



LORD ABBETT®

## INTERNATIONAL DIVIDEND INCOME FUND

*Market & Product Opportunity*

SEPTEMBER 30, 2015

Copyright © 2015 by Lord, Abbett & Co. LLC. All rights reserved.  
Lord Abbett mutual fund shares are distributed by Lord Abbett Distributor LLC.

**Lord, Abbett & Co. LLC**  
**Lord Abbett Distributor LLC**  
90 Hudson Street, Jersey City, NJ 07302-3973



## AT A GLANCE

### AS OF SEPTEMBER 30, 2015

- Independent, privately held firm
- 57 partners
- Assets under management: \$127.7 billion\*
  - \$34.5 billion in equity strategies and \$93.2 billion in fixed-income strategies
- 139 investment professionals with an average of 17 years of industry experience

\*Includes approximately \$1.4 billion for which Lord Abbett provides investment models to managed account sponsors.

## INVESTMENT-LED. INVESTOR-FOCUSED.

### OUR FIRM

A singular focus on the management of money since 1929

---

### OUR MISSION

Delivering superior long-term investment performance and a client experience that exceeds expectations

---

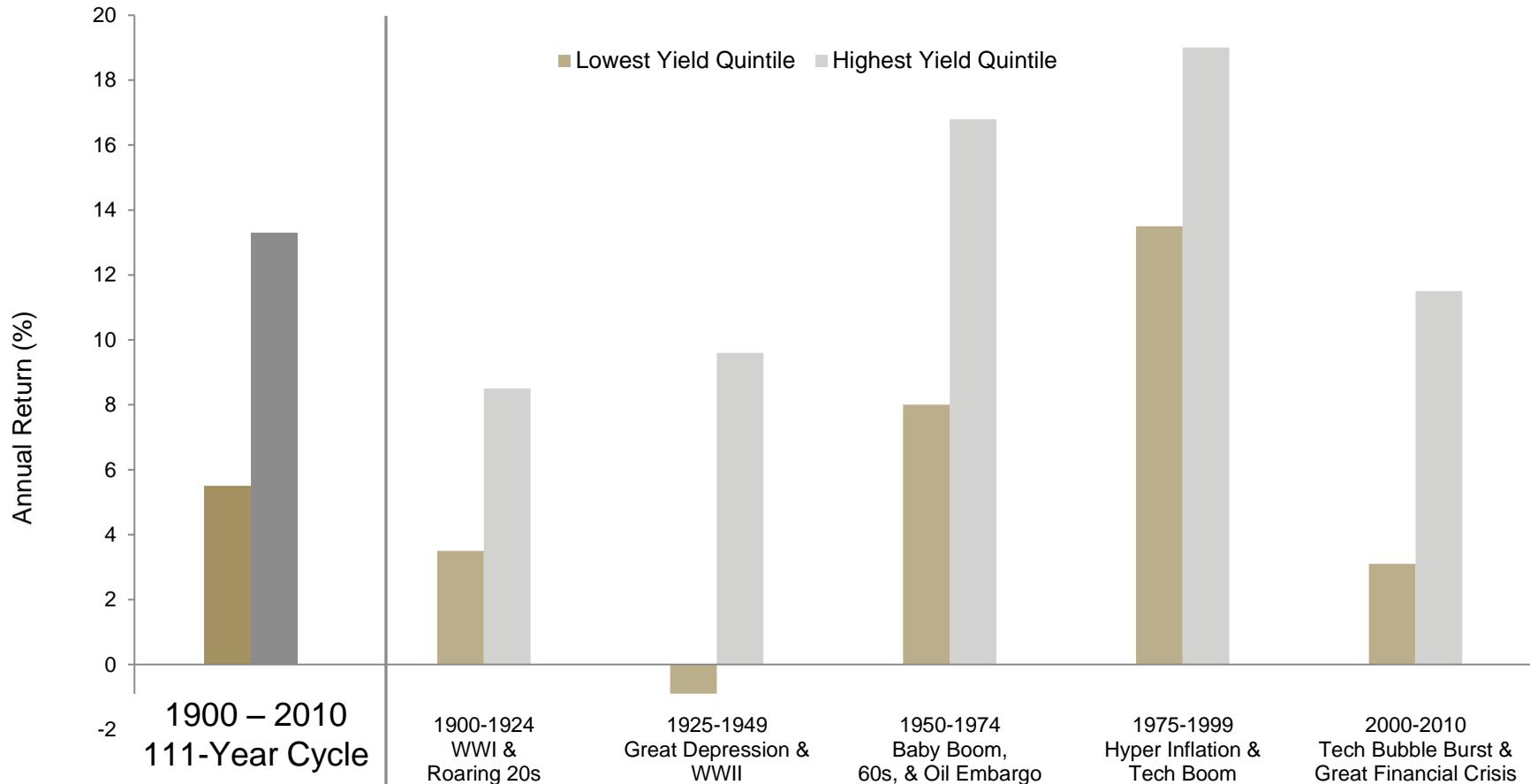
### OUR DIFFERENTIATORS

- Independent Perspective
- Commitment to Active Management
- Intelligent Product Design



# THE HIGHEST YIELDING STOCKS HAVE CONSISTENTLY OUTPERFORMED

## HISTORICAL GLOBAL MARKET RETURNS BY DIVIDEND YIELD PERFORMANCE OF HIGHEST VERSUS LOWEST QUINTILE DIVIDEND YIELDING STOCKS

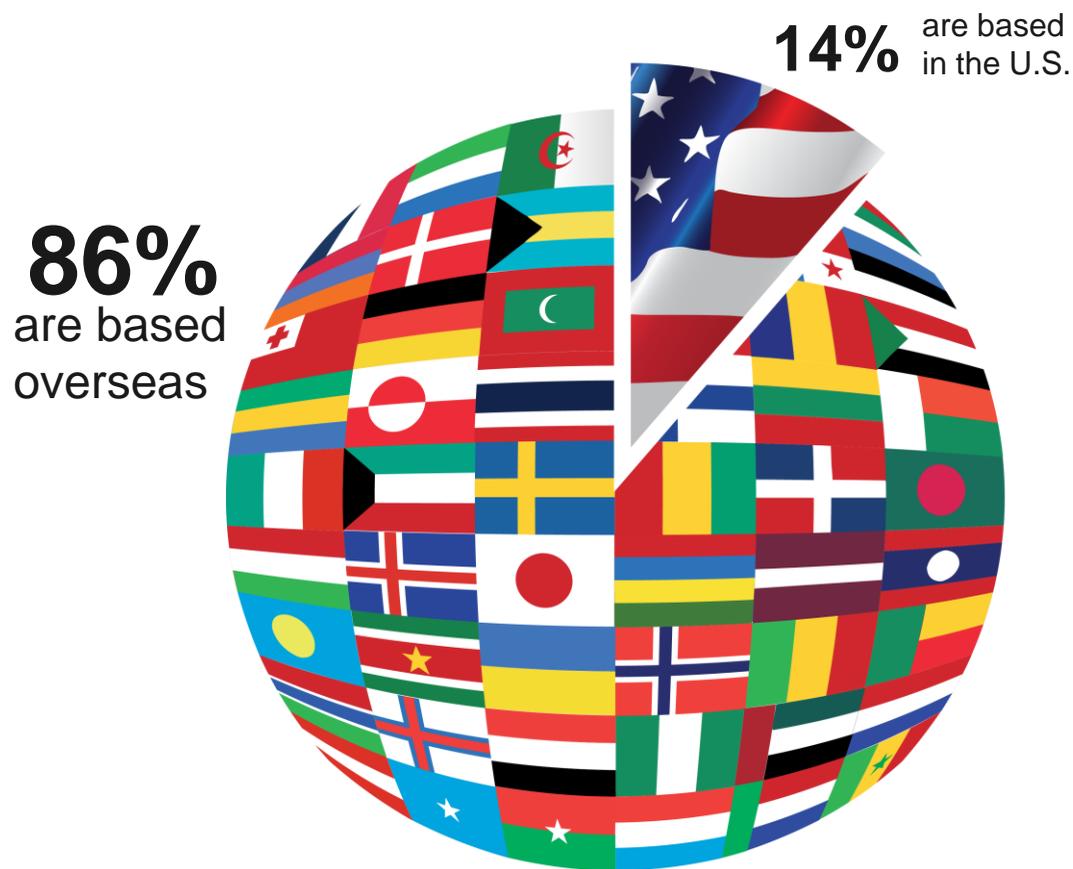


Source: Dimson, Marsh, and Staunton (Credit Suisse, 2009) and The Triumph of the Optimists (Princeton: Princeton University Press, 2008). **Past performance is not a reliable indicator or a guarantee of future results.** The global market may not perform in a similar manner under similar conditions in the future. For illustrative purposes only and does not represent the performance of any Lord Abbett mutual fund or any particular investment.



# HIGH-DIVIDEND STOCKS: OFFER OPPORTUNITY ABROAD

GLOBAL STOCKS\* WITH DIVIDENDS > 4% AND MARKET CAP > \$1.5B  
(AS OF 09/30/2015)





# INTERNATIONAL HIGH-DIVIDEND STOCKS: ADD DIVERSIFICATION

NUMBER OF STOCKS BY SECTOR WITH DIVIDENDS > 4% AND MARKET CAP. > \$1.5B (AS OF 09/30/2015)

Sector	MSCI ACWI Index	
	Number of International Stocks	Number of U.S. Stocks
Financials	146	20
Energy	42	13
Industrials	38	4
Materials	35	1
Telecomm.	33	4
Utilities	30	10
Cons. Disc.	29	7
Info Tech.	19	4
Cons. Staples	12	2
Health Care	3	0

DIVIDEND YIELDS ARE HIGHER INTERNATIONALLY IN 8 OUT OF 10 SECTORS (AS OF 09/30/2015)

Sector	MSCI ACWI ex-U.S. Index Dividend Yield	S&P 500 Index Dividend Yield
Financials	<b>3.93%</b>	2.01%
Energy	<b>5.60%</b>	3.70%
Industrials	<b>2.54%</b>	2.35%
Materials	<b>3.80%</b>	2.52%
Telecomm.	3.98%	<b>4.97%</b>
Utilities	<b>4.04%</b>	3.77%
Cons. Disc.	<b>2.36%</b>	1.51%
Info Tech.	<b>2.19%</b>	1.58%
Cons. Staples	2.54%	<b>2.66%</b>
Health Care	<b>2.46%</b>	1.63%

Source: FactSet. **Past performance is no guarantee of future results.** For illustrative purposes only and does not represent the performance of any Lord Abbett mutual fund or any particular investment. Dividends are not guaranteed and may be increased, decreased, or suspended altogether at the discretion of the issuing company. Diversification does not guarantee a profit or protect against loss in declining markets.



# INT'L STOCKS OFTEN HAVE LARGER YIELDS THAN U.S. EQUIVALENTS

## YIELDS OF U.S. AND INTERNATIONAL COMPETITORS IN THE SAME INDUSTRIES (AS OF 09/30/2015)

International-Based Company	Stock Dividend Yield		U.S.-Based Company	Stock Dividend Yield
<b>Bank of China Ltd.</b> A China-based banking & financial services company—top 10 largest in the world with \$2.4T in assets.	<b>7.0%</b>	➔	JP Morgan Chase & Co.	2.9%
<b>GlaxoSmithKline plc</b> A U.K.-based pharmaceutical & consumer healthcare company—top ten largest in the world by revenue.	<b>6.3%</b>	➔	Johnson & Johnson	3.2%
<b>EDP - Energias de Portugal S.A.</b> Portugal's largest utility, EDP is involved in the distribution of electricity and natural gas.	<b>5.7%</b>	➔	Public Service Enterprise Group, Inc. (PSE&G)	3.7%
<b>TeliaSonera AB</b> A multinational telecommunications corporation—the leading telephone/mobile operator in Sweden & Finland.	<b>6.7%</b>	➔	Verizon Communications, Inc.	5.2%
<b>ENI S.p.A.</b> A multinational oil and gas company— one of Italy's largest, employing over 80,000 people.	<b>6.8%</b>	➔	ConocoPhillips	6.2%

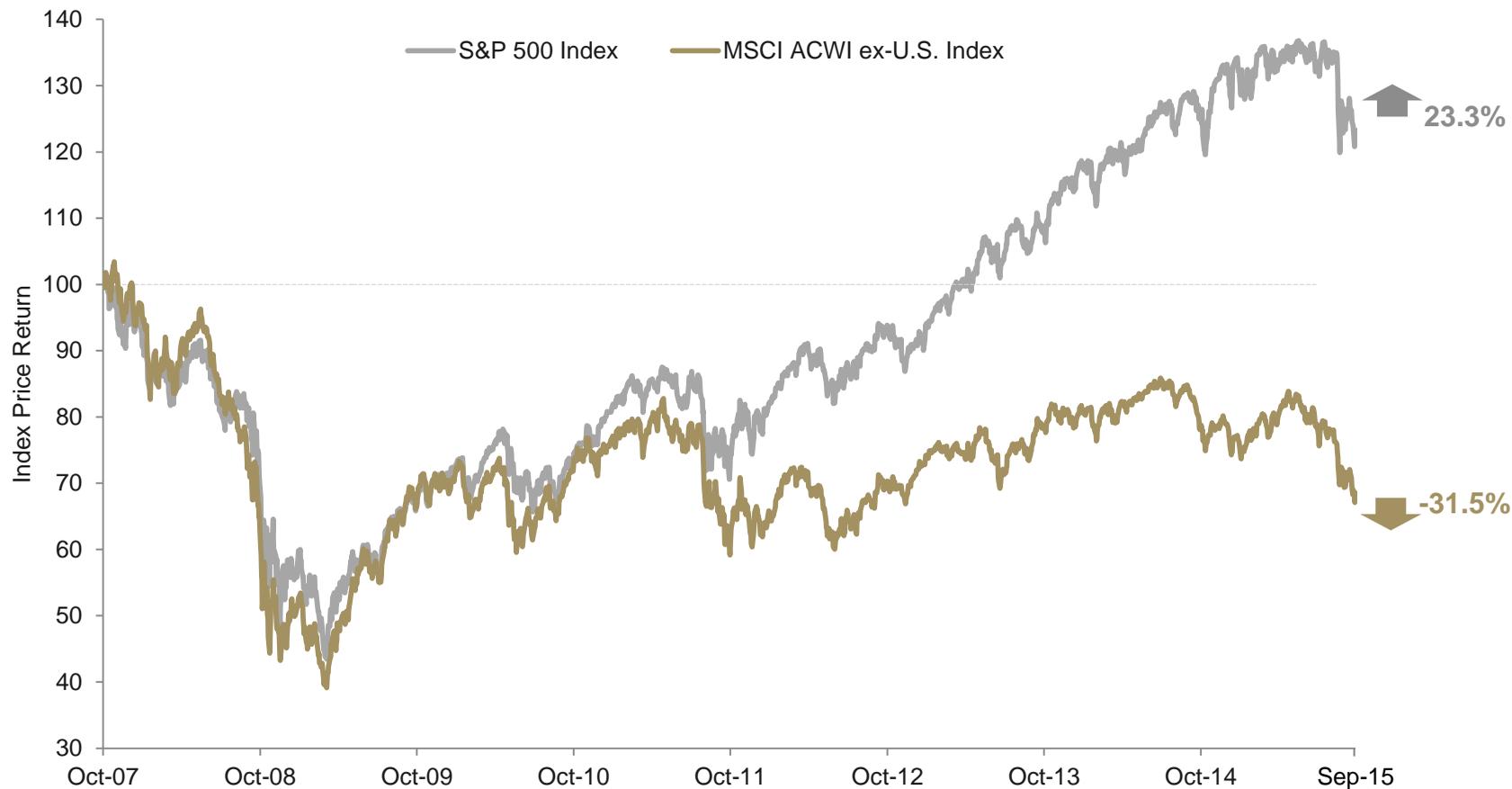
Source: FactSet. For illustrative purposes only and does not represent any specific Lord Abbett mutual fund or any particular investment. Due to market volatility, the market may not perform in a similar manner in the future.



# INTERNATIONAL STOCKS HAVE NOT REACHED PRIOR PEAKS

## INTERNATIONAL VERSUS U.S. STOCK RETURNS

(AS OF 09/30/2015)



Source: FactSet

**Past performance is no guarantee of future results.** For illustrative purposes only and does not represent any specific Lord Abbett mutual fund or any particular investment. Indexes are unmanaged, do not reflect the deduction of fees and expenses, and are not available for direct investment.



# TRANSLATING DIVIDENDS INTO PERFORMANCE

## INTERNATIONAL DIVIDEND INCOME FUND

CLASS A SHARE TICKER: LIDAX

### Veteran International Managers

The management team are pioneers in exploring international equities, investing abroad since the 1980's in what were once uncharted and unknown markets to the average U.S. investor.

### Dividend Income with Valuation Focus

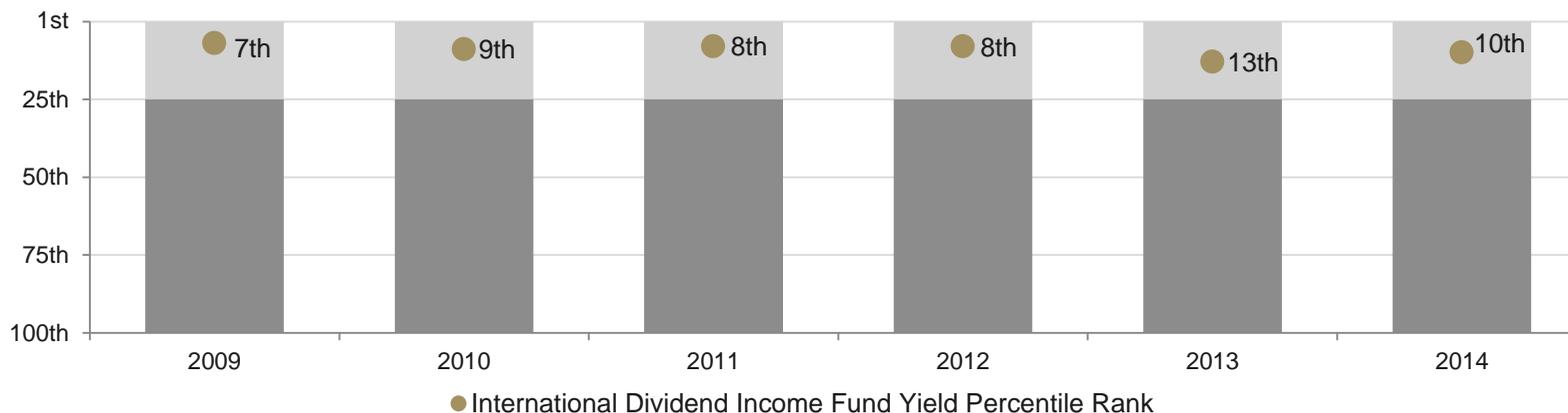
The strategy has a narrow focus on stocks that have consistently offered the highest dividend yields, only selecting those with attractive valuations, strong fundamentals, and sound management teams.

### Diversification and Income

The resulting portfolio of high dividend value stocks is diverse in its sector exposure, and has taken advantage of the power of reinvested dividends to consistently deliver high income relative to its peers.

## Top-Quartile Yield Rankings Versus Peer Group

Historical Dividend Yield Percentile Ranking In Morningstar Foreign Large Value Category



The 30-Day Standardized Yield as of 09/30/2015 is 3.62%.

Source: Morningstar. Represents the 12-month dividend yield ranking of the International Dividend Income Fund Class A share in the Morningstar Foreign Large Value category. The ranking for each time period shown is: (2/32) as of 12/31/2009, (3/34) as of 12/31/2010, (3/37) as of 12/31/2011, (3/39) as of 12/31/2012, (5/40) as of 12/31/2013 and (4/42) as of 12/31/2014. The information in the chart is based on historical data as of the date indicated. Please note that the ranking information shown above reflects the Fund's relative performance to other mutual funds within the Fund's peer group (Morningstar Category) and does not reflect the absolute performance of the Fund. It is possible that during any given timeframe within the periods shown above the Fund may have had negative performance. Yields are based on past performance. **Past performance is no guarantee of future results.**



# A VETERAN TEAM LED BY PIONEERS IN INTERNATIONAL INVESTING

## Insightful Portfolio Management



**Vincent J. McBride**  
Partner & Director  
28 Years



**Todd D. Jacobson, CFA**  
Partner & Associate Director  
27 Years

## Leveraging Deep Resources Across the Firm

2 International Portfolio Managers

1 International Strategist

29 Global Equity Analysts

19 U.S. Equity Investment Professionals

50 Fixed Income/Currency Investment Professionals

9 Equity Traders



Years refers to years of industry experience as of 01/01/2015.

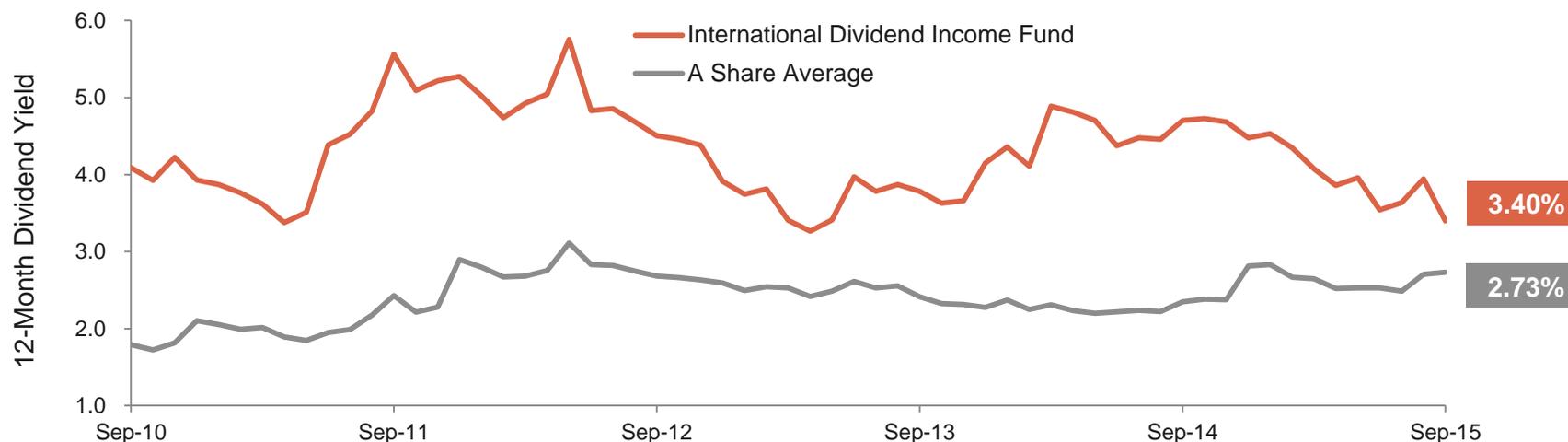


# A FOCUS ON HIGH DIVIDENDS WITH ATTRACTIVE VALUATIONS

## COMPETITIVE INCOME

(AS OF 09/30/2015)

**The Fund ranks in the 10<sup>th</sup> Percentile for dividend yield in its category.\***



## GENERATED BY A HIGH-DIVIDEND PORTFOLIO

**The Fund has 79 total stocks; 62 of those companies also have corporate debt outstanding:**

- 53 of the 62 stocks have dividend yields greater than their corporate bond yields.
- On average, their dividend yields are 264bps higher than their corporate bond yields
- On average, their dividend yields are 326bps higher than their countries' 10-yr. sovereign bonds

Source: Morningstar Direct, BNY Mellon, Bloomberg.

\*Morningstar Foreign Large Value Category A share data as of 12/31/2014.

The 30-day standardized yield as of 09/30/2015 is 3.62%.

**The performance data quoted reflect past performance and are no guarantee of future results.** Sharp market fluctuations can materially change the character of a mutual fund's track record. It is possible that during any given time frame within the periods shown above the Fund may have had negative performance.



## INTERNATIONAL DIVIDEND INCOME FUND: TOP TWENTY HOLDINGS (AS OF 09/30/2015)

Stock	Sector	% of Portfolio	Yield
National Australia Bank Limited	Financials	2.5%	6.6%
Imperial Tobacco Group PLC	Consumer Staples	2.4%	4.1%
Snam S.p.A.	Utilities	2.4%	5.4%
National Grid plc	Utilities	2.1%	4.7%
Whitecap Resources Inc.	Energy	2.1%	7.1%
Royal Dutch Shell Plc Sponsored ADR Class A	Energy	2.0%	6.7%
Berkeley Group Holdings plc	Consumer Discretionary	2.0%	5.4%
Enagas SA	Utilities	1.9%	5.1%
Teliasonera AB	Telecommunication Services	1.9%	6.7%
SSE plc	Utilities	1.8%	5.9%
freenet AG	Telecommunication Services	1.8%	5.1%
EDP - Energias de Portugal SA	Utilities	1.7%	5.7%
HSBC Holdings plc	Financials	1.7%	6.3%
Total SA Sponsored ADR Class B	Energy	1.7%	5.3%
Crescent Point Energy Corp.	Energy	1.6%	16.4%
Nestle S.A.	Consumer Staples	1.6%	3.0%
Rio Tinto plc Sponsored ADR	Materials	1.6%	6.6%
CK Hutchison Holdings Ltd	Industrials	1.6%	3.7%
Roche Holding Ltd Genusssch.	Health Care	1.6%	3.1%
ITV plc	Consumer Discretionary	1.6%	1.9%

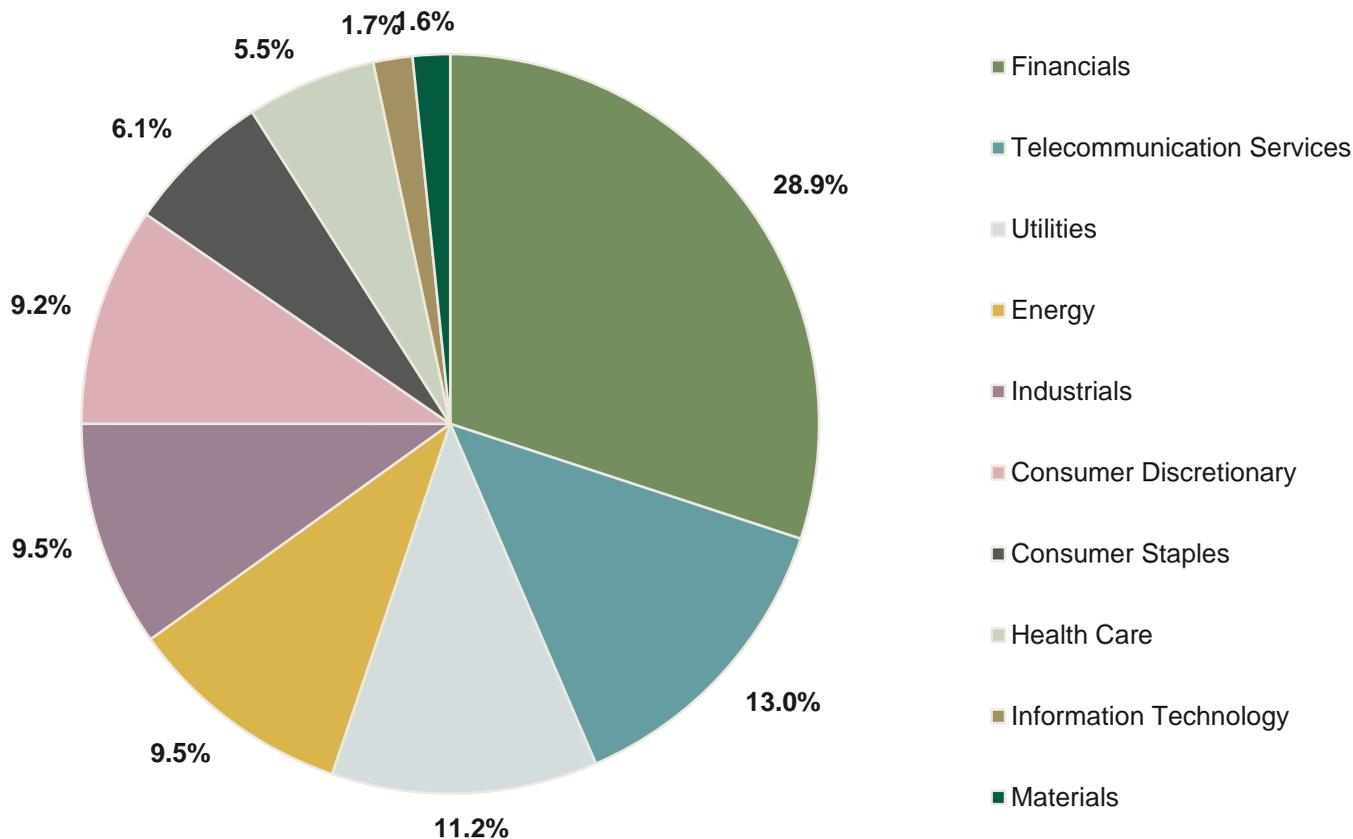
**The Fund actively seeks international high-dividend stocks with attractive valuations.  
The total portfolio of 79 stocks has an average forward 12-month P/E ratio of 12.78.**

Source: Factset and Lord Abbett.

**Past performance is no guarantee of future results.** For illustrative purposes only and does not represent any specific Lord Abbett mutual fund or any particular investment. Dividends are not guaranteed and may be increased, decreased, or suspended altogether at the discretion of the issuing company. The Fund's portfolio is actively managed and is subject to change. The Fund's portfolio data is of the 20 largest holdings and should not be relied upon as a complete listing of a fund's holdings. Holdings are for informational purposes only and are not a recommendation to buy, sell, or hold any security. Please refer to the Fund's Portfolio tab at lordabbett.com for a complete and current list of holdings.



## INTERNATIONAL DIVIDEND INCOME FUND: SECTOR BREAKDOWN (AS OF 09/30/2015)



The Fund's portfolio is actively managed and may change over time.



# INTERNATIONAL DIVIDEND INCOME FUND: PERFORMANCE

## AVERAGE ANNUAL TOTAL RETURNS

CLASS A SHARES (AS OF 09/30/2015)

International Dividend Income Fund	1 Year	3 Years	5 Years	Since Inception (06/30/2008)
Net Asset Value: (without sales charge)	-16.87%	1.00%	1.03%	-0.40%
Maximum Offering Price: (with 5.75% maximum sales charge)	-21.68%	-0.97%	-0.17%	-1.20%

Expense ratio<sup>1</sup>: net: 1.12% gross: 1.14

**Without sales charge (NAV):** The net asset value performance above shows the Fund's average annual total returns (Class A ) excluding sales charges. If sales charges, including any applicable contingent deferred sales charge (CDSC) had been included, performance would have been lower.

**With sales charge (MOP):** Performance of Class A shares with sales charge reflects the reinvestment of all distributions and includes initial maximum 5.75% sales charge. Certain purchases of Class A shares without a sales charge are subject to CDSC. The CDSC is not reflected in the performance shown. Please see the prospectus for more details.

<sup>1</sup> Reflects expenses for the Fund's fiscal year-end and is subject to change. Fund expenses may fluctuate with market volatility. A substantial reduction in Fund assets (since its most recently completed fiscal year), whether caused by market conditions or significant redemptions or both, will likely cause total operating expenses (as a percentage of Fund assets) to become higher than those shown. The net expense ratio takes into account a contractual management fee waiver/expense reimbursement agreement that currently is scheduled to remain in place through 02/29/2016. For periods when gross expenses exceeded the cap, the Fund benefited by not bearing certain expenses. Without such cap, performance would have been lower.

**The performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The investment return and principal value of an investment in the Fund will fluctuate so that shares, on any given day or when redeemed, may be worth more or less than the original cost. You can obtain performance data current to the most recent month-end by calling Lord Abbett at 888-522-2388 or referring to lordabbett.com.**

Class A shares purchased without a sales charge will be subject to a 1% CDSC if they are redeemed before the first day of the month in which the one-year anniversary of the purchase falls. Please see the prospectus for more details.



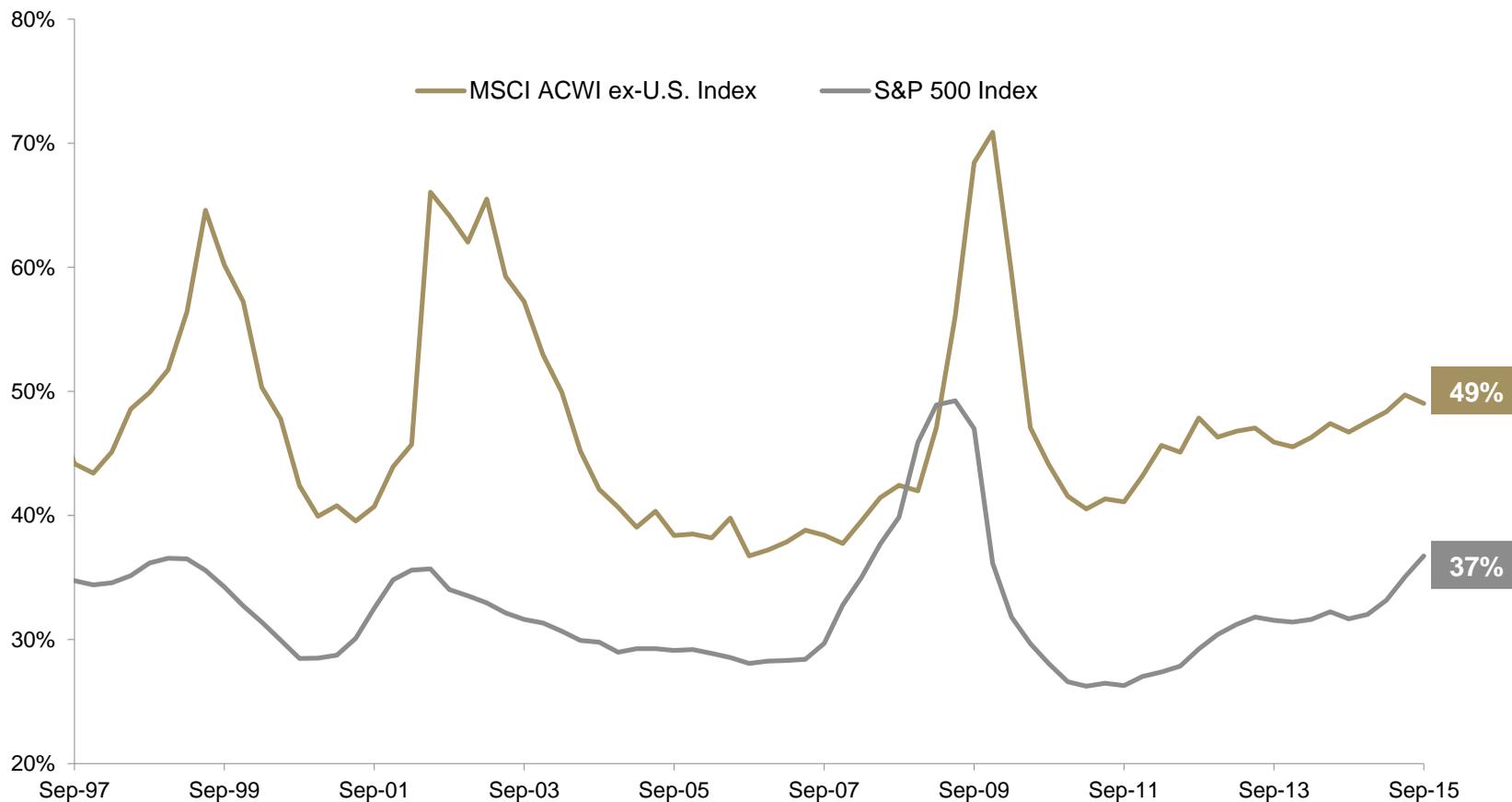
## APPENDIX

LORD ABBETT



# HIGHER OVERALL DIVIDEND PAYOUT RATIOS ABROAD

INTERNATIONAL DIVIDEND PAYOUT RATIOS HAVE OUTPACED THOSE IN THE U.S.  
(09/30/1997-09/30/2015)



Source: BofAML and MSCI in FactSet.

For illustrative purposes only. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment.



# IMPORTANT INFORMATION

*Many of the slides in this presentation are only for illustrative purposes and are intended to provide general investment education and are not intended to provide legal, tax or investment advice. It is not intended to be relied upon as a forecast or research regarding a particular investment or the markets in general, nor are they intended to predict or depict performance of any investment or serve as a recommendation or offer to buy or sell securities.*

The projections or other information generated for this presentation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. The hypotheticals are based on a statistical analysis of historical data and are not a representation on any particular investment. Although the data provided in the presentation come from reliable sources Lord Abbett cannot guarantee the accuracy of completeness of any statements or data contained herein.

**A Note about Risk:** The value of investments in equity securities will fluctuate in response to general economic conditions and to changes in the prospects of particular companies and/or sectors in the economy. The foreign securities in which the Fund primarily invests generally pose greater risks than domestic securities, including greater price fluctuations and higher transaction costs. Foreign investments also may be affected by changes in currency rates or currency controls. With respect to certain foreign countries, there is a possibility of nationalization, expropriation or confiscatory taxation, imposition of withholding or other taxes, and political or social instability that could affect investments in those countries. These risks can be greater in the case of emerging country securities. A company's dividend payments may vary over time, and there is no guarantee that a company will pay a dividend at all. The market may fail to recognize the intrinsic value of particular value or dividend-paying stocks the Fund may hold. In addition to large company stocks, the Fund may invest in mid- and small-sized stocks, which tend to be more volatile and may be less able to weather economic shifts or other adverse developments. The Fund is subject to the risks associated with derivatives, which may be different from and greater than the risks associated with investing directly in securities and other investments. These factors can affect Fund performance.

12-Month Dividend Yield is a financial ratio that shows how much a mutual fund pays out in dividends each year relative to its Net Asset Value (NAV) or Maximum Offering Price (MOP). The fund's dividend yield is calculated by dividing the fund's income distributions over the previous year by the fund's current NAV or MOP.

30-Day Standardized Yield represents net investment income earned by a fund over a 30-day period. It is expressed as an annual percentage rate using a method of calculation adopted by the Securities and Exchange Commission (SEC). Yields for other share classes will vary.

Price/Earnings (P/E) ratio is a ratio that reflects how much a stock costs relative to its earnings. It is calculated by dividing the current stock price by the estimated future earnings per share.

**Morningstar Foreign Large Value:** These funds seek capital appreciation by investing in large international stocks that are value-oriented. Large-cap foreign stocks have market capitalizations greater than \$5 billion. Value is defined based on low price/book and price/cash-flow ratios, relative to the MSCI EAFE Index. These funds typically will have less than 20% of assets invested in U.S. stocks.

Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment.

© 2015 Morningstar, Inc. All Rights Reserved. The information contained: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

***This material must be accompanied or preceded by the Fund's current prospectus or summary prospectus. The summary prospectus and prospectus contains important information about the Fund, including the Fund's investment objectives, risks, charges and ongoing expenses that an investor should read and carefully consider before investing. Please click [here](#) for the Fund's current prospectus or summary prospectus.***

Lord Abbett mutual fund shares are distributed by LORD ABBETT DISTRIBUTOR LLC, 90 Hudson Street, Jersey City, NJ 07302-3973