment	\$ 28,477	\$ 30,056	\$ 30,663	\$ 58,533	\$ 61,226
Marketing and business development	20,630	12,898	8,085	33,528	14,531
Technology and information services	42,006	37,901	35,686	79,907	69,342
Professional services	16,146	15,291	17,942	31,437	31,429
Fund administration and outsourced services	12,871	13,191	14,476	26,062	28,485
Amortization of intangible assets related to acquisitions	-	-	-	-	-
Other	10,811	7,789	11,978	18,600	16,297
Non-compensation expense, as adjusted (d)	<u>\$ 130,941</u>	<u>\$ 117,126</u>	<u>\$ 118,830</u>	<u>\$ 248,067</u>	<u>\$ 221,310</u>

This presentation includes non-GAAP measures. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for the corresponding U.S. GAAP measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with U.S. GAAP. For a detailed explanation of the adjustments made to the corresponding U.S. GAAP measures, see Notes to Financial Schedules.

See Notes to Financial Schedules

LAZARD LTD

Notes to Financial Schedules

- (a) Selected Summary Financial Information are non-GAAP measures. Lazard believes that presenting results and measures on an adjusted basis in conjunction with U.S. GAAP measures provides a meaningful and useful basis for comparison of its operating results across periods.
- (b) A non-GAAP measure which excludes (i) revenue related to noncontrolling interests (see (j) below), (ii) (gains) losses related to the changes in the fair value of investments held in connection with Lazard Fund Interests and other similar deferred compensation arrangements for which a corresponding equal amount is excluded from compensation & benefits expense, (iii) revenue related to distribution fees, reimbursable deal costs in accordance with the revenue recognition guidance, bad debt expense, and other (see (k) below), (iv) for the three and six month periods ended June 30, 2021, losses associated with restructuring and closing of certain offices (see (l) below), and (v) interest expense primarily related to corporate financing activities.
- (c) A non-GAAP measure which excludes (i) (charges) credits related to the changes in the fair value of the compensation liability recorded in connection with Lazard Fund Interests and other similar deferred compensation arrangements, (ii) for the three and six month periods ended June 30, 2021, expenses associated with restructuring and closing of certain offices (see (m) below), and (iii) compensation and benefits related to noncontrolling interests (see (j) below).
- (d) A non-GAAP measure which excludes (i) expenses related to office space reorganization (see (n) below), (ii) expenses related to distribution fees, reimbursable deal costs in accordance with the revenue recognition guidance, bad debt expense, and other (see (k) below), (iii) amortization of intangible assets related to acquisitions, (iv) for the three and six month periods ended June 30, 2021, income (expenses) associated with restructuring and closing of certain offices (see (m) below), and (v) expenses related to noncontrolling interests (see (j) below).
- (e) A non-GAAP measure which excludes (i) for the three and six month periods ended June 30, 2021, losses associated with restructuring and closing of certain offices (see (l) below), (ii) expenses related to office space reorganization (see (n) below), (iii) for the three and six month periods ended June 30, 2021, expenses associated with restructuring and closing of certain offices (see (m) below), (iv) net revenue and expenses related to noncontrolling interests (see (j) below), (v) interest expense primarily related to corporate financing activities, and (vi) amortization of intangible assets related to acquisitions.
- (f) Represents earnings from operations as a percentage of operating revenue, and is a non-GAAP measure.
- (g) A non-GAAP measure which excludes (i) for the three and six month periods ended June 30, 2021, losses associated with restructuring and closing of certain offices (see (l) below), (ii) expenses related to office space reorganization (see (n) below), and (iii) for the three and six month periods ended June 30, 2021, expenses associated with restructuring and closing of certain offices (see (m) below), net of tax benefits.
- (h) A non-GAAP measure which includes units of the long-term incentive compensation program consisting of profits interest participation rights, which are equity incentive awards that, subject to certain conditions, may be exchanged for shares of our common stock. Certain profits interest participation rights and other participating securities may be excluded from the computation of outstanding stock equivalents for U.S. GAAP net income per share.
- (i) Effective tax rate is a non-GAAP measure based upon the U.S. GAAP rate with adjustments for the tax applicable to the non-GAAP adjustments to operating income, generally based upon the effective marginal tax rate in the applicable jurisdiction of the adjustments. The computation is based on a quotient, the numerator of which is the provision for income taxes of \$34,430, \$39,061, and \$49,242 for the three month periods ended June 30, 2022, March 31, 2022, and June 30, 2021, respectively, \$73,491 and \$89,795 for the six month periods ended June 30, 2022 and 2021 and the denominator of which is pre-tax income of \$130,538, \$153,753, and \$195,040 for the three month periods ended June 30, 2022, March 31, 2022, and June 30, 2021, respectively, \$284,291 and \$336,814 for the six month periods ended June 30, 2022 and 2021.
- (j) Noncontrolling interests include revenue and expenses principally related to Edgewater, ESC Funds and a Special Purpose Acquisition Company.
- (k) Represents certain distribution, introducer and management fees paid to third parties and reimbursable deal costs for which an equal amount is excluded from both non-GAAP operating revenue and non-compensation expense, respectively, and excludes bad debt expense, which represents fees that are deemed uncollectible.
- (l) Represents losses related to the reclassification of currency translation adjustments to earnings from accumulated other comprehensive loss associated with restructuring and closing of certain of our offices.
- (m) Expenses associated with restructuring and closing of certain offices.
- (n) Represents building depreciation and other costs related to office space reorganization.

NM Not meaningful

LAZARD NAMES MARY ANN BETSCH CHIEF FINANCIAL OFFICER

NEW YORK, July 28, 2022 – Lazard Ltd (NYSE: LAZ) announced today that Mary Ann Betsch will join the firm as Chief Financial Officer (CFO), effective October 3. She succeeds Evan L. Russo, who has served as CFO since 2017, and who became Chief Executive Officer of Lazard’s Asset Management business on June 1, 2022.

“With over two decades of relevant financial services experience, Mary Ann has the financial and strategic acumen, leadership skills, and knowledge of our business to serve as our firm’s CFO and to lead our finance team,” said Kenneth M. Jacobs, Chairman and Chief Executive Officer of Lazard. “She will enhance our senior leadership, working closely with me, our business leaders and Lazard’s board of directors to serve all of our stakeholders.”

Ms. Betsch joins Lazard from Citadel, where she helped lead the finance and accounting function for the past four years. She began her career over 20 years ago at PwC, where she held audit and advisory roles, serving global investment banks and other financial institutions. In 2013, she joined a two-year fellowship program supported by the Federal Reserve Board’s Chief Accountant, returning to PwC as a partner in 2015. She earned a B.S. in Public Accounting at Fordham University, *summa cum laude*, and is a Certified Public Accountant.

About Lazard

Lazard, one of the world's preeminent financial advisory and asset management firms, operates from 41 cities across 26 countries in North, Central and South America, Europe, Asia and Australia. With origins dating to 1848, the firm provides advice on mergers and acquisitions, strategic matters, restructuring and capital structure, capital raising and corporate finance, as well as asset management services to corporations, partnerships, institutions, governments and individuals. For more information on Lazard, please visit www.lazard.com. Follow Lazard at @Lazard

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